



مدينة مصر
Madinet Masr
تأسست ١٩٥٩



DRIVING GROWTH IN EGYPT BY
**DEVELOPING SUSTAINABLE
COMMUNITIES**

ANNUAL REPORT

2023



C O N T E N T S





OUR STORY



Table of Contents



AT A GLANCE

Madinet Masr is a leading urban community developer in Egypt with an impressive legacy spanning over 60 years. We specialize in building large-sale, multi-functional communities in strategic locations across Egypt.

We have cemented our position as a top-tier community developer and urban planner in Egypt, building upon our successful creation of Nasr City — the largest urban area in Greater Cairo. Since then, we have capitalized on our extensive market knowledge to embark on expansive ventures, focusing on crafting contemporary, integrated communities and innovative solutions. Presently, we are constructing three mixed-use developments, two situated in East Cairo and one in Assiut, aiming to redefine modern living standards in Egypt. With a focus on innovation, sustainability, and uncompromising quality, we strive to build communities where residents can thrive and connect.

Our projects are tailored to meet the growing need for residential and commercial properties in response to Egypt’s expanding population. With this in mind, we provide a wide range of amenities, services, sports facilities, schools, retail outlets, and entertainment centers to cater to various homeowner preferences and requirements. Innovation and customer satisfaction are at the core of our operations, ensuring that we meet the diverse needs of our clients effectively.

Headquartered in Cairo and publicly listed on the Egyptian Exchange (EGX), we adhere to rigorous corporate governance standards and are dedicated to delivering outstanding value to all stakeholders.



INNOVATION FOR SUSTAINABLE COMMUNITIES

Our Story

At A Glance

A Note from Our Chairman

A Note from Our CEO

Our Heritage

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements



A premier real estate developer meeting the housing requirements of millions of Egyptians since

1959

65

Years of operation

537

Employees

17,009

Units sold – Active projects

5,131

Deliveries – Active projects

22

Active projects

8.7^{BN}_{ECP}

Market cap*

*As of 31 December 2023



Table of Contents



A NOTE FROM OUR CHAIRMAN



Our Story

At A Glance

A Note from Our Chairman

A Note from Our CEO

Our Heritage

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Dear Shareholders,

It is with great pleasure and pride that I present to you Madinet Masr's 2023 Annual Report. As we reflect on the past year, it is evident that our journey as a leading real estate developer in Egypt continues to be defined by resilience, innovation, and unwavering commitment to our stakeholders. In 2023, we delivered exceptional results and significant operational milestones marked by successful launches across our developments and the introduction of innovative solutions to the real estate market.

Madinet Masr stands tall on the pillars of a stellar record and heritage, fortified by a robust strategy and unwavering fundamentals. Amid a backdrop of macroeconomic challenges, including persistent inflationary pressures and currency devaluations in Egypt, our Company has not only weathered the storm but has emerged stronger, demonstrating resilience in the face of adversity. This is in part driven by the fact that in times of uncertainty, people instinctively turn to the stability and tangible value offered by real estate assets as a means to safeguard their financial interests. To that end, our unique value proposition and consistent track record have ramped up demand from both homebuyers and investors for new launches across our developments.

Despite the challenging environment, Egypt's real estate market presents untapped potential, fueled by the country's burgeoning population and increasing urbanization. At Madinet Masr, we recognize the immense opportunities that lie ahead and are steadfast in our commitment to capitalize on them. Given the growing demand for high-quality properties, both residential and commercial, we plan to remain ahead of the curve in terms of our diverse offerings to capture rising demand in the Egyptian market.

This year, we continued to build on the Company's restructuring in 2021 and the rebranding of our identity by continuously implementing dynamic strategies to maintain our unique position in light of shifting market dynamics. To that end, I am proud to announce that we have successfully launched "Madinet Masr Innovation Labs", enabling us to propel the Company forward with transformational solutions in the real estate industry. Through the launch of Touba, our digital payments solution for the real estate market, we were able to cater to the rising demand for flexible payment plans amid economic headwinds affecting individuals across all segments.

Central to our vision is not merely the construction of houses but the creation of sustainable communities that resonate with the unique aspirations and needs of our customers. We understand that our responsibility extends beyond brick and mortar; it encompasses the creation of environments where families thrive, businesses flourish, and communities prosper. Additionally, we are continuously scanning the market for opportunities to expand our geographical footprint beyond Nasr City and East Cairo, as evident by the launch of Zahw, a mixed-use development in Assiut.

Pursuant to our customer-centric model, we are continuously working to identify evolving consumer preferences to cater to shifting patterns in urban living. On that front, we have an unwavering commitment to developing communities that foster a sense of belonging, comfort, and safety. Therefore, our three developments, Taj City, Sarai, and Zahw, are all strategically located and encompass a mix of characteristics catering to the preferences of a broad range of segments.

Looking ahead, we are well-positioned to spearhead the ongoing transformation in the Egyptian real estate market through the launch of new projects across our developments, as well as the introduction of innovative solutions to address shifting market dynamics. We will continue to leverage our stellar track record, solid fundamentals, and the expertise of our Board of Directors to navigate challenges and deliver on our ambitious strategies.

We are proud of what we achieved in 2023 and remain vigilant with regards to our investments and sound business practices. We are committed to maximizing shareholder value by delivering on our ambitious vision and growth strategy in 2024. On behalf of the Board, I would like to extend our sincere gratitude to Madinet Masr's shareholders, customers, and employees.

Hazem Barakat
Chairman



Table of Contents



A NOTE FROM OUR CEO



Our Story

At A Glance

A Note from Our Chairman

A Note from Our CEO

Our Heritage

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Dear Shareholders,

I am delighted to report on yet another year of record-breaking results and significant milestones in our long-term strategy, driven by the launch of unique communities across our developments as well as the introduction of our first innovative digital solution to the Egyptian real estate market. Additionally, we continued to build on our rebranding of Madinet Masr by capitalizing on our newfound identity and transformational strategy to solidify our unique position as a premier real estate developer.

During the year, we sustained our focus on continuously adapting our strategies to shifting market dynamics. As such, we have transformed our approach to that of a customer-centric model, underscoring our commitment to building communities that cater to the preferences of a broad and diverse range of segments. Additionally, we continued to deliver on our growth strategy through the launch of new projects within our existing developments, as well as the introduction of Madinet Masr's first development outside of East Cairo, Zahw, a strategically located mixed-use development in West Assiut.

As part and parcel of our strategy and identity, we are committed to developing sustainable urban communities that encompass amenities and characteristics that foster a sense of belonging and comfort to our residents. To that end, we have formed partnerships with leading companies across multiple sectors to deliver end-to-end communities, allowing us to reconstruct the idea of modern urban living. On the sustainability front, I am pleased to announce that we have signed a groundbreaking MoU with Elmarakby Steel to enhance environmental and economic sustainability across our construction sites. In addition, we have taken significant strides in enhancing resource efficiency, reducing energy consumption, and phasing out paper usage across our operation.

Despite prevailing market conditions, characterized by high inflationary pressures, the devaluation of the Egyptian Pound (EGP), and geopolitical tensions, our business model has proven resilient with the Company achieving significant growth in 2023. To that end, revenue grew significantly by 48% to EGP 7.6 billion, representing the highest top-line figure recorded in the Company's history. Meanwhile, net profit more than doubled year-on-year to record EGP 2.1 billion, yielding an expanded margin of 27.8% compared to 14.5% in 2022. On the operational front, gross contracted sales increased by 194% to reach EGP 29.9 billion, reflecting the success of new launches across our developments. It is also worth noting that one of our main operational strengths is that our impressive 9.6 million sqm land bank is owned in freehold, which secures years of sales providing us with strong cash flow visibility and stability for our business amid ongoing market turbulence. On the back of this growth and cash standing, Madinet Masr has distributed cash dividends of EGP 0.15 per share in 2023 with a total of EGP 315.0 mn, in line with our continuous enhancements to shareholder returns.

On the innovation and digital transformation fronts, we have made significant investments in enhancing our operations through deploying the most advanced technologies across the organization. We have implemented the Salesforce CRM software and the SAP ERP system, both of which have resulted in enhanced efficiency, improved customer satisfaction, and better cost management. In terms of innovation, I am immensely proud to announce the launch of our new R&D arm "Madinet Masr Innovation Labs", underscoring our commitment to our long-term vision of consistently delivering ground-breaking and cutting-edge solutions to the real estate market. As such, we have launched Madinet Masr's first innovative digital solution, Touba, a pioneering online platform that facilitates flexible payments in the real estate industry amid rising demand for such services in light of the ongoing economic crisis. To that end, Touba is poised for significant growth as it is designed to tackle one of the biggest issues impacting the real estate sector, which is also a testament to our commitment to spearheading the ongoing transformation in the industry.

Looking ahead, we remain committed to developing end-to-end, sustainable communities by continuously adapting our strategies to shifting market dynamics. Additionally, we plan to expand our sustainability efforts by implementing best practices across our developments and offices to reduce energy consumption, eliminate paper usage, and enhance resource efficiency. In 2024, we aim to become a 100% paper-less environment, which is a testament to our commitment to continuously improving our sustainability performance. On the innovation front, we will leverage the newly founded Madinet Masr Innovation Labs to enhance our existing platforms and introduce new solutions to the issues impacting our industry.

I would like to extend my thanks to our esteemed Board of Directors for their invaluable support and our employees for their vital contributions to our success. I would also like to extend my gratitude to our customers for their loyalty and trust in Madinet Masr. I am confident that we are well-positioned to maintain our growth trajectory in 2024 and beyond.

Abdallah Sallam

President & Chief Executive Officer



Table of Contents



Our Story

At A Glance

A Note from Our Chairman

A Note from Our CEO

Our Heritage

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

OUR HERITAGE



1959

- Madinet Masr is established as a governmental institution by order of President Gamal Abdel Nasser with a mandate to develop large-scale master projects for Cairo's Madinet Nasr district

1975

- Madinet Masr completes work on the iconic monument of The Unknown Soldiers to honor the martyrs of the 1973 October War. The monument is also the resting place of late President Anwar El Sadat

1996

- Madinet Masr is listed on the Egyptian Exchange (EGX)

2017

- Madinet Masr launches Sarai, a mixed-use megaproject located Near Egypt's new administrative capital
- Madinet Masr's gross contracted sales records EGP 4.7 BN



2012

- Madinet Masr enters the integrated communities segment with the launch of Taj City, a mega development in New Cairo
- Madinet Masr's gross contracted sales exceeds EGP 200 MN



2009

- Madinet Masr's business model is updated to include off-plan sales

2006

- BPE Partners acquires 30% of Madinet Masr, bringing together a team with international experience and extensive local knowhow

2020

- Madinet Masr's gross contracted sales records EGP 5.1 BN

2021

- Madinet Masr acquires Minka Developments
- Abdullah Sallam is appointed as Madinet Masr's CEO

2022

- Madinet Masr's gross contracted sales records EGP 10.2 BN

2023

- Madinet Nasr for Housing & Development rebrands to Madinet Masr
- Madinet Masr launches Zahw in West Assiut
- Madinet Masr launches its new R&D arm "Madinet Masr Innovation Labs" to bring forth new innovative concepts to the real estate market. The first product, Touba, offers innovative solutions for purchasing and investing in real estate
- Madinet Masr's gross contracted sales records EGP 29.9 BN, in addition to EGP 2.2 BN at subsidiaries

**A RECORD-
BREAKING YEAR**





Table of Contents



Our Story

A Record-Breaking Year

Operational Review

Financial Performance

Driving Growth

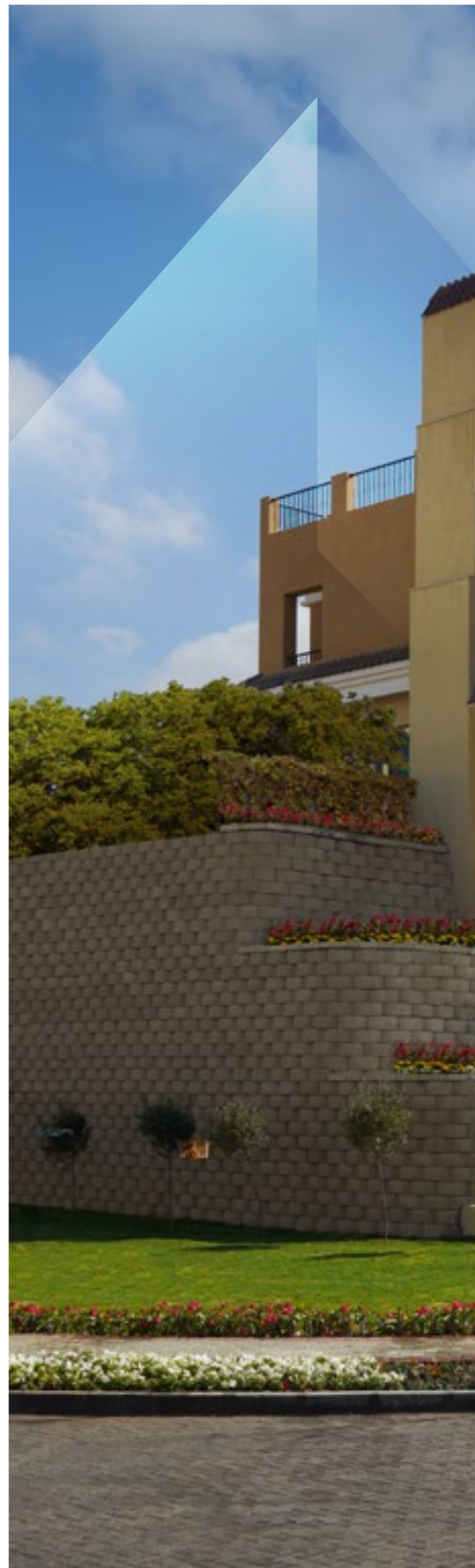
Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements



OPERATIONAL AND FINANCIAL PERFORMANCE

Madinet Masr delivers a historic year with gross contracted sales and net profit nearly tripling year-on-year, reflecting the success of new project launches and the effectiveness of the Company's strategic approach.



Operational Review

In 2023, Madinet Masr recorded stellar results having tripled its gross contracted sales to reach EGP 29.9 billion, representing a 194.3% y-o-y increase. Approximately 58% of the Company's gross contracted sales in 2023 were generated at Taj City, while 41.7% were recorded at Sarai. During the year, Madinet Masr sold a total of 5,443 units, representing a 69.3% y-o-y increase. The Company sold 2,934 units at Taj city, 2,494 units at Sarai, and

15 units at other projects. Sales growth during the year came on the back of successful launches of new developments across Madinet Masr's three different projects, as well as its subsidiaries, with EGP 28 billion in sales being generated by newly launched zones.

Subsidiaries – Minka and EgyCan – booked EGP 2.2 billion in contracted sales, bringing total contracted sales to **EGP 32 billion**.



Table of Contents



Our Story

A Record-Breaking Year

Operational Review

Financial Performance

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Deliveries

In 2023, Madinet Masr delivered a total of 1,103 units across its developments, representing a 46.7% y-o-y decline due to the high-base comparison, with higher inventory of ready-to-move units in 2022. During the year, we completed 933 handovers at Sarai (FY 2022: 1,488), 123 handovers at Taj City (FY 2022: 558), and 47 handovers at Nasr Gardens (FY 2022: 24), a subsidized housing project.

Cash Collections

Madinet Masr's cash collections grew 80.9% to reach EGP 6.4 billion in 2023. Additionally, the Company booked a delinquency

rate of 2.0% in 2023, down from 2.9% in 2022. This decline in the delinquency reflects the Company's efforts to eliminate nonperforming contracts from its receivables portfolio.

CAPEX

In 2023, Madinet Masr deployed construction and infrastructure CAPEX worth EGP 2.1 billion, up from EGP 1.8 billion in 2022. The Company deployed EGP 1.4 billion at Taj City, EGP 507.7 million at Sarai, and EGP 256.7 million at other projects. To that end, total new construction contracts awarded in 2023 recorded EGP 4 billion.

Financial Performance

Revenue

Madinet Masr recorded revenues of EGP 7.6 billion, representing a 48.1% y-o-y increase, reflecting a strong gross contracted sales value. Revenues from deliveries generated EGP 1.5 billion, down 49.6% y-o-y in 2023. Meanwhile, revenue from new sales grew 137.3% y-o-y to reach EGP 5.7 billion in 2023 on the back of successful launches across Madinet Masr's projects. At the close of 2023, Madinet Masr had an unrecognized backlog of EGP 33.2 billion, calculated at the nominal price of undelivered sales.

Gross Profit

Gross profit was up 152.5% y-o-y to reach EGP 5.0 billion, yielding an expanded margin of 66.0% compared to 38.7% in 2022, mainly driven by the Company's strong top-line growth for the year. Additionally, the expansion in gross profit margin came on the back of an increase in revenue from new sales with higher margins compared to unit deliveries with lower margins.

EBITDA

EBITDA grew 128.1% y-o-y to reach EGP 3.1 billion in 2023, yielding an expanded margin of 40.5% in 2023 compared to 26.3% in 2022. The expansion in the associated EBITDA margin was mainly driven by an increase in the share of new sales with higher profit margins in the Company's revenue mix.

Net Profit

Net profit almost tripled to reach EGP 2.1 billion in 2023, mainly driven by top-line growth and expanded profitability at all levels. Additionally, the Company recorded an expanded net profit margin of 27.8% in 2023 compared to 14.5% in 2022, bolstered by an increase in gross profit margin.

Cash & Cash Equivalents

Our cash position remains strong, as Madinet Masr held cash and cash equivalents excluding customer maintenance deposits of EGP 2.0 billion as of 31 December 2023, representing an increase of 11.3% y-o-y.

Debt

At the end of 2023, outstanding debt stood at EGP 2.1 billion, representing a 35.5% y-o-y decline from EGP 3.2 billion booked at the end of 2022, mainly driven by the full repayment of a syndicated loan. As such, debt-to-equity ratio booked 0.28 in 2023, compared to 0.66 in 2022. Net debt also fell to reach EGP 35.6 million in 2023 compared to EGP 1.4 billion in 2022. To that end, net debt-to-EBITDA ratio stood at 0.01 at the end of 2023, compared to a ratio of 1.03 as of 31 December 2022. The Company's debt position reflects its strategy to optimize efficient utilization of borrowing to support growth and manage financial risk.

Notes Receivable

Madinet Masr's notes receivable stood at EGP 4.0 billion at the close of 2023, of which EGP 2.6 billion were short-term receivables, EGP 1.2 billion long-term receivables, and EGP 315.3 million were due from customers. Total accounts and notes receivable, including off-balance sheet PDCs for undelivered units, stood at EGP 29.8 billion at the close of 2023, up by 224% from the EGP 9.2 billion recorded at the end of 2022. During the year, we closed an EGP-805-million securitization transaction in 1Q23 and closed EGP 652 million in cheques discounting in 4Q23, bringing cumulative gross securitized receivables to EGP 2.2 billion as of 31 December 2023. At year end, the receivables-to-net debt ratio stood at 113.4, up from a ratio of 2.8 at the end of 2022.

Dividends

Madinet Masr distributed dividends of EGP 0.15 per share during 2023 with a total of EGP 315.0 mn, as opposed to 2022 where no dividends were distributed. This year's dividend are a reflection of the excellent financial standing and have resulted in a Dividend Yield of 3.7% and a Payout Ratio of 15.1% for the year.



**DRIVING
GROWTH**





Table of Contents



OUR CULTURE

At Madinet Masr, culture defines how we work, collaborate, and serve our community. Rooted in the rich, yet ever evolving, heritage of Egypt, our culture forms the cornerstone of our identity, guiding our actions and shaping our future.

Our Story

A Record-Breaking Year

Driving Growth

Our Culture

Our Strategy

Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements



Our Purpose

To become the leading real estate developer in Egypt that builds for the future by developing sustainable communities for growth.



Our Vision

Being the brand of choice for customers by ensuring sustainability, flexibility, and quality in every step we take.



Our Values

Our Company's foundation is built upon our core values, guiding us clearly along our path ahead. By adhering to these principles, we forge a sustainable business model that not only thrives but also contributes to community development, enhances customer experiences, fosters employee satisfaction, and enriches shareholder value. Growth serves as the central thread that weaves through each of our values, driving us toward continuous improvement and progress.

All that we do is rooted in

Taking pride in our heritage

Committing to growth

Holding ourselves to the highest standards

Innovatively building for Egypt

Putting our communities first



Growth serves as the central thread that weaves through each of our values, driving us toward continuous improvement and progress.





Table of Contents



OUR STRATEGY

Madinet Masr has been spearheading the ongoing transformation of the Egyptian real estate market through leveraging its dynamic strategies to maintain its competitiveness and unique position in the market. In the past years, the market has seen significant growth, which also brought forward more advanced technologies, evolving consumer preferences, and more intense competition. As such, Madinet Masr adapted to shifting market dynamics by successfully launching new developments, coming to market with innovative digital solutions, and enhancing its internal efficiency.

In pursuit of these objectives, we've established strategic pillars to steer our journey toward growth and transformation. These pillars encompass growth, customer centricity, innovation, and positioning. With these in place, Madinet Masr is positioned for sustainable growth, leveraging a comprehensive strategy to sustain competitiveness in the market and consistently deliver outstanding value to its shareholders.

Our Story

A Record-Breaking Year

Driving Growth

Our Culture

Our Strategy

Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

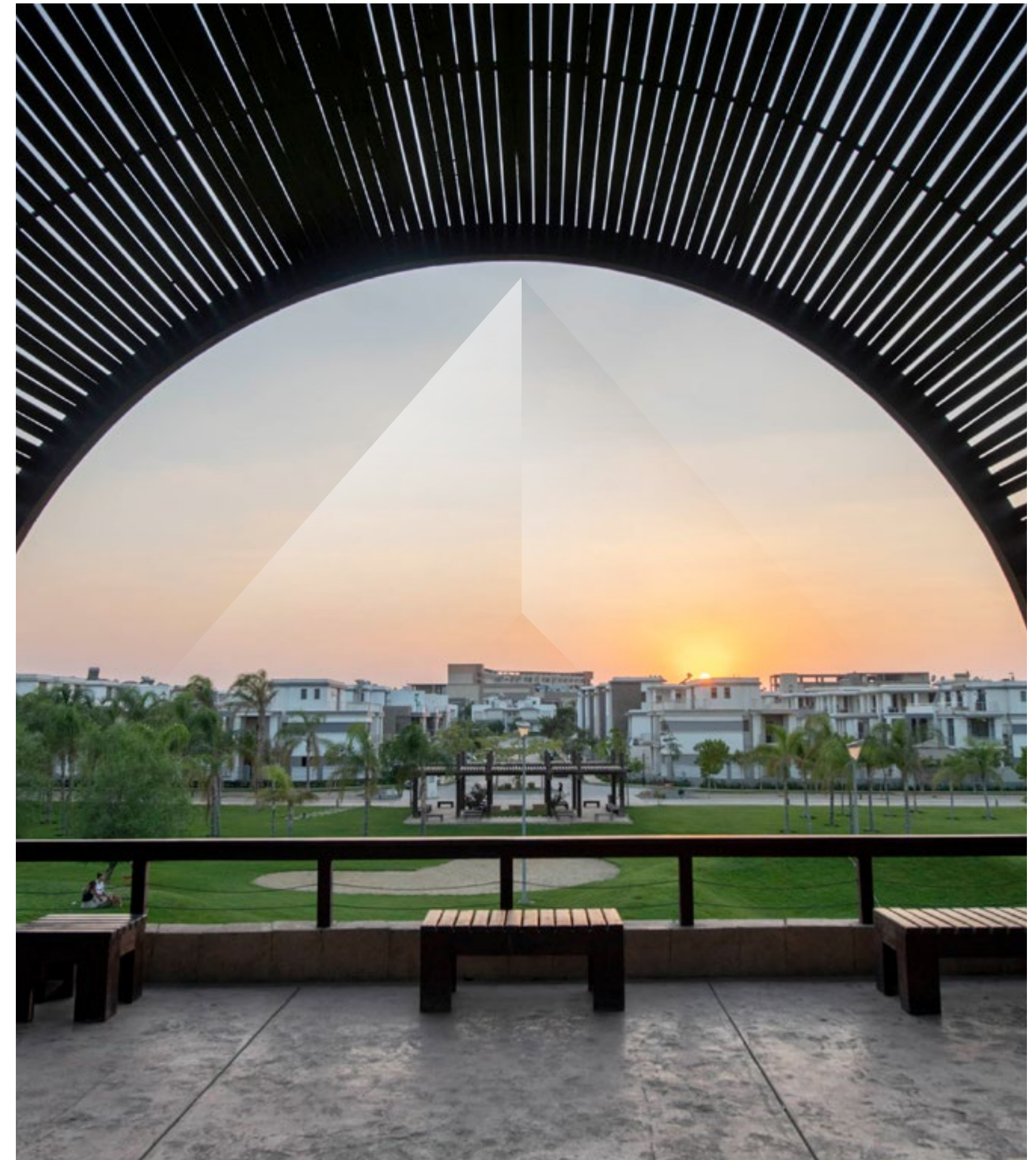
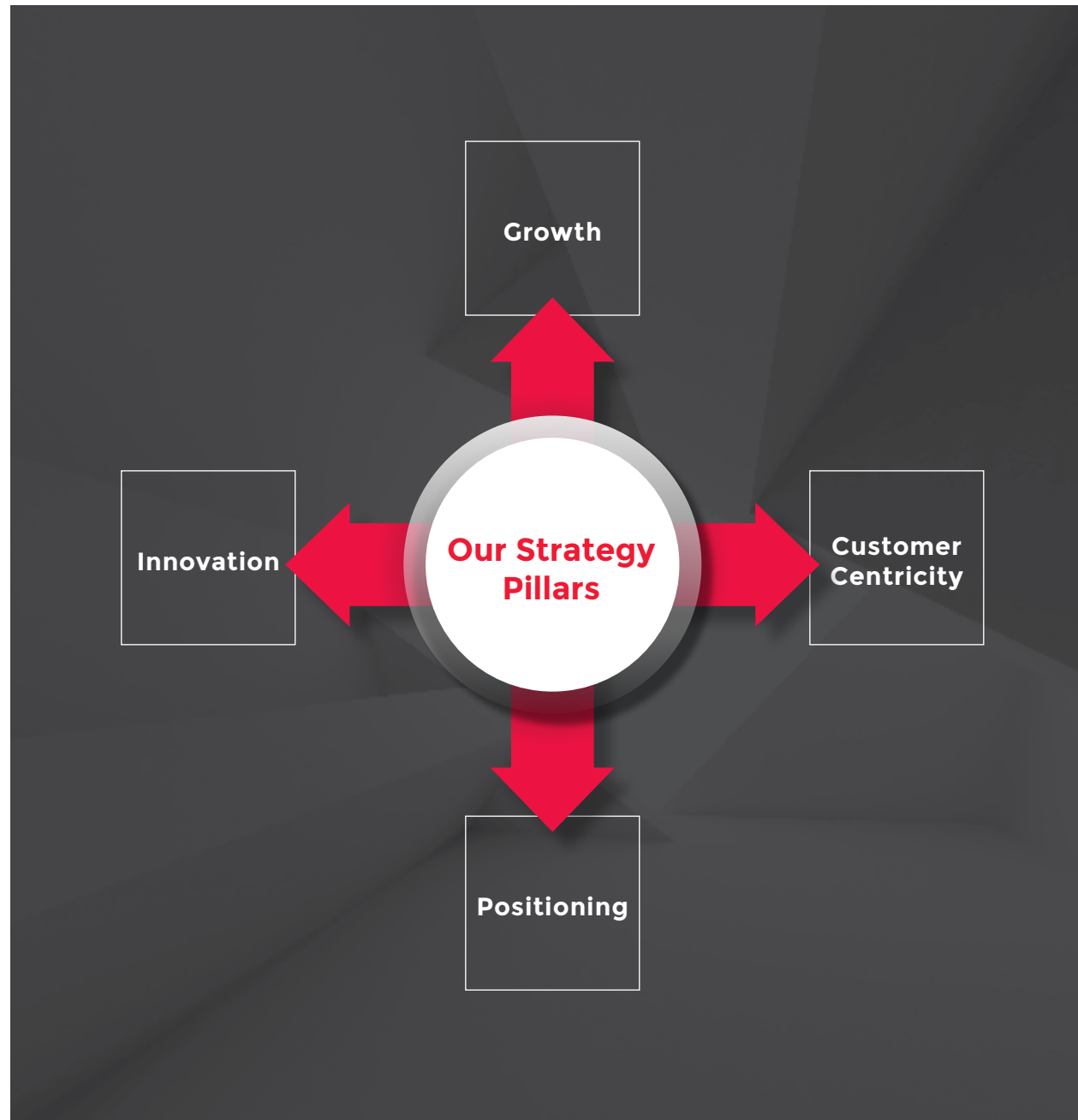




Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Our Culture

Our Strategy

Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements



GROWTH

Our goal is to steadily increase revenue and grow our market presence. In 2023, Madinet Masr achieved record-breaking annual sales on the back of new project launches across its developments. To that end, January 2023 saw the launch of Rai in Sarai, with the first phase introducing S-villas and town houses. In May 2023, Madinet Masr launched Elan in Sarai, a 356,611-sqm mix-used development. This was followed by the launch of phase 3 of Club Side in Taj City, a 131,500-sqm development with lofts, apartments,

and duplexes. In June, we achieved a significant milestone by launching Zahw in West Assiut, our first project outside of East Cairo. In September, Origami was launched in Taj City, a signature community by Minka featuring a diverse range of residential units spanning 434,284 sqm. This reflects our steadfast commitment to deliver on our growth strategy amid a challenging operating environment.

2023

Contracted Sales

+194.3%

y-o-y

Units Sold

+69.3%

y-o-y

Revenue

+48.1%

y-o-y

Net Profit

+183.9%

y-o-y

Customer Centricity

In our ongoing endeavor to enhance customer experiences across our developments, Madinet Masr has embraced a customer-centric approach, placing the customer at the heart of all of our offerings and solutions. To achieve this, we focused our efforts on developing communities tailored to a diverse range of customer segments, each receiving a customized and distinctive proposition.

This empowers us to swiftly and effectively address any customer concerns while gathering timely and precise data to inform proactive decision-making. The software also streamlines the lead-to-contract process, ensuring our customers enjoy a seamless journey from purchase to handover. Furthermore, we've implemented SAP, a premier ERP system globally recognized for its comprehensive maintenance solutions. This platform supports all maintenance activities, enabling both preventative and risk-based maintenance approaches.

Moreover, we have adopted the latest Customer Relationship Technology (CRM) into our operations.



Table of Contents



Innovation

Madinet Masr Innovation Labs

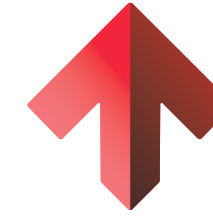
In 2023, Madinet Masr unveiled its new R&D division, Madinet Masr Innovation Labs, aimed at introducing innovative concepts to the real estate sector. This pioneering initiative focuses on delivering state-of-the-art digital solutions and products specifically designed to advance the Egyptian real estate industry, including the introduction of the inaugural platform "Touba".

Digital Transformation

Madinet Masr embarked on a company-wide digital transformation journey in 2022 aimed at completely revamping its operations to improve customer experience, enhance operational efficiency, create a more sustainable business, and expand digital channels, both internally and externally. Additionally, we have implemented technologies across all levels of the organization to facilitate client relationships, track performance, and collect accurate data for enhanced

decision-making. Mainly, our digital transformation strategy aims to improve customer experience across our communities while enhancing operational efficiencies at all levels of the organization.

As part and parcel of our digital transformation strategy, we have taken significant strides in solidifying Madinet Masr's IT infrastructure to facilitate the use of advanced technologies across the organization. As such, we have engaged leading global suppliers of advanced technologies to enhance our lead-to-contract process and streamline customer service and support. To that end, we have deployed Salesforce technology as our CRM software, SAP as our ERP system, and SAP SuccessFactors as a performance tracking system for its employees.



Madinet Masr is committed to driving innovation through the introduction of transformational products to the real estate industry.

Operational Efficiency

Madinet Masr has implemented the most advanced technologies to support its operations. To that end, the Company deployed the Salesforce CRM software to comprehensively automate the lead-to-contract process, which is one of our most important milestones during the period. This has resulted in enhanced efficiencies, improved customer satisfaction in the purchase-to-handover journey, and more accurate and timely collection of data. As such, this has allowed us to build essential insights to analyze and adapt existing products within our portfolio. Meanwhile, we also implemented the SAP ERP system across the organization and expanded its use through the introduction of new models, such as fund management and service maintenance. It is also worth noting that SAP's ERP system has allowed us to consolidate Minka and EgyCan, resulting in a unified budget and improved financial aggregation. Both systems have also resulted in better cost management throughout the organization by eliminating a myriad of manual tasks and reducing paper usage across our operations, which also comes as part of our sustainability strategy.

On another end, we have implemented a new SAP SuccessFactors module, which is a web-based and highly user-friendly system used to track the performance of employees. The implementation of this system came on the back of our belief that our employees are the main catalyst behind Madinet Masr's success, and therefore, tracking their development and performance is one of our strategic priorities. The system contains the core People and Culture module and a performance management module. Through this newly implemented system, employees can now measure their performance against listed targets and KPIs, allowing for meaningful evaluations. On a similar note, we have created a digital platform for our employees to facilitate communication and employee engagement, which has significantly boosted morale. We also created digital channels allowing employees to contribute to the growth and development of the Company, resulting in a genuine sense of belonging among our workforce within the entire organization.

Our Story

A Record-Breaking Year

Driving Growth

Our Culture

Our Strategy

Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

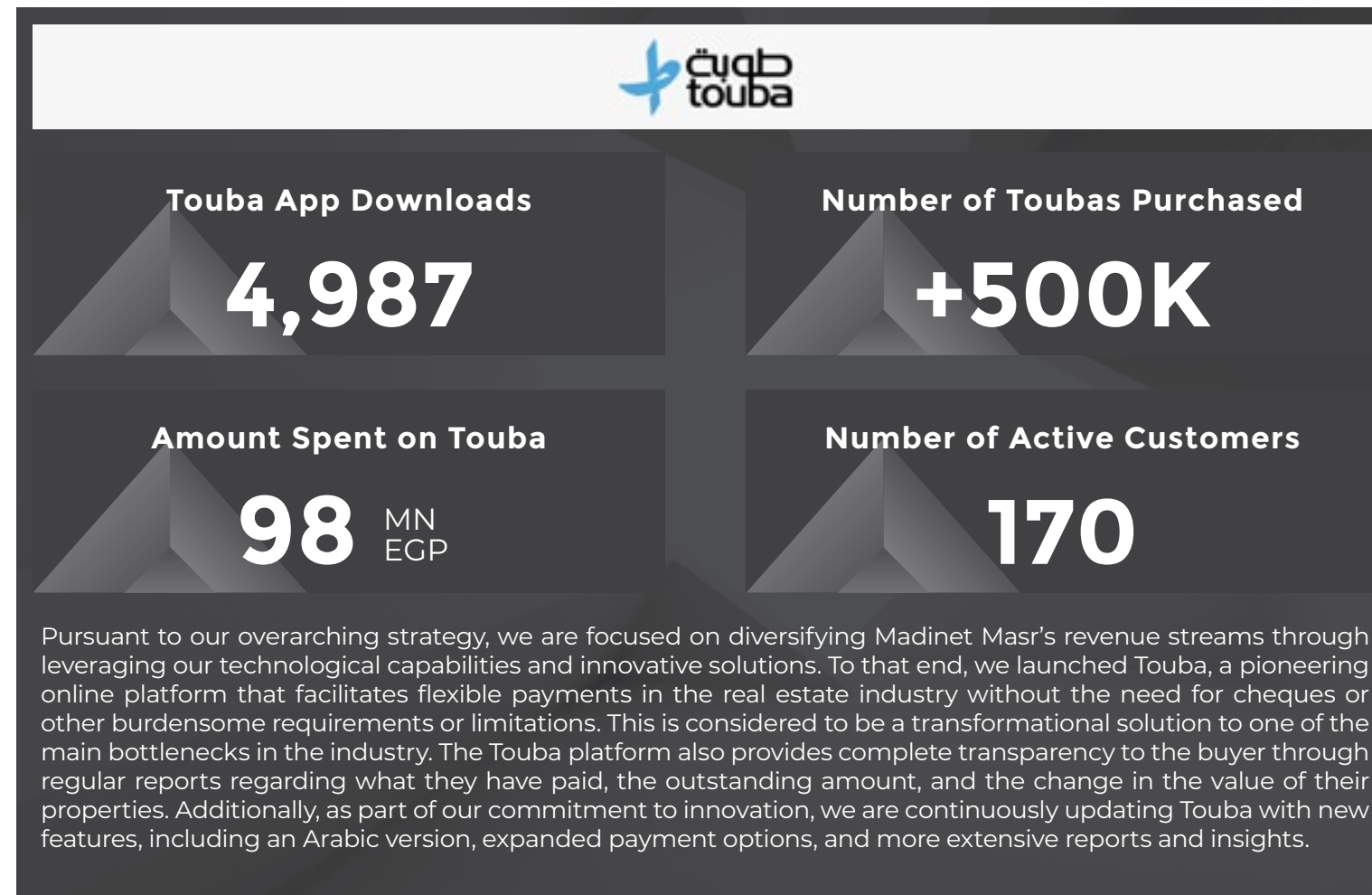




Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Our Culture

Our Strategy

Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Positioning

Rebranding Campaign

Starting in 2022, Madinet Masr launched its rebranding campaign, which aimed to maintain the Company's rich history while reflecting its new and transformational identity and strategy. In 2023, Madinet Masr continued on its journey to solidify its position in the market, reflecting its newfound identity as a modern and dynamic company. During the year, the rebranding yielded exceptional outcomes, with the new identity resonating with customers across all segments, resulting in unprecedented demand for our developments. As such, Madinet Masr was able to maintain its strong position in the market by differentiating itself and creating an identity that resonates with the next generation of Madinet Masr communities.

Advertising Campaigns

Madinet Masr continued to run innovative campaigns to spread its new identity and effectively market its developments, resulting in record demand from homebuyers and investors. Pursuant to our strategic marketing strategy, we leveraged digital channels, social media platforms, television advertising, and billboards to produce high levels of engagement across all target segments. We were able to cement our unique position as a modern and dynamic real estate developer with customers at the heart of its communities. Advertising campaigns were also utilized to ramp up demand for Madinet Masr's newly launched communities, which resulted in a record-high contracted sales figure of EGP 32 billion. In addition, a strong advertising campaign was launched to market the Company's new digital platform, Touba, which gained significant traction in its first few months of operation.

Enhanced Digital Presence

As part of our positioning strategy, we have expanded our digital presence to reach new customer segments and streamline services for residents. In 2023, we revamped our website to reflect our new identity, giving it a more modern feel by making it more informative, visually appealing, and user friendly. This allows both existing and potential customers to access all essential information regarding our properties and developments. Our enhanced digital presence allowed us to connect with a wider customer segment and position ourselves as a modern and dynamic real estate developer.



In 2023, Madinet Masr continued on its journey to solidify its position in the market, reflecting its newfound identity as a modern and dynamic company.

2024 Forward-Looking Strategy

Looking ahead, Madinet Masr will broaden its strategy, placing larger focus on regional and local expansion and driving sustainability across the organization. In terms of expansion, and in response to volatile economic conditions in the Egyptian market, we are continuously scanning the market for opportunities to expand our regional footprint. In terms of our sustainability strategy, we will focus on implementing best practices across the organization, which entails reducing our carbon footprint and minimizing paper usage. We also aim to drive social development through a myriad of initiatives across Egypt.



**BUILDING SUSTAINABLE
COMMUNITIES**





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

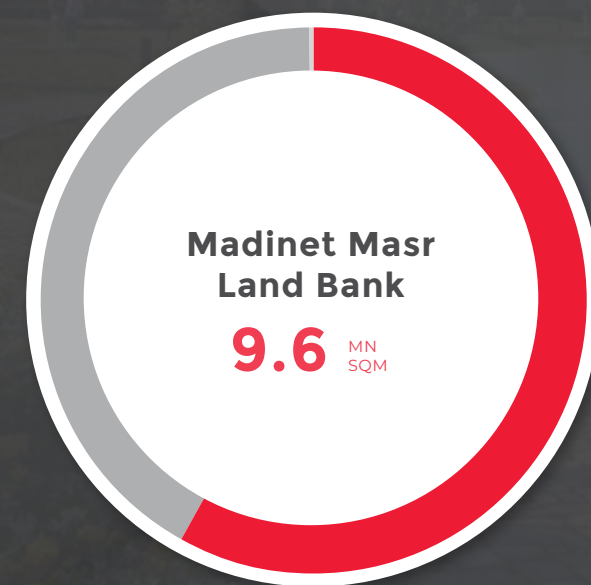
OUR DEVELOPMENTS

As of 31 December 2023, Madinet Masr's land bank stood at 9.6 million sqm at various phases of development. The Company's land bank is split between Taj City and Sarai, both of which are strategically located in East Cairo. It is worth noting that our land bank is owned in freehold, meaning that it is not bound by a specific timeline for development as opposed to other real estate players whose projects are bound by specific development timelines. Additionally, Madinet Masr is able to parcel and sell raw plots of land as opposed

to other developers who are legally prohibited to use land acquired through government tenders for other purposes than development.

As of year-end 2023, Taj City and Sarai are the largest contributors to Madinet Masr's land bank at 38% and 57%, respectively. Additionally, the Company's West Assiut development, Zahw, boasts a land bank of over 437,000 sqm, all of which is under development, reflecting Madinet Masr's expansive footprint across Egypt.

Our Land Bank



Under Development	58.1%
Unlaunched Residential	41.7%
Unlaunched Commercial	0.2%



Table of Contents



Strategically located across from Cairo International Airport, Taj City is one of the largest mixed-use developments with a land bank of 3.6 million sqm. Taj City has a diverse offering ranging from residential units, commercial areas, retail stores, medical facilities, and international academic institutions, allowing it to cater to a wide segment of individuals and families at all stages of life.



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

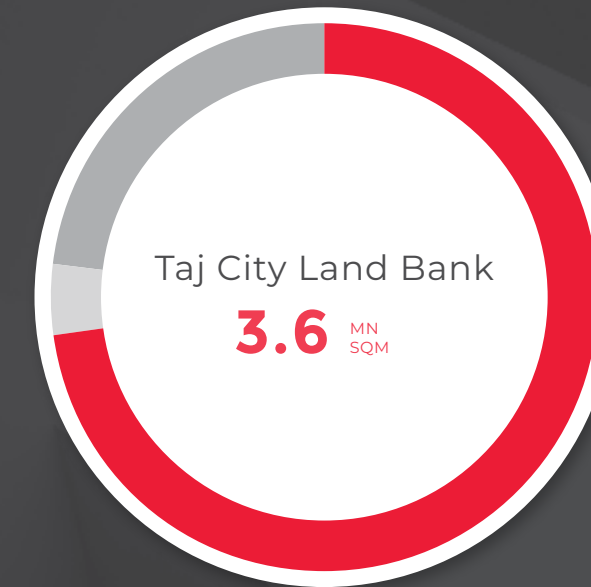
Our People

Corporate Governance

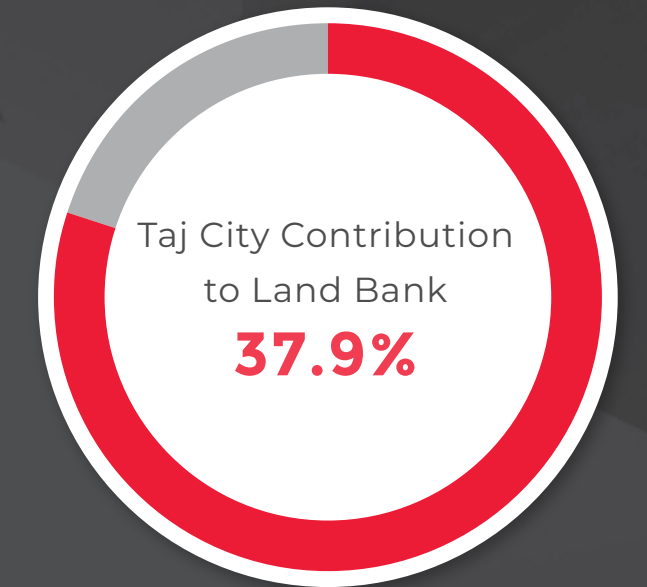
Consolidated Financial Statements



Taj City Land Bank



Project Segmentation



Under Development	72%
Unlaunched Residential	5%
Unlaunched Commercial	23%

Residential	80%
Commercial	20%



Table of Contents



RESIDENTIAL

Taj City is strategically located on the edge of Old and New Cairo, allowing its residents to enjoy the advantages of living in the suburbs while being minutes away from the city center. Additionally, Taj City boasts a diverse offering of unit types across multiple projects, catering to the various needs of different homebuyers.



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Taj Sultan

Taj Sultan, Taj City's first development community, marks an important milestone in Madinet Masr's history as the Company's first expansion outside of Nasr City. We were able to leverage our unmatched expertise and know-how to develop apartment buildings and villas that target various customer segments. As such, Taj Sultan currently houses more than 1,000 families and offers them a holistic lifestyle through modern-day amenities and a 30,000-sqm park.

Launch Date

2012

Units Launched

1,759

99%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Taj Gardens

Taj Gardens, a development that offers sleek and modern apartments, came following the successful launch of Taj Sultan and was designed to target a different customer segment. To that end, Taj Gardens is a prime destination for young homebuyers and small families looking to relocate from congested areas to East Cairo, all the while maintaining proximity to Old Cairo and affordability of apartment units.

Launch Date

2018

Units Launched

650

98%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Park Residence

Similar to Taj Gardens, Park Residence is a prime destination for young homeowners due to its modern architecture, vast green areas, top-notch amenities, and lively entertainment. Additionally, the compound boasts an extensive offering of unit types and sizes, attracting customers with different home needs and preferences.

Launch Date

2015

Units Launched

1,519

99%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Shalya

Shalya is a diverse 289,000-sqm compound overlooking Taj City's downtown area. With large green parks and water elements, as well as a variety of home sizes, including studios, apartments, duplexes, and villas, Shalya attracts all types of homebuyers. Shalya also provides its residents with a comprehensive lifestyle through its own community center, offering recreation and entertainment, allowing homeowners to cover all their needs without having to commute often outside the compound.

Launch Date

2018

Units Launched

941

99%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Lake Park Studios

Lake Park Studios caters to young and single individuals looking to live in compact, efficient, and versatile studio apartments. The compound also offers homebuyers parks and amenities without the need of purchasing large properties, maintaining its affordable proposition. Lake Park Studios is strategically located in close proximity to business centers in East Cairo, allowing young professionals shorter commutes to their workplace.

Launch Date

2018

Units Launched

842

99%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Taj Ville

Launched in 2022, Taj Ville is an upscale compound, targeting homebuyers looking to relocate to a premium villa within a private community that offers various amenities. The compound offers a range of options, including a one-story villa, which is ramping up interest from buyers with accessibility needs and those living in multi-generational households. Additionally, Taj Ville has its own retail stores complex, providing residents with a comfortable shopping experience, and this comes in line with our purpose to develop comprehensive sustainable communities.

Launch Date

2022

Units Launched

126

100%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements



Elect

Launched following the success of Taj Ville, Elect has found similar success using the same concept. Elect is situated nine meters above Taj City, and therefore, offers residents a more secluded environment with unmatched views of the compound's natural landscape. Additionally, Elect offers a wide range of villa options, with characteristics varying in terms of location, size, budget and layout.

Launch Date

2022

Units Launched

273

100%

Sold as at 31 December 2023



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Club Side

Club Side is an upscale compound offering a balanced lifestyle to its residents by combining luxury and nature in the heart of the city. The compound combines practicality, luxury, and premium amenities, and it includes its very own sports club. Similar to Madinet Masr's other compounds, Club Side caters to a wide segment of homebuyers by offering properties ranging from lofts to apartments and duplexes.

Launch Date

2022

Units Launched

2,002

99%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Kinda

Kinda, a Canadian-Egyptian inspired compound built by Minka Developments and recently acquired by Madinet Masr, combines sustainability with modern architecture to provide a unique offering to its residents. One factor that differentiates Kinda is that it offers fully furnished residential properties, allowing homebuyers to move into their new homes without needing to do any renovating or furnishing. In terms of sustainability, Kinda uses thermal insulators, and gardens are watered through efficient rain drainage systems.

Launch Date

2020

Units Launched

420

78%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Origami

Origami, drawing inspiration from Japan's rich cultural heritage, marks Minka's inaugural project after its establishment as a subsidiary of Madinet Masr. This distinctive residential enclave is centered on the principles of simplicity, spatial efficiency, and elegance. The architectural design of the development embodies a modern minimalist interpretation of Origami, characterized by clean lines and a serene, white aesthetic.

Launch Date

2023

Units Launched

1,775

54%

Sold as at 31 December 2023





Table of Contents



Commercial

Taj City is strategically located with direct access to Cairo-Suez Road and Ring Road, as well as being minutes away from New Cairo's 90th street, Nasr City, and Heliopolis, making it a prime destination for offices and commercial spaces. As such, we are meeting the rising demand for retail space in this area by launching a multi-purpose development encompassing both retail and commercial activity. Additionally, Taj City's commercial area caters to Egypt's expansive startup scene, which is ramping up demand for modern office spaces in strategic areas.

Business District

Taj City's 110,000-sqm Business District combines professional, commercial, and retail prospects through features that support business development and growth. The Business District's differentiating factors include cutting-edge technology infrastructure, heightened security for businesses to operate safely, as well as modern offices and units.

Taj City's Business District facilitates the full commercial experience for consumers by providing them with all their needs under one roof, as well as accessible parking and other services to improve customer satisfaction. In addition to commercial spaces, the Business District includes other amenities, such as a state-of-the-art gym, banks, courier services, childcare services, a healthcare facility, and dining options.



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements



Table of Contents



SARAI

Launched in 2016, Sarai is a 5.5-million-sqm mixed-use development strategically located in East Cairo in close proximity to the New Administrative Capital. As such, Sarai's location lies in a prime area that connects the city to other developing and growing areas across the country, making it a prime location for homebuyers looking to move to the suburbs and businesses looking to geographically expand their operations. Sarai offers a modern lifestyle and convenience to its residents by offering commercial areas, feature services, and entertainment.



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

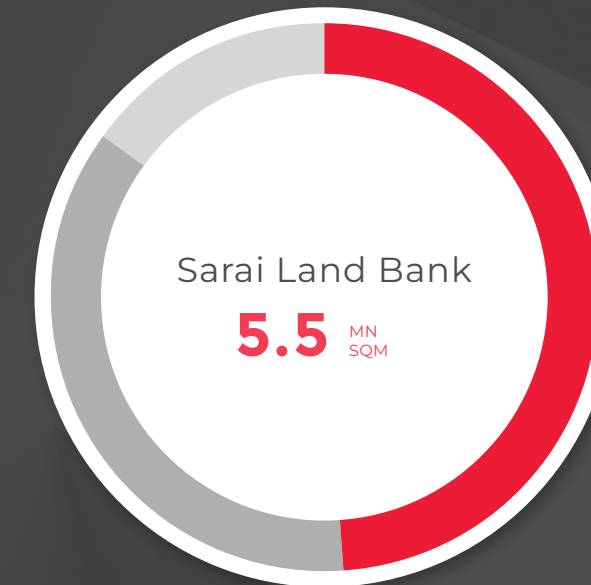
Our People

Corporate Governance

Consolidated Financial Statements

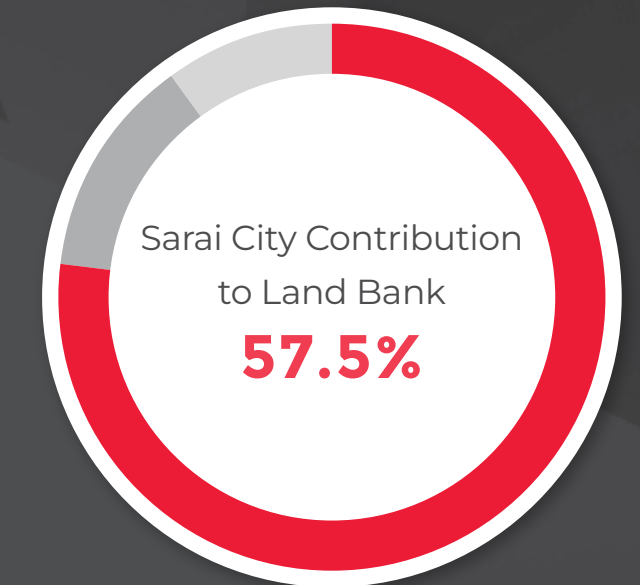


Sarai City Land Bank



Under Development	49%
Unlaunched Residential	36%
Unlaunched Commercial	15%

Project Segmentation



Residential	77%
Commercial	13%
Capital Gardens	10%



Table of Contents



SARAI

RESIDENTIAL

Sarai sits at the center of East Cairo, with the compound being 10 minutes away from The American University in Cairo (AUC), 15 minutes from Cairo's Ring Road, and only five minutes from the New Capital. Sarai boasts acres of lush landscapes and a 50,000-sqm lagoon, providing its residents with a strong value proposition of living near the city while enjoying resort-like views and amenities. Sarai provides unmatched value to homebuyers due to its reimagined suburban concept.



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Taval

Taval, Sarai's first compound, targets a wide range of homebuyers through its diverse offering, including both villas and apartment units, to meet different needs, budgets, and preferences. Additionally, units are customizable to fit each homebuyer's taste and preferences, all the while maintaining a harmonized exterior design across the compound. The compound also boasts vast green spaces, sports facilities, and dining options, fostering a strong sense of community.

Launch Date

2016

Units Launched

1,206

99%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Eastwave

Launched in 2017, Eastwave integrates inclusivity and affordability through a wide range of housing options accessible through its two communities: Croons Condos and Varana Houses. Croons Condos offers studios and apartment units for small families, while Varana Houses offers a variety of villas and townhouses. A differentiating factor for Eastwave is that it has a 20% building-to-land ratio, eliminating any type of congestion and allowing residents to cultivate a community that is centered around well-being and outdoor activities.

Launch Date

2017

Units Launched

3,650

99%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Cavana Lakes

Cavana Lakes is a reimagined residential compound that offers its residents with a resort-like experience through its 50,000-sqm lagoon, allowing its homeowners to experience living on a private beach without leaving Cairo. Additionally, Cavana Lakes offers a wide variety of housing options, including standalone villas, twin houses, town-houses, and one-story homes. It is also worth noting that all homes have access to housekeeping and concierge services, providing residents with an additional element of luxury and convenience.

Launch Date

2018

Units Launched

354

98%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Rai

Rai presents a variety of housing options tailored to meet customer preferences, with the initial phase featuring villas and townhouses. The project boasts an abundance of green spaces, along with premium architectural designs and pedestrian trails, ensuring a distinctive lifestyle experience characterized by sophistication and luxury.

Launch Date

2023

Units Launched

425

97%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Elan

Elan showcases a wide variety of residential units, totaling over 2,700. Residents of Elan will enjoy access to an array of amenities and opportunities for education and recreation provided within the Sarai community. These encompass shopping districts, dining establishments, an international school, a luxurious hotel, and a scenic water lake. Additionally, the project incorporates a dedicated commercial zone spanning approximately 9,000 sqm.

Launch Date

2023

Units Launched

2,743

55%

Sold as at 31 December 2023





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Rai Views

Rai Views offers a variety of residential units with unmatched amenities to meet customer preferences. The project is defined by nature, innovative designs, and unparalleled services. The project also includes personalized workspaces tailored to meet the professional needs of its clients.

Launch Date

2023

Units Launched

322

93%

Sold as at 31 December 2023





Table of Contents



Commercial

As Egypt's urban population increases, the demand for services, retail stores, and dining facilities are increasing significantly year-on-year. As such, businesses are responding by expanding their geographic footprint to capitalize on the rising opportunities from new customer segments with strong purchasing power. To that end, we are capitalizing on this opportunity by leveraging Sarai's strategic location to bring businesses closer to new urban communities.

Arena Strip Mall

The Arena Strip Mall is conveniently located within walking distance from Sarai's residential compounds, providing homeowners with easy access to vibrant cafes, lounges, restaurants, shopping centers, and supermarkets. The Arena Strip Mall is home to carefully curated restaurants, international brands, and locally owned boutiques, which attracts visitors from outside of Sarai, and it has become one of the main entertainment centers in the East Cairo area.

Launch Date

2019

Units Launched

53

49%

Sold as at 31 December 2023



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

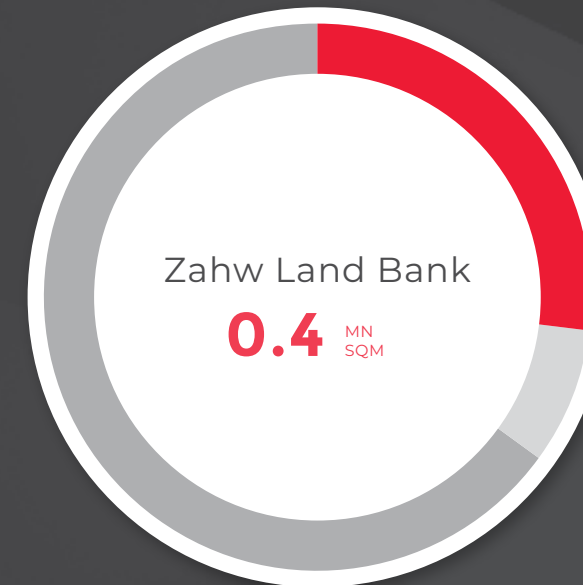
Our People

Corporate Governance

Consolidated Financial Statements



Zahw Land Bank



Project Segmentation

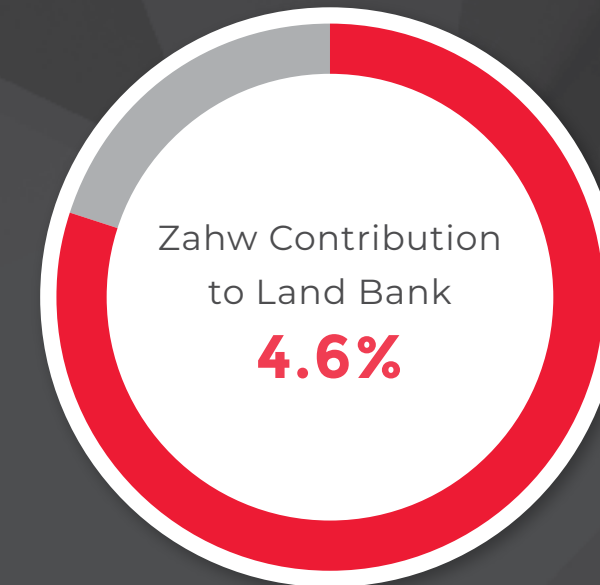




Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Our Developments

Taj City

Sarai

Zahw

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Zahw

Zahw marks Madinet Masr's inaugural venture beyond East Cairo. Spanning 104 acres in the western region of Assiut, it comprises over 1,250 residential units alongside commercial zones, a sports club, and cutting-edge amenities. Conveniently situated near Assiut International Airport and the city center, Zahw offers residents easy access to essential facilities.

Launch Date

2023

Units Launched

297

2%

Sold as at 31 December 2023



**SHAPING A BETTER
FUTURE**





Table of Contents



OUR SUSTAINABILITY STRATEGY

- Our Story
- A Record-Breaking Year
- Driving Growth
- Building Sustainable Communities
- Shaping a Better Future
- Our Sustainability Strategy
- Cultivating Communities
- Our People
- Corporate Governance
- Consolidated Financial Statements

Madinet Masr has an unwavering commitment to implementing sustainable practices and driving social development across its communities. During the year, we worked on developing a strong framework for the future, with two main pillars guiding our sustainability strategy: **Building for Tomorrow** and **Cultivating Communities**. Under Building for Tomorrow, we prioritize reducing Madinet Masr’s environmental footprint by fostering the development of eco-friendly communities. Concurrently, the Cultivating Communities pillar aims to drive social development across the communities in which we operate.

To that end, developing and maintaining sustainable living communities is one of Madinet Masr’s strategic objectives. To achieve this, we have aligned our

sustainability strategy with the Company’s financial performance through analyzing how climate change affects our operations and market demand, as well as identifying growth opportunities in renewable energy to enhance cost savings, increase revenues, and further develop our competitive advantage. This entails setting green house gas (GHG) emissions reduction targets, engaging stakeholders, and ensuring regulatory compliance.

Simultaneously, on the social development front, we have launched a spectrum of programs addressing critical issues, such as hunger, healthcare, and well-being. These initiatives also entail forging partnerships geared toward achieving shared objectives and fostering community resilience.



Building for Tomorrow

Madinet Masr has implemented a number of targeted policies to reduce energy consumption, with a focus on creating more eco-friendly communities and minimizing GHG emissions. This entails scanning for opportunities to integrate renewable energy sources within our footprint, installing LED lighting across our facilities, fitting light poles with sensors to optimize usage, and increasing resource efficiency throughout our operations. Additionally, the Company is focused on enhancing its waste management to reduce its environmental impact and improve circularity. To that end, Madinet Masr is actively engaged in preventive maintenance to prevent leaks and conserve water. We have also implemented automatic irrigation systems and replaced high-water-consumption plants, allowing the Company to reduce its irrigation water usage by 27%. As such, we will continue to deploy resource-efficient technologies and tools to conserve water and energy resources.

Madinet Masr is also committed to improving the sustainability of its supply chain, especially through the procurement of steel and cement produced with the lowest emissions. The Company aims to implement its paperless initiative in 2024 to reduce its use of paper, underscoring its commitment to implementing sustainable practices across the organization. It is also worth noting that Madinet Masr has a strong and reliable system in place to mitigate climate risks, including floods through water drainage systems.

Looking ahead, we are set to launch waste collection and management initiatives within our compounds and head office in 2024. We are also planning to roll out an extensive awareness program throughout the organization to raise awareness about waste management and environmental sustainability to foster a sense of responsibility among individuals across Madinet Masr. We remain committed to minimizing our environmental footprint and will continue to implement best practices across the organization to reach our goals.





Table of Contents



Cultivating Communities

In 2023, we commenced a series of initiatives aimed at tackling poverty, health and well-being, and establishing partnerships to drive social development. As such, Madinet Masr collaborates with key stakeholders in Egypt's development sector, with a focus on civil society organizations that have a meaningful on-ground impact, including the Egyptian Food Bank, Misr El-Kheir, Dialogue in the Dark, and the Egyptian Clothing Bank.

- Our Story
- A Record-Breaking Year
- Driving Growth
- Building Sustainable Communities
- Shaping a Better Future**
- Our Sustainability Strategy
- Cultivating Communities
- Our People
- Corporate Governance
- Consolidated Financial Statements



Iftar Saeem Program

During Ramadan, Madinet Masr launched the Iftar Saeem program, targeting underprivileged families with a focus on the most vulnerable individuals in Egypt. Through a collaborative partnership with the Egyptian Food Bank, the initiative provided families in Assiut with 10,000 food boxes that our employees helped pack as part of our employee engagement program.



Ma'edet Rahman

In addition to the distribution of food boxes, Madinet Masr provided 7,500 meals that were distributed at Iftar time through a Ma'edet Rahman. The two initiatives together have been able to reach 53,000 beneficiaries and helped alleviate the risk of food insecurity among those who are most in need.





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our Sustainability Strategy

Cultivating Communities

Our People

Corporate Governance

Consolidated Financial Statements



Medical Convoy in Assiut

In 2023, we initiated the Medical Convoy in Assiut program, which was conducted in partnership with the Misr El Kheir Foundation. The convoy offered medical interventions in various specialties, surgeries, and

follow-up services. The convoy was able to reach 626 individuals and provide 1,300 medical services.



Clothing Initiative

Pursuant to our commitment to making a positive social impact, we have partnered with the Egyptian Clothing Bank to provide underserved individuals with essential clothing. As such, clothing donation boxes were strategically placed at the organization's headquarters, and specialized donation trucks were deployed at various locations. This partnership engaged employees and community residents, resulting in a generous response and a significant quantity of donated clothes. The Egyptian Clothing Bank played a vital role in managing logistics and facilitating the collection of contributions. In addition to the positive social impact, this program helped foster a sense of community engagement and philanthropy within the Madinet Masr community.

Looking ahead, Madinet Masr will maintain its efforts in spreading hope and bringing about positive change. We remain committed to exploring and implementing further initiatives that contribute to the welfare of the communities in which we operate. Through strategic partnerships and collective action, Madinet Masr aims to build a sustainable and supportive environment for those facing challenges in the community.



Compliance and Tracking

Since establishing our CSR and Sustainability department, we have been increasingly diligent in issuing annual sustainability reports to increase transparency. Additionally, Madinet Masr ensures compliance with regulatory requirements by submitting annual Task Force on Climate-Related Financial Disclosures (TCFD) and Environmental, Social, and Governance (ESG) questionnaires to the financial regulatory authority, showcasing its commitment to transparency and accountability.



Gaza Urgent Relief

Madinet Masr also collaborated with the Egyptian Food Bank for the Gaza Urgent Relief program, which focused on providing meals to families in Palestine to alleviate their hardships amid the ongoing humanitarian situation. Additionally, donation campaigns in collaboration with the Egyptian Red Crescent gathered over EGP 500,000, benefiting over 6,000 individuals with 1,500 donation boxes holding food and medical supplies.



OUR PEOPLE





Table of Contents



OUR COMMUNITY

Convenient Living

Madinet Masr is committed to nurturing close-knit communities and delivering exceptional services and lifestyle options to residents. Recognizing the vital role that a connected and supportive community plays in enhancing the quality of life, the Company invests in a range of facilities and initiatives designed to bring people together and constantly works to meet their needs. By prioritizing both community engagement and convenience, Madinet Masr ensures that the residents of Taj City and Sarai enjoy a harmonious and enriched living experience.

Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Our Community

Corporate Governance

Consolidated Financial Statements



Essential Services and Amenities

From advanced telecom services and convenient banking options to essential household services and community-engagement initiatives, every effort is made to cater to the needs of all residents. These services and amenities are designed to provide a comprehensive living experience, ensuring that residents have access to everything they need within their community.



SARAI

Direct Gas Line

Sarai has connected its gas infrastructure with the main lines of the Egyptian gas company, introducing the option for residents to get direct gas connections that add another layer of comfort and make

their daily living safer and hassle-free without the need for gas container changes. This essential

service ensures a reliable and efficient supply of gas for cooking and water heating, enhancing the overall comfort of and convenience for residents. The gas connection represents a significant improvement in Sarai's infrastructure and in the level of service that the community enjoys, contributing to an overall better living environment.

Food and Grocery Delivery Services

Ensuring convenience and improving residents' quality of life are a key focus at both Taj City and Sarai. Residents at Taj City can now benefit from delivery services like Talabat food delivery and Talabat Mart, widening their access to hundreds of food outlets and giving them increased convenience over conventional outlets and supermarket access. Additionally, Sarai residents now enjoy the Goodsmart market delivery services, ensuring that their grocery needs are met without leaving their homes. This service offers a wide range of home products with safe delivery, making it easier for residents to shop for their daily essentials from the comfort of their home. The convenience of home delivery ensures that residents can manage their time effectively and is reflective of our adoption of the latest trends in food and grocery shopping.



Added Banking Services

Taj City also saw the addition of three National Bank of Egypt (NBE) ATM trucks to provide financial accessibility and convenience to residents. These mobile ATMs ensure that residents have easy access to banking services within a few minutes from their homes. This service is particularly beneficial for quick cash withdrawals and other basic banking needs, improving residents' banking experience and further fulfilling their needs.



EV Charging Stations

With the growing number of electrical vehicles (EVs) in Egypt, Madinet Masr is a pioneer as a developer in its adoption of EV charging stations at Taj Sultan and Park Residence, catering to the needs of EV owners. These charging stations support the

growing adoption of EVs and promote sustainable living within the community, making Taj City a forward-thinking and eco-friendly community that works toward the betterment of our environment.





Table of Contents



Next-Gen Connectivity

"Triple Play" bundles are now available at Taj City, combining internet, TV entertainment, and telephone services into one package through WE Telecom. This comprehensive bundle ensures that residents stay connected with high-speed internet, enjoy a variety of TV channels, and have reliable telephone services all in one subscription. The availability of advanced telecom services built on our robust infrastructure significantly enhances the quality of life for residents at Taj City, especially with most of our lives now depending on access to technology and internet services.



Community Activities and Communication

The presence of recreational facilities and community events at Taj City and Sarai supports a balanced lifestyle, promoting both physical and mental well-being. These facilities and events encourage residents to engage in various activities, fostering a healthy and active lifestyle. By providing such amenities, Madinet Masr ensures that residents have ample opportunities to relax, socialize, and enjoy their time within the community.

Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Our Community

Corporate Governance

Consolidated Financial Statements

Streamlined Car Access

To facilitate smooth access to Sarai, car stickers are now being issued to homeowners, enhancing security and adding convenience for all residents. These stickers ensure that only authorized vehicles can enter the community smoothly, thus improving security and traffic management.



SARAI #00000

Shuttle Bus Services

A shuttle bus service that moves three times a day from Sarai to Misr El-Gedida was recently launched, and another line that moves to El-Sherouk once

a day was also launched. These services give residents and visitors an additional mobility option to move from and to Sarai and key areas in Cairo.

Spiritual and Recreational Facilities

Recently, Sarai has also seen the opening of a temporary mosque to provide a spiritual hub for the community, offering a place for prayer and reflection until the completion of the new

mosque. This facility caters to the religious needs of residents, fostering a sense of spiritual well-being and community connection.



Holiday Celebrations and Festivities

During Ramadan, both Taj City and Sarai came alive with festive decorations and giveaways, fostering a sense of generosity and sharing. These activities created a warm and inclusive atmosphere that resonated with the cultural significance of the holy month, lighting up both communities and adding a touch of festivity for residents.

Christmas also brought joy to Taj City and Sarai, with Santa Claus visits and beautiful decorations spreading cheer among families and children. The presence of Santa Claus delighted younger residents, while the

decorations transformed both communities into a festive wonderland, ensuring the holidays were filled with joy and excitement for everyone.

The emphasis on occasion greetings and festive decorations in both communities reinforces a warm and welcoming atmosphere, making every resident feel valued and included. By celebrating diverse occasions and decorating the community accordingly, Madinet Masr highlights its commitment to cultural diversity and inclusivity.



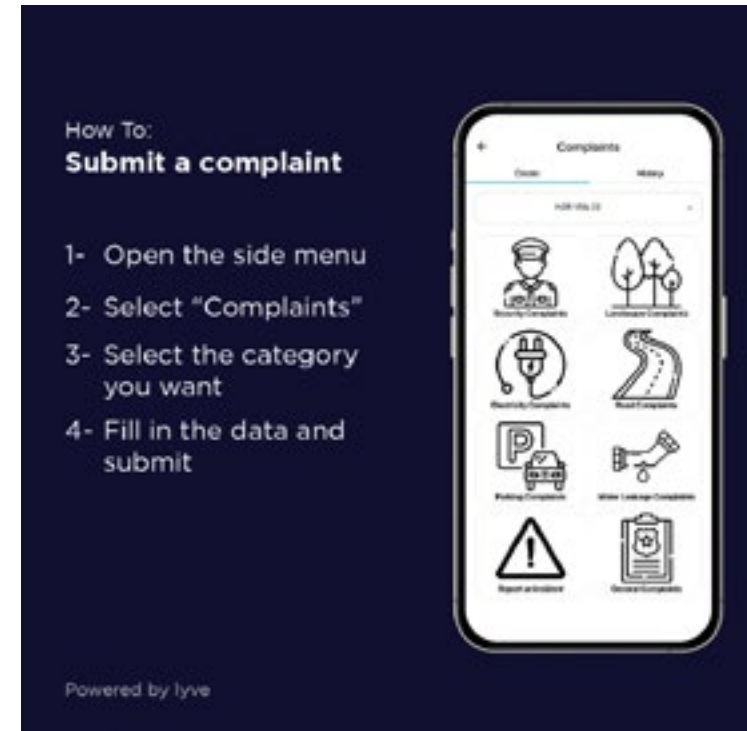
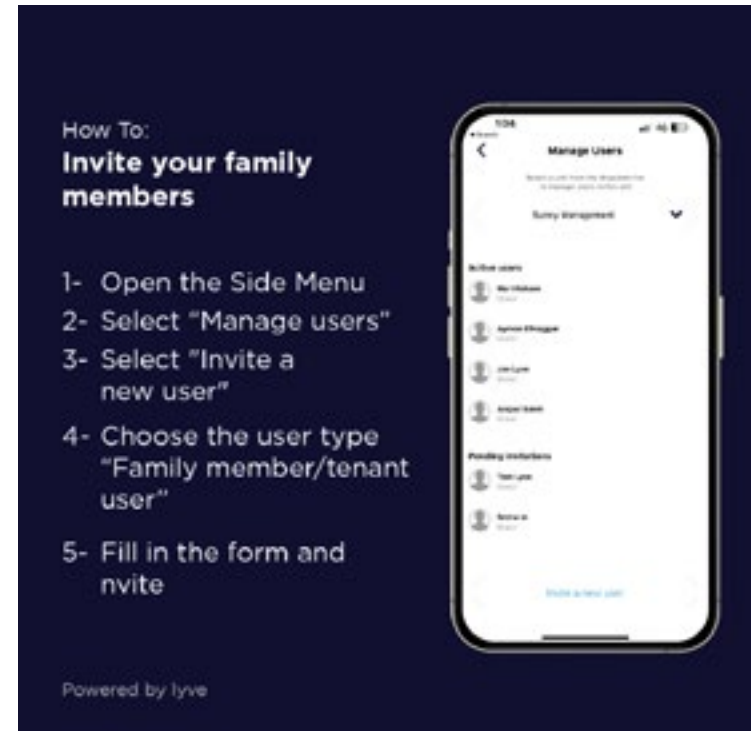


Table of Contents



Multi-channel Communications

Communication between Madinet Masr and the community plays a vital role in community engagement at Taj City and Sarai, which is why Madinet Masr utilizes six different communication channels, including the community engagement mobile app "Lyve", email, call centers, and other conventional methods. These channels keep residents informed about events and updates, ensuring they are always connected with what is happening in their community. The Lyve App, in particular, streamlines communication by providing updates on community events, announcements, and essential information, fostering a well-informed and engaged community.

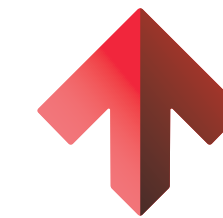


Community Guidelines
Madinet Masr also released and communicated a set of clear and fair rules and guidelines to its residents to ensure a harmonious living environment in Sarai, helping all residents enjoy a pleasant and serene daily life. These guidelines cover various aspects of community living, promoting respect, safety, and cooperation. By setting and communicating these standards, Sarai maintains an orderly and calm community, ensuring that all residents can experience a sense of peace and security.

Community Engagement Events

Creating a vibrant and connected community is a priority at Taj City and Sarai, where festive celebrations play a significant role. Taj City hosted two Bazaars, "I Make This" and "Bazarna", which supported local artisans and entrepreneurs and brought a unique charm and character to the community, adding to the vibrance of Taj City as a place to live.

Additionally, Sarai saw its first community meetup, which allowed residents to socialize, exchange ideas, and build lasting relationships. These meetups further strengthen community bonds, providing a platform for residents to connect and share experiences and promoting a sense of belonging and community spirit among Sarai residents.



Madinet Masr is committed to nurturing close-knit communities and delivering exceptional services and lifestyle options to residents.



**CORPORATE
GOVERNANCE**





Table of Contents



EXECUTIVE MANAGEMENT

The seasoned executive management team at Madinet Masr brings a rich variety of expertise to the Company's operations as detailed below in alphabetical order.

- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Executive Management](#)
- [Board of Directors](#)
- [Shareholder Information](#)
- [Corporate Governance Report](#)
- [Consolidated Financial Statements](#)



Mr. Abdallah Sallam
President & CEO

A member of one of the most prominent business families in Egypt, and with more than 20 years of experience, Eng. Abdallah Sallam has managed and co-founded several ventures in multiple industries, including manufacturing, retail, media, and technology, before venturing into real estate. Labeling himself a serial entrepreneur, Eng. Sallam co-founded and managed several businesses throughout his career, including Minka Real Estate Investment, a unique property innovator and developer with subsidiaries and interests in a multitude of ventures (construction, consultancy, and renewable energy). In October 2021, Minka was acquired by Madinet Masr and Eng. Sallam was appointed as the new President and CEO. Eng. Sallam brings to his position a wealth of expertise, innovative vision, strategy, and business modeling input across many ventures to help the Company fulfill its robust growth strategy, being one of the oldest and most influential real estate developers operating in the local market with a legacy of 63 years.

Eng. Sallam is also constantly involved in voluntary consultancy with young entrepreneurs and startups and was chosen as a member of the jury in Shark Tank Egypt. He currently sits on the board of Solarize Egypt, Minlo Trade & Manufacturing, Namaa Real Estate, Paradise Capital, Egyptian Kuwaiti Company for Real Estate Development, and the Egyptian Food Bank.

Eng. Sallam holds a BSc in mechanical engineering from The American University in Cairo and has attended several executive education programs at Harvard Business School and Kellogg of Northwestern University studying consumer marketing, strategy, pricing, and media.



Mr. Ahmed Hussein Elazab
Senior Vice President Finance

Ahmed El-Azab brings over 30 years of experience in finance, investment, auditing, and consulting. He joined Madinet Masr in 2015 and currently serves as Vice President of Finance, a role through which he is responsible for developing and implementing finance and investment plans and setting strategies that will drive the Company's growth. Prior to joining Madinet Masr, he was a Director at Ernst & Young, where he advised on companies' eligibility to become listed on the Egyptian Exchange (EGX) and London Stock Exchange. He is also a financial advisor and project leader at a number of USAID-funded projects, including Chemonics Int., AECOM Int., and DTC.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements



Ms. Dena Habib
Vice President Corporate Relations

Dena Habib brings over 25 years of business and managerial experience in marketing and communications to her current role. As Vice President of Corporate Relations at Madinet Masr, she leads the Company's investor relations, public relations, corporate social responsibility (CSR), and sustainability initiatives. She is also responsible for building the Company's communication strategy and maintaining external communications with investors and the media. Prior to joining Madinet Masr, she held various senior-level positions at advertising agencies and companies, including Minka Real Estate Developers.



Mr. Khaled Shaker
Vice President Clients

Khaled Shaker joined Madinet Masr in 2022 as Vice President of Clients, bringing over 20 years of experience in marketing and business. Prior to joining Madinet Masr, he was the Head of Marketing at Majid Al Futtaim, where he played an integral role in driving the company's marketing agenda and enhancing customer experience across different platforms. He was also Head of Marketing at Dar Almimar Group – Mountain View and held managerial roles at PepsiCo. and Henkel Egypt.



Table of Contents



- Our Story**
- A Record-Breaking Year**
- Driving Growth**
- Building Sustainable Communities**
- Shaping a Better Future**
- Our People**
- Corporate Governance**
- Executive Management**
- Board of Directors
- Shareholder Information
- Corporate Governance Report
- Consolidated Financial Statements**



Mr. Maged Gabriel
Vice President Transformation & Strategy

Maged Gabriel brings over 25 years of experience in information systems, digital strategy, and business development. He currently serves as the Vice President of Transformation and Strategy, where he is responsible for facilitating Madinet Masr's cultural transformation while ensuring the alignment of employees in this new internal structure. Prior to Madinet Masr, Mr. Gabriel served as Chief Digital Officer (CDO) at Orange Egypt for four years, designing a strategic and digital plan that created value for the company. He spent his six-year tenure at Orange holding many different positions, such as Senior Director of IT and Strategic Planning and Director of Product and Services.



Mr. Maged Tobgy
Vice President Commercial

Maged Tobgy brings vast experience in sales and management to his role as Vice President of Commercial at Madinet Masr. He joined the Company in 2016, and he currently oversees all commercial aspects of the business while executing strategies that support long-term revenue growth and profitability. Previously, he held a managerial position at Palm Hills Development for over eight years.



Table of Contents



- Our Story**
- A Record-Breaking Year**
- Driving Growth**
- Building Sustainable Communities**
- Shaping a Better Future**
- Our People**
- Corporate Governance**
- Executive Management**
- Board of Directors
- Shareholder Information
- Corporate Governance Report
- Consolidated Financial Statements**



Mariam Ayad
Vice President Culture & People

With more than 20 years of Human Resources experience, Mariam Ayad is now leading our Culture and People Division. Throughout her career, Ms. Ayad has consistently demonstrated commitment to building strong relationships with employees, supporting their personal and professional growth, and cultivating a culture of inclusivity and collaboration. She understands the importance of attracting top talent, developing our current workforce, and creating an environment where everyone can thrive, innovate, and contribute their best.



Mr. Mohamed Lashien
Senior Vice President Products

Mohamed Lashien joined Madinet Masr in 2012 and has held several senior-level positions at the Company. Currently, he serves as Senior Vice President of Products, where he oversees the product journey from concept ideation all the way to client handover. Previously, Mr. Lashien was a site manager and architect at the Aga Khan Cultural Services (AKCS) for nearly 10 years.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements



Ms. Nihad Soussa
Vice President Community

Nihad Soussa leverages over 20 years of experience in real estate, specifically in client affairs, community management, and security and facility management. She joined Madinet Masr in 2020 and is currently the Vice President of Community, where she is responsible for supervising livable community projects and corporate offices, as well as handling client affairs. She brings a wealth of expertise, aiming to improve the quality of life in Madinet Masr's communities. Previously, Ms. Soussa worked with several developers, including Emaar Misr, Palm Hills Developments, NEWGIZA, and Inertia Properties.



Mr. Rami Heikal
Senior Vice President International

Rami Heikal boasts over 20 years of experience in growing brands across the MENA region, specifically in the real estate, food and beverages, sports, and governmental sectors. In 2021, he joined Madinet Masr as Senior Vice President of Strategy and Operations, and he is currently the Senior Vice President of International. Prior to joining Madinet Masr, Mr. Heikal held different positions with Americana, ODH, and SODIC. He also founded two companies: Spring 11, the first Egyptian sports and entertainment management agency to be represented in IMG Worldwide, and Urban Lark for management consultancy, where he was a Chief Consultant for blue-chip brands, such as NHC in Saudi Arabia, Sakani, and INERTIA Egypt.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

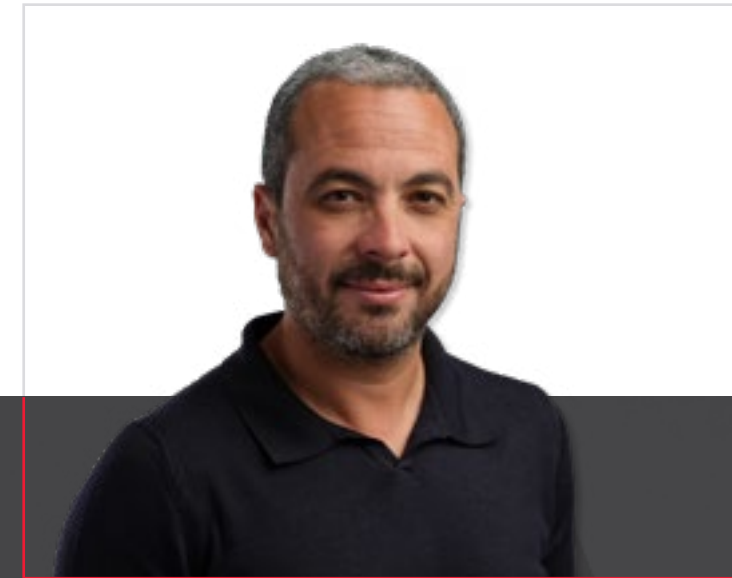
Corporate Governance Report

Consolidated Financial Statements



Mr. Salah Katamish
Senior Vice President Investment & Strategy

Salah Katamish joined BPE Partners in 2008 after holding a brand manager position at Henkel Egypt, where he was responsible for the Persil (detergent) brand in Egypt. He has been serving on the board of Madinet Masr and Daikin Egypt since 2017. Mr. Katamish holds an MBA from London Business School and a BA in business administration from The American University in Cairo.



Mr. Shady Sherif
Senior Vice President Destination & Growth

Shady Sherif brings over 20 years of experience in entrepreneurship, media, and startups. He joined Madinet Masr in 2022 as Senior Vice President of Destination and Growth. Prior to that, he founded several successful startups, including "LIVE!", a pop-up food court on the beaches of Hacienda Bay, Fouka Bay, and Bianchi in the North Coast, and El Lido, a food snack vendor in sporting clubs. Mr. Sherif also has experience in the media and entertainment sector, having created The Glocal, the first online and TV portal in the region, and Ee Entertainment and Events. Earlier in his career, he launched Campus Magazine under Core Publications, one of Egypt's fastest growing and most successful publishing houses.



Table of Contents



BOARD OF DIRECTORS

Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements



Mr. Hazem Barakat
Chairman

Hazem Barakat co-founded BPE Partners in 2006 with a vision to capitalize on his industry and operational expertise by investing in domestic businesses with growth potential. He is the Chairman of BPE Partners and B Investments and is a member of BPE Partners' Investment Committee. Additionally, Mr. Barakat sits on the board of MNHD, Total Egypt, and Al-Ismaelia. Prior to founding BPE Partners, he co-founded Miraco-Carrier, one of the region's leading air conditioner manufacturers, as well as Engineering Plastic Manufacturing, a leading plastics manufacturer.

Mr. Barakat holds a BSc in mechanical engineering from the New York Institute of Technology and is a member of the Egypt-based American Chamber of Commerce, the British Egyptian Business Association, and the Egyptian Businessmen's Association. Previous directorships include the Egypt-US President's Council, the Egyptian Economic Forum, and the Advisory Council of the School of Business, Economics, and Communication at The American University in Cairo.



Mr. Abdallah Sallam
CEO & President

A member of one of the most prominent business families in Egypt, Abdallah Sallam labels himself as a serial entrepreneur. He is the founder and CEO of Minka Real Estate Investment, a unique property innovator with subsidiaries and interests in a multitude of ventures (construction, consultancy, and renewable energy). Minka was recently acquired by MNHD, after which Mr. Sallam was appointed as MNHD's new President and CEO.

Mr. Sallam is known for his innovative vision, as well as his strategy and business modeling input across many ventures. He co-founded and ran several ventures in media, retail, and technology before venturing into real estate. Mr. Sallam is also consistently involved in voluntary consultancy with young entrepreneurs and startups. Mr. Sallam has been invited to serve on several reputable boards, and he currently sits on the boards of Solarize Egypt, Minlo Trade & Manufacturing, Namaa Real Estate, and Paradise Capital.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements



Mr. Aladdin Saba
Director

Aladdin Saba boasts an expansive track record in the financial and investment fields. He was one of the founding partners of Beltone Private Equity, one of Egypt's private equity firms, which was established in 2006. He also founded Beltone Financial, an investment banking institution with a focus on asset management, corporate finance, brokerage, and research. Mr. Saba is a co-founder of Hermes Financial, now known as EFG-Hermes. Prior to that, he was a Senior Portfolio Manager at Kidder Peabody & Co. Inc. in New York. He is currently the Chairman of Ebtikar, a board member of the Egyptian Center for Economic Studies (ECES), and a board member of Egypt-U.S. Business Council – EUSBC.



Mr. Eskandar Tooma
Director

Eskandar Tooma is a tenured professor of finance with the School of Business at The American University in Cairo. He has also held a visiting professorship position with Imperial College's Business School in London, England. Mr. Tooma served as executive board member and the Group Chief Financial Officer (CFO) of Swiss-listed Orascom Development Holding, AG (ODH) from 2013 to 2016. He was appointed to the board of directors effective 13 May 2013, and he was asked by the board to step in as the CFO in July 2013. Mr. Tooma played a pivotal role in raising and structuring more than USD 500 million and restructuring the company's organization, resulting in the successful turn-around from a previous three years of loss to a stable profit-making regional real estate and hospitality leader.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements



Mr. Ahmed Omar
Director

Eng. Ahmed Omar founded Egyptian Water Works in 1990 to represent international organizations in Egypt's water treatment and wastewater industry, successfully implementing multiple treatment and desalination projects with Italian Technology. In 1999, Eng. Omar founded Midwater, which develops, owns, and operates water treatment plants treating industrial water and selling it to oil refineries under build-own-operate-transfer (BOOT) contracts. Midwater built its first plant in 2001 and a second one in 2006. Eng. Omar is also the founder and Chairman of EWW Oil & Gas, which represents international organizations in Egypt's power, oil, and gas sectors. EWW has successfully launched several projects using Japanese technology. Eng. Omar has sat on the board of MNHD since 2007, and he sat on the boards of Beltone Financial, TOTAL Egypt, and the El Gouna Red Sea Resort. He holds a BSc in chemical engineering from Cairo University.



Eng. Mushira Al Maghrabi
Director

Eng. Mushira Al Maghrabi is Chairwoman of the Board and Managing Director at Zahraa Al Maadi Investment and Development Company. She holds several board memberships, including at Alexandria Construction Company and El Nasr Facilities Company. Eng. Al Maghrabi enjoys wide-ranging management experience, having held the roles of CEO and Managing Director at Maadi for Investment and Development and Managing Director at the General Egyptian Co. for Buildings, and she was also a General Manager at El Abd Contracting. Eng. Al Maghrabi holds a degree in architecture.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements



Mrs. Mona Osman
Director

Mona Osman boasts 25 years of expertise in the fields of investment, economics, and business. Since 2009, she has been the Managing Partner in BPE partners — which owns 28% of Madinet Masr — and is highly involved in direct investment and private equity transactions. Mrs. Osman's responsibilities include exploring investment opportunities, overseeing daily investments, and handling external communications.

From 2008 to 2009, Mrs. Osman was the General Manager at Emirates International Investment Company LLC. (EIIC) in Egypt. Prior to that, she spent 12 years at MID-BANK (previously known as Al-Ahly for Development and Investment (ADI)), where she held many different managerial positions before assuming the role of General Manger for Investments. Additionally, she leveraged a long career spanning 10 years at the Projects Department of Misr Iran Development Bank (MIDB), an investment bank specialized in providing financing for diverse project in Egypt, ending her tenure as an Assistant Project Manager. Mrs. Osman is also a founder and board member of the Egyptian Private Equity Association (EPEA).



Mr. Mostafa El Anwar
Director

Mostafa El Anwar has 23 years of experience in the fields of finance and investment banking. His journey at BPE partners started in 2008 as an investment manager before assuming the role of partner in 2013, and finally as Managing Director in 2019. He is responsible for overseeing the asset management of different company portfolios and supervising investments across a diverse range of sectors.

From 2007 to 2008, Mr. El Anwar held the position of Deputy Investment Manager at Morgan Stanley, where he advised on mergers and acquisitions for large-scale companies located in Europe, Africa, and the Middle East. Prior to that, he was the Deputy Investment Manager at Equity Capital Markets, in which he was responsible for regulating and participating in the negotiations of IPO deals. His career began in 2002 as a Financial Analyst at EFG Holding (previously known as EFG Hermes) before being promoted to Assistant Vice President and then Vice President in 2003.

El Anwar holds an MBA with a specialization in finance and investment from London Business School in the United Kingdom. He received his bachelor's degree in business from Cairo University.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements



Mrs. Nashwa Abdelatif Director

Nashwa Abdelatif boasts over 15 years of experience in the fields of human resources and management. She was appointed as the Head of Central Human Resources Management, where her responsibilities include improving and executing the Company's HR strategy and managing the HR budget.

Prior to joining Madinet Masr, Mrs. Abdelatif was a member of the Board of Directors at the Egyptian International Mutual Fund, after a long career spanning 10 years as Director of the Social Welfare Department. During this period, she managed employees' social services, medical treatments, personal finances, and administrative affairs, in addition to facilitating other services that support human resources.



Prof. Eng. Hany Soliman Director

Prof. Eng. Soliman Hany Soliman brings over 30 years of academic and practical expertise in the construction field. His experience includes managing, planning, implementing, and delivering technical, commercial, and construction aspects of mega projects. In addition to his current position on the Board of Madinet Masr, Eng. Soliman is Managing Director and Acting Non-Executive Chairman of the Board of Directors at the Holding Company for Construction and Development (HCCD).

Eng. Soliman began his career as a teaching assistant at the Faculty of Engineering at Zagazig University, where he later became a professor in 2004. He has also held several leadership positions in some of the most prominent companies in Egypt and the MENA region, including as an Engineering Consultant at Talaat Mostafa Group, Consulting Director at Murray & Roberts in Egypt, and Project Manager at Sinclair Knight Meyers in the UAE. He also served as the Chief Operating Officer at CEG International in Qatar and Project Manager at Trust Engineering Consultancy in Qatar. Throughout his career, he has worked on many major real estate development projects, both locally and regionally, such as San Stefano in Alexandria, the Police Academy in Qatar, and the Dubai Sports City stadiums in the UAE.

Eng. Soliman obtained a doctorate degree in engineering from the Indian Institute of Technology in Delhi, India. He also holds master's and bachelor's degrees in engineering from Alexandria University. Eng. Soliman is a member of the Institute of Structural Engineers in the United Kingdom, the Project Management Institute in the United States, and the Syndicate and Society of Engineers in Egypt. Additionally, he is a Professor of Structural Engineering at Zagazig University, Egypt (currently on leave). He was involved voluntarily with Qatar University as an External Mentor for senior students' Capstone projects from 2012 to 2018, as well as an industry member for some of QNRF research projects.



Table of Contents



SHAREHOLDER INFORMATION

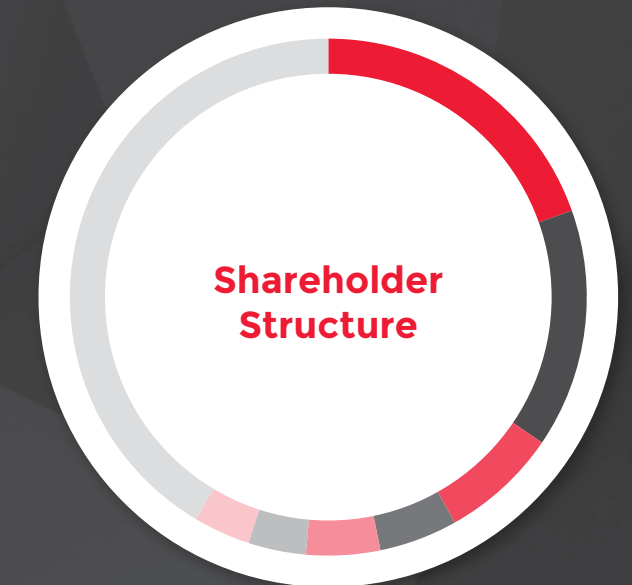
Madinet Masr for Housing and Development has been listed on the Egyptian Exchange (EGX) since 1996. As at 31 December 2023, the Company's 2.1 billion shares had a market capitalization of c. EGP 8.7 billion.

41.42%¹
Free Float

8.7¹ BN
EGP
Market Capitalization

¹ as at 31 December 2023

EGX: MASR.CA
Share Listing: Cairo, Egypt
No. of Outstanding Shares: 2,135,000,000



Shareholder	Ownership Percentage
BIG Investment Group Ltd.	19.57%
Holding Company for Construction & Development SAE	14.94%
B Investment Holdings	7.35%
National Organization for Social Insurance	4.90%
Sallam Family	4.63%
National Investment Bank	3.62%
Olayan Saudi Holding Company	3.57%
Other Investors & Free Float	41.42%

- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Executive Management](#)
- [Board of Directors](#)
- [Shareholder Information](#)
- [Corporate Governance Report](#)
- [Consolidated Financial Statements](#)



Table of Contents



CORPORATE GOVERNANCE REPORT

This report presents the practices taken by the Company relating to the implementation of the corporate governance rules set forth in the rules for listing and delisting securities on the Egyptian Stock Exchange (EGX) as well as other rules applied by the Company on a voluntary basis and derived from the guidelines contained within the Egyptian Guide to Corporate Governance issued by the Financial Regulatory Authority (FRA) as part of Resolution 84 for the year 2016. This report was prepared according to the disclosure requirements

of the rules of listing securities on the EGX (Article 40) issued by the FRA as part of Resolution 13 for the year 2018. This is the sixth Corporate Governance Report issued by the Company and relates to the Company's operations for the fiscal year ending 31 December 2023. This report was prepared in accordance with the guidelines and report form prepared by the FRA in line with the current practices applied by the Company for corporate governance.

Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements

Company Information

Company Name	Madinet Masr for Housing and Development		
Company Purpose	Taking part in all activities related to real estate development of land, buildings, and establishments, including purchasing land and buildings in Nasr City and other regions in governorates across the country for the purpose of selling, leasing, partitioning land and equipping it with all facilities necessary for its development. The Company may establish, manage, and invest all residential, administrative, tourism, and entertainment facilities related to these lands.		
Company Term	50 Years	Date of Listing on the EGX	7/5/1995
Governing Law	Law 159 for the year 1981	Face Value of Share	EGP 1
Authorized Capital	EGP 5 billion	Paid-up Capital	EGP 2.135 billion
Paid-in Capital	EGP 2.135 billion	Commercial Registration Date and Number	300874 23/12/1996
Contact Person	Accountant Ramadan Sayed Abdelaziz Zerd		
Address of Main HQ	4 Youssef Abbas Street, Nasr City, Cairo		
Phone Number	24006337	Fax Number	24006359
Website	www.madinetmasr.com		
Email Address	investor.relations@madinetmasr.com		

General Assembly of Shareholders

The Ordinary General Assembly of Shareholders shall convene on an annual basis at the invitation of the Chairman of the Board of Directors at the time and place determined by the invitation announcement

within three months of the end of the Company's fiscal year. The Board of Directors may decide to call the General Assembly to convene whenever it is deemed necessary.



Shareholding Structure

Holder of 5% or more of the Company's Shares	Ultimate Beneficiary	Number of Shares as of the Date of Publishing the Company's Financial Statements	Ownership Percentage
BIG Investment Group Ltd.	BIG Investment Group Ltd.	417,883,272	19.57%
Holding Company for Construction & Development SAE	Holding Company for Construction & Development SAE	318,999,182	14.94%
B Investment Holdings	B Investment Holdings	156,909,104	7.35%
National Organization for Social Insurance	National Organization for Social Insurance	140,974,392	6.60%
Total	-	1,034,765,950	48.47%



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements

Board of Directors

In accordance with the Company's Articles of Association, the Company is run by a Board of Directors consisting of three to eleven members appointed by the General Assembly of Shareholders. Board members are elected using ballot voting, and it is permissible for the Board to include a maximum of two experienced members — this is to be approved in the first subsequent General Assembly Meeting.

Based on the approval of the Ordinary General Assembly (OGM) meeting held on 13 December 2020, the Company's Board of Directors' term was renewed for an additional three years.

On 13/12/2021, the Company's OGM convened and approved the addition of Eng. Mohamed Abdallah Nabil Sallam to the Board of Directors for a period ending with the expiry of the Board's current term, as well as appointing him as the Company's Managing Director.

On 18/04/2023, the Company's OGM accepted the resignation of Board Member Mr. Salah Hisham Abdelmeguid Katamish due to his transfer to the Company's Executive Management team.

On 02/05/2023, the Company's Extraordinary General Assembly (EGM) convened to amend article 21 of the Company's Articles of Association, increasing the number of Board Members to 12 members.

On 02/05/2023, the Company's OGM voted in three new members to the Company's Board of Directors.

The Board of Directors currently comprises 12 members, all elected by the General Assembly of Shareholders. The Company separates between the positions of Board Chairman and Managing Director. The Board also includes female members (Eng. Mushira Kamal Al Maghrabi, Mrs. Nashwa Abdelatif Mahmoud, and Mrs. Mona Mohamed Mahmoud Osman).

Board Members

Member	Role	Number of Shares Held	Joining Date	Representing
1 Eng. Mohamed Hazem Barakat	Chairman of the Board of Directors – Non-Executive	260,138	13/12/2020	Shareholders
2 Eng. Mohamed Abdallah Nabil Sallam	Managing Director – Executive	23,979,548	13/12/2021	Shareholders
3 Eng. Hany Osman Suliman Mohamed	Non-Executive Member	318,999,182	13/12/2020	Holding Company for Construction & Development SAE
4 Eng. Aladdin Hassouna Mahmoud Saba	Non-Executive Member	-	13/12/2020	Shareholders
5 Mr. Mostafa Abdelsalam Mostafa El Anwar	Non-Executive Member	417,883,272	02/05/2023	Shareholders of BIG
6 Eng. Mushira Kamal Abdelmaksoud Al Maghrabi	Non-Executive Member	103,605	13/12/2020	Shareholders
7 Eng. Eskandar Adel Eskandar Tooma	Non-Executive Member	3,375	13/12/2020	Shareholders
8 Eng. Ahmed Hassan Abdelmeguid Omar	Non-Executive Member	2,840,264	13/12/2020	Shareholders
9 Major General Amir Sayed Ahmed Hassan	Independent Member	-	13/12/2020	Experienced Member
10 Major General Yasser Mohamed Kamel Al Mallah	Independent Member	-	13/12/2020	Experienced Member
11 Mrs. Mona Mohamed Mahmoud Osman	Non-Executive Member	417,883,272	02/05/2023	Shareholders of BIG
12 Mrs. Nashwa Abdelatif Mahmoud	Non-Executive Member	140,974,392	02/05/2023	National Organization for Social Insurance



Article 26 of the Company's Articles of Association states that the Board of Directors and the Board Committees are permitted to convene through the use of modern methods of communication, including conference calls or video conferences.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements

Board Role and Responsibilities

1. Running the Company's affairs based on the mandate given by the General Assembly. The Board sets the strategic objectives and monitors the performance of the Executive Management, ensuring the effectiveness of the internal controls system and risk management. The Board also determines the best way to implement corporate governance systems and adopts professional policies and standards to be followed by the Company's employees to reflect on their performance and behavior.
2. Developing mechanisms and systems that guarantee the compliance of all Company employees with the Company's internal rules, regulations, and policies. The Board is also responsible for setting in place an early warning system to detect any shortcoming or deviation that may occur and to ensure that appropriate action is taken promptly.
3. Setting in place a succession strategy for senior roles and Board positions in order to guarantee the Company's business continuity.
4. Determining the authority delegated to Board members and committees, the duration of the delegation, and the frequency of reports received from committees and Executive Management, as well as monitoring their performance.
5. Establishing preventative measures, tools, and mechanisms that control the accuracy and integrity of data within the Company and protect it from manipulation and penetration, whether from inside or outside the Company, such as securing the use of the Internet and mobile devices against hacking.
6. Generally supervising disclosure and communication channels and ensuring the integrity of financial and accounting reports issued by the Company, as well as ensuring the independence of the Company's internal audit function.
7. Appointing a Secretary for the Board of Directors with the necessary skills and knowledge, in addition to establishing an organizational chart.

Chairman of the Board of Directors Responsibilities

The Chairman of the Board of Directors is a non-executive member who is responsible for enhancing the Board's performance through providing guidance and ensuring its effective operations. The Chairman should have the necessary experience, competencies, and personal characteristics that enable them to fulfill their duties, which include:

- Calling for, setting the agenda of, and presiding over Board meetings.
- Calling for ordinary and extraordinary general meetings to consider the agenda submitted by the Board.
- Ensuring that sufficient and accurate information is made available in a timely manner to shareholders and Board members.
- Receiving reports and recommendations from all committees and submitting them to the Board on a regular basis for necessary action.
- Ensuring that all decisions are made based on rational grounds and based on full awareness of the relevant matters, and that a suitable mechanism is in place to guarantee the effectiveness of implementing these decisions at the right time and their monitoring.

- Promoting discussion and constructive criticism and ensuring the right for presenting opposing views and discussing them in the context of decision-making is properly exercised.
- Ensuring that the Board is fulfilling its duties in a manner that serves the Company's interests while avoiding any conflicts of interest.
- Preserving the trust between all members of the Board, especially among the executive members, and supporting the relationship between the Board and the Company's Executive Management.
- Ensuring the efficiency of the governance system and the effectiveness of the Board Committee's performance.



Managing Director and CEO Responsibilities

- Executing the Company's strategy and annual plan as set and approved by the Board.
- Leading the Company's executive work and day-to-day business, supervising the progress of all departments and divisions of the Company, monitoring the performance of all activities, making decisions as they deem necessary for work to be performed in an orderly manner and objectives to be achieved, as well as seeking to improve customer satisfaction.
- Working on the implementation of all internal policies, rules, and regulations approved by the Board.
- Proposing matters, in consultation with the Chairman, to be presented in the periodic Board meetings.
- Overseeing the preparation of the periodic financial and non-financial reports on the Company's results and performance, as well as the corporate governance report, and reviewing all the answers to the auditor's inquiries before preparing the reports.
- Effectively participating in building and developing a culture of ethical values in the Company and proposing the ESOP plan and succession planning mechanisms that are approved by the Board to ensure employee loyalty and maximize the Company's value.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements

- Determining the roles and responsibilities of all employees in accordance with the applicable work regulations and Board resolutions.
- Notifying the Board of Directors with all major and material developments related to the Company's activities and present items that require Board approval.
- Overseeing the preparation of the Board of Directors' annual report and raise it to the Board for approval and publishing.

Board Secretary

The Company has a Board Secretary who reports to the Financial Controller and is at an appropriate career grade that allows them to act as the liaison between the Board and the Company's top management. The Board Secretary's role includes, but is not limited to, the following duties:

- Making arrangements for the Board and committee meetings; preparing the matters to be presented at these meetings; assisting the Board Chairman and the Managing Director in preparing the meeting agendas; preparing the information, data, and details relating to said matters and send them to the members before the meeting in a timely manner; and manage the logistics of the meetings.
- Monitoring the execution of the Board's resolutions in accordance with the relevant framework.
- Keeping and documenting all that is related to the Board resolutions and the matters presented to the Board and ensuring that the Board receives important information in a timely manner.

- Working toward providing the Company with suitable employees and attracting new executive and senior managers in order to achieve the best possible outcomes while verifying that the Company's rewards and incentives system ensures their loyalty to the Company. In addition to providing them with continued training opportunities to develop their skills and consistently enhance their performance while ensuring the presence of suitable replacement plans.

- Representing the Company before the relevant authorities.

- Liaising with the Managing Director and the Company's departments to present their results to the Board.

- Liaising with all Board Committees, ensuring effective communication between the committees and the Board.

- Providing new Board Members with the necessary information about the Company.

- Recording attendance at all meetings, noting whether attendance is in person or not.

- In the event that a Board Member is attending virtually, making sure that all documents and the meeting agenda are available to them at the beginning of the meeting.

- Preparing, recording, and signing the minutes of the Board and general meetings and sending copies of them to Board members for approval.



Board Committees

The Company's Board of Directors sets the rules and procedures necessary to form its committees and determine their responsibilities, authorities, and term length. The Board regularly monitors the performances of its committees to ensure their effectiveness. When forming the committees, the Board considers the experiences of the committee members as they relate to the tasks assigned to each of them, especially in terms of the regulatory, legal, financial, banking, and economic aspects.

The following table presents the formation of the Board committees:

Name	Committee Name			Member's Capacity	Position	Joining Date
	Audit Committee	Nomination and Remuneration Committee	Financing, Investment, and Risk Management Committee			
1 Eng. Mohamed Hazem Barakat				Chairman of the Board of Directors	Chair	13/12/2020
2 Eng. Mushira Kamal Abdelmaksoud Al Maghrabi	√	√		Non-Executive	Chair	13/12/2020
3 Eng. Eskandar Adel Eskandar Tooma	√	√	√	Non-Executive	Member	13/12/2020
4 Major General Amir Sayed Ahmed	√			Non-Executive	Member	13/12/2020
5 Eng. Mohamed Abdallah Nabil Sallam			√	Managing Director	Member	13/12/2021
6 Eng. Aladdin Hassouna Saba		√	√	Non-Executive Director	Chair	13/12/2020
7 Mr. Ahmed Abdelmoneim Madbouly	√		√	Experienced Member	Member	13/12/2020
8 Major General Yasser Mohamed Kamel Al Mallah	√			Independent	Member	13/12/2020



Table of Contents



[Our Story](#)

[A Record-Breaking Year](#)

[Driving Growth](#)

[Building Sustainable Communities](#)

[Shaping a Better Future](#)

[Our People](#)

[Corporate Governance](#)

[Executive Management](#)

[Board of Directors](#)

[Shareholder Information](#)

[Corporate Governance Report](#)

[Consolidated Financial Statements](#)

Convened Board and Board Committee Meetings

Board and Board Committee meetings are held on a periodical basis. The following list shows the number of meetings held during 2023:

- 6 Board meetings
- 11 Audit Committee meetings
- 6 Nomination and Remuneration Committee meetings
- 4 Financing Management Committee meetings
- 1 Combined Committee meeting (Audit and Financing)

The following table provides information about the attendance of said meetings:

	Member Name	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Financing Committee	Combined Committee
1	Eng. Mohamed Hazem Adel Fathallah Barakat	6/6				
2	Eng. Mohamed Nabil Abdallah Sallam	6/6			4/4	
3	Eng. Aladdin Hassouna Mahmoud Saba	6/6		6/6	4/4	1/1
4	Eng. Hany Osman Suliman Mohamed	2/6				
5	Eng. Mushira Kamal Abdelmaksoud Al Maghrabi	6/6	11/11	6/6		1/1
6	Eng. Ahmed Hassan Abdelme-guid Omar	4/6				
7	Dr. Eskandar Adel Eskandar Tooma	6/6	11/11	6/6	4/4	1/1
8	Mr. Mostafa Abdelsalam Mostafa El Anwar	4/6				
9	Major General Amir Sayed Ahmed Hassan	6/6	4/11			
10	Major General Yasser Mohamed Kamel Al Mallah	4/6	4/11			
11	Mrs. Mona Mohamed Mahmoud Osman	4/6				
12	Mrs. Nashwa Abdelatif Mahmoud	4/6				
13	Mr. Ahmed Foad Abdelaziz (representing the holding company)	3/6				
14	Mr. Ahmed Abdelmoneim Madbouly	6/6	11/11		4/4	1/1
15	Mr. Salah Hisham Abdelme-guid Katamish	1/6				
16	Mr. Mohamed Rafik (representing the holding company)	1/6				





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements

Audit Committee

The Audit Committee comprises four non-executive Board members, two of which are independent, in addition to a fifth member from outside the Board of Directors with financial and managerial experience. They have the appropriate experience that ensures achieving the required balance in capabilities, knowledge, and sufficient awareness of financial issues and the fields of auditing and accounting, commensurate with the size of the Company and the complexity of its operations. As such, the committee is formed of five members: two independent Board Members, two non-executive Board members, and an experienced member from outside the Board of Directors.

The committee held 11 meetings during 2023 and carried out the responsibilities entrusted to it throughout the year as stated in the meeting minutes.

Committee Roles and Responsibilities

- Proposing the appointment of the Company's external auditor, determining their fees, and considering matters related to their resignation or dismissal, in a manner that does not violate the provisions of the law.
- Expressing an opinion on assigning the external auditor to perform services for the benefit of the Company, other than reviewing the financial statements, and on their fees, without prejudice to the requirements of their independence.
- Agreeing on the scope of the audit with the external auditor.
- Discussing the issues the committee deems necessary with the person in charge of the internal audit, the external auditor, and the relevant officials, as well as any matter they deem necessary to discuss with the committee.
- Examining the quarterly and annual financial statements before being presented to the Board for approval.
- Reviewing the annual financial statements before they are published and ensuring that they are in line with the approved financial figures.
- Coordinating between internal and external audit tasks and ensuring that there are no restrictions that impede the direct communication lines between the Head of Internal Audit, the Company's external auditors, the Board of Directors, and the Audit Committee.
- Reviewing and approving the annual internal audit plan.
- Reviewing the internal audit reports, including reports related to the adequacy of the Company's internal control

systems and the extent of compliance with the policies and laws in force, and ensuring that the Company's management takes the necessary corrective measures in a timely manner to rectify any identified issues.

- Examining any obstacles that could affect the internal or external audit process and suggesting means to remove them.
- Examining the FRA's remarks on the financial statements and submitting them to the Board of Directors along with the committee's recommendations.
- Examining the external auditor's remarks on the financial statements, as well as other reports sent to the Company's management throughout the year, and submitting them to the Board of Directors along with the committee's recommendations.

Nomination and Remuneration Committee

The committee comprises three non-executive Board members. The committee's scope of work throughout 2023 was determining compensation and bonuses. The committee's responsibilities are as follows:

- Proposing clear policies for the bonuses and rewards of Board members, committee members, and senior executives; setting and amending the performance-related standards relating to determining the bonuses; and reviewing these policies on an annual basis.
- Preparing a detailed annual report with all the benefits, bonuses, and privileges received by Board members and Senior Managers to be presented to the General Assembly.
- Regularly and continuously reviewing the required skills necessary for Board membership and Senior Managerial roles and preparing a report with the requirements to implement the Company's continuity strategy.
- Determining the responsibilities of the Board's executive, non-executive, and independent members, as well as reviewing the job descriptions of the Company's Senior Executives.
- Regularly verifying the independence of independent Board members and ensuring that there are no conflicts of interest in case any of the Board members is a member of the Board of Directors of another company.





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements

Financing, Investing, and Risk Management Committee

The committee comprises three non-executive Board members and one experienced member from outside the Board of Directors. The committee's responsibilities are as follows:

- Examining and evaluating the Company's liquidity position and its short- and long-term financing needs.
- Examining and evaluating funding sources appropriate to the Company's needs.
- Reviewing and evaluating financing terms proposed by financial institutions and amending them when needed.
- Evaluating technical and financial offers submitted by financial institutions and recommending the most suitable offers to the Board of Directors.
- Monitoring the Company's use of available financing and the regularity of loan repayments.
- Reviewing technical, financial, and economic feasibility studies for investment projects presented to the Board of Directors and expressing an opinion and recommendation to the Board in this regard.
- Reviewing the Company's investment plans, following up on its implementation, and reporting on them to the Board of Directors.
- Examining the proposed cash dividend distribution plan in light of the availability of the necessary liquidity.
- Examining and suggesting the purchase of treasury stock to the Board when necessary.
- Developing executive frameworks, procedures, and rules approved by the Board, necessary to deal with all types of risks that the Company may face, such as strategic risks, operational risks, market risks, credit risks, reputational risks, information systems and data protection risks, and all other types of risks that would affect the Company's operations and sustainability.
- Assisting the Board of Directors in determining and evaluating the level of risk that the Company can accept and ensuring that the Company does not exceed this risk limit.
- Supervising and verifying the effectiveness of the Company's risk management in carrying out the work assigned to it and ensuring that it performs its work adequately within the confines of the responsibilities

assigned to it, as well as ensuring the independence of its staff from the Company's Executive Management.

- The committee's recommendations shall be included in the notes of financing decisions for presentation to the Board of Directors, and not in the form of separate meeting minutes, so that the recommendations of the committee are part of the study supporting the decision to approve the requested financing.

Governance Committee

The responsibilities of the Governance Committee were handed over to the Audit Committee and are as follows:

- Periodically evaluating the Company's governance system and drafting internal guides, charters, and policies on how to apply governance rules within the Company.
- Reviewing the annual report on the extent of the Company's compliance with corporate governance rules and setting in place the appropriate procedures that ensure the complete implementation of those rules.
- Reviewing the Board of Directors' report, especially with regard to disclosure and other items related to corporate governance.
- Keeping and monitoring reports relating to the performance review of the Board of Directors.
- Examining the remarks of the regulatory authorities on the application of corporate governance within the Company, taking them into consideration, and following up on the actions taken in this regard.





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements

Other Committees

Executive Committee

The Executive Committee comprises the Managing Director and the Managing Director's Deputies, and it carries out the following responsibilities:

- Supervising the development of executive strategies and annual budgets.
- Examining and evaluating the feasibility of new projects offered to the Company.
- Coordinating operations between the various departments to ensure the execution of the approved strategies and budgets.
- Following up on project implementation, identify obstacles, and working to address them.

Regulatory Environment

Internal Control System

The Company implements a set of policies, procedures, manuals, and regulations prepared by the relevant departments and approved by the Board of Directors in order to achieve the following:

- Appropriate segregation of responsibilities and powers for all employees.
- Increasing the Company's productive efficiency and achieving its objectives at the lowest cost possible while maintaining the desired level of quality.
- Ensuring the accuracy and quality of the information so that correct and accurate information about the Company is available internally to the Company and to others.
- Ensuring the precise implementation of instructions to make sure that they have been carried out properly.
- Safeguarding the Company's tangible assets against any possible danger, as well as documenting and recording these assets in the Company's registers.
- Ensuring the application of corporate governance rules through the precise implementation of the different governance rules and requirements.

Internal Audit Department

Up until 2021, the Company hired an external professional office to carry out internal audit tasks. The Company's Internal Audit Department was established in December 2021, and it comprises a Department Head and team members. The Department is responsible for the following:

- Evaluating the Company's control and risk management systems.
- Submitting detailed reports on the internal audit findings and recommendations to the concerned sectors/departments and agreeing on corrective measures, if deemed necessary.
- Developing an internal audit plan based on potential risks.
- Presenting a summary report with the internal audit's findings, recommendations, and corrective measures agreed upon with the concerned sectors and/or departments to Executive Management and the Audit Committee.
- Presenting the internal audit plan to the Company's Executive Management and the Audit Committee for approval.
- Preparing and implementing internal audit programs in order to execute the internal audit plan.

The Internal Audit Team conducts its duties with complete objectivity, impartiality, and independence from the activities being audited. The Department's employees are equipped with the necessary skills, experience, and commitment to meet professional standards.



Risk Management

The Board of Directors is responsible for risk management in a manner consistent with the nature of the Company's activity and size and the market in which it operates. There is currently no independent organizational risk management unit; however, each Department Head and each Executive Director is responsible for risk management within their scope of business and activities. The following responsibilities fall under their supervision:

- Accurately analyzing the potential risks that the Company could face at an early and appropriate timing.
- Ensuring the availability of appropriate and effective information and communication systems with regard to the process of monitoring risks in order to allow Senior Management and the Risk Committee to receive periodic reports, reflecting the extent of the Company's commitment to the set risk limits and clarifying the violations of these limits, their causes, and the plans proposed to address them.
- Determining the level of acceptable risk depending on its impact and potential of occurring.
- Submitting accurate reports that enable stakeholders to take the necessary actions.
- Developing a Risk Policy and specific indicators to measure, follow up, and monitor risks.
- Presenting findings to the Company's Executive Management and to the Financing, Investment, and Risk Management Committee in order to coordinate on a company-wide level.
- Assessing the sustainability and effectiveness of policies in measuring, monitoring, and following up on risks, in addition to making necessary adjustments in this regard in line with market developments and the internal and external environments surrounding the Company.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements

Compliance Department

Implementing policies relating to compliance is the responsibility of Senior Management, with the Board of Directors being responsible for approving these policies. All employees are then notified with these policies. Currently, the Company does not have an independent Compliance Department; however, the Legal and Human Resources Departments are responsible for performing the following responsibilities:

- Identifying, assessing, and providing advice on compliance requirements.
- Preparing reports on the risks of non-compliance with the laws, regulations, and regulatory instructions issued by the various authorities in order to avoid harming the Company's reputation or exposing it to penalties that result from non-compliance.
- Following up regularly and ensuring that all of the Company's employees adhere to the laws, regulations, and guidelines issued by the various authorities.
- Following up regularly and ensuring that all employees comply with the Company's internal regulations and policies.
- Receiving complaints and investigating them in an objective manner.

Corporate Governance Department

Currently, the role of the Corporate Governance Department is being fulfilled by the Company's Finance and Investor Relations Departments. Responsibilities include:

- Monitoring the presence of basic principles and elements that aid in developing and enhancing the Company's performance, contributing to the achievement of the Company's strategic objectives set by the Board of Directors.
- Monitoring the presence of the principles of disclosure, transparency, and a culture of governance throughout the Company and its operations.
- Enhancing and developing the Company's general framework and principles of work using its professional code of conduct, while defining its social responsibility toward workers and society as a whole.
- Monitoring the implementation of the Company's conflict of interest policy.
- Working toward implementing transparency, clarity, and fairness when dealing with all shareholders.
- Working on clarity of relations between the Board of Directors and stakeholders.
- Developing internal governance guides for the Company and drafting internal policies that regulate the relationship between all employees, and contributing to the preparation of the report in the extent of the Company's commitment to corporate governance.





Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements

External Auditor

- The Company appoints an external auditor who fulfills the conditions stipulated by the law of Profession of Accounting and Auditing, including competence, reputation, and sufficient experience, and that their qualifications are commensurate with the size and nature of the Company's activity and those with whom it deals. The auditor must also be completely independent from the Company and the members of its Board of Directors. For example, they should not be a shareholder or a Board member or be related to any Board member or Senior Management personnel up to the second degree, or perform any technical work, management, or consulting on a permanent basis.
- The external auditor is chosen from the list of auditors registered with the FRA.
- Appointment is confirmed by the General Assembly of Shareholders based on the recommendation of the Board of Directors, following the Audit Committee's recommendation.
- The Board of Directors may not enter a contract with the external auditor to perform any additional work that is not directly or indirectly related to their work as its auditor, except after obtaining the approval of the Audit Committee and provided that this additional work is not prohibited for auditors. The fees of performing additional work must be commensurate with the nature and size of the required work. The Audit Committee, when considering the approval of the auditor performing additional work and determining their fees, must consider that this does not affect their independence, with the need to disclose this to the General Assembly of Shareholders and in the Board of Directors' Annual Report.
- The Company complies with having the external auditor submit a copy of their report in the Company's Governance Report directed to the FRA and the EGX in accordance with the applicable rules of governance and disclosure. This report is also submitted to the General Assembly of Shareholders.

Disclosure and Transparency

Material Information, Financial, and Non-Financial Disclosure

Financial, non-financial, and material information are disclosed to the EGX and published on the Exchange's screens. The Company's financial statements are published on a quarterly basis on the Company's website, which is regularly updated. Material information includes:

- Information on the Company, such as its objectives, vision, business nature, plans, and future strategies.
- Ownership structure and any changes.
- Ownership structures of affiliates and subsidiaries.
- Dealings with related parties and related-party transactions.
- Major potential risks and how they can be addressed.
- Changes in investment policies.
- Disclosing to shareholders and supervisory authorities all information regarding treasury shares. In the event of a subsidiary purchasing shares of its holding company, the company applies to such shares all the treasury share rules. These shares are not counted in the shareholders' quorum or during votes at general meetings.
- Providing the FRA and the EGX with the extraordinary and ordinary general meeting resolutions as soon as a meeting is concluded, and in any event, no later than the start time of the first trading session following the meeting. This comes in addition to providing the EGX with the meeting minutes approved by the Chairman of the Board within one week of every general meeting.
- Providing the EGX with the General Assembly meeting minutes, certified by the competent administrative authority, within three business days of receiving the certified minutes.
- Providing the FRA and the EGX with a summary of the Board resolutions, involving material information,



no later than the start time of the first trading session following the meeting in which the resolutions are adopted.

- Providing the FRA and the EGX with a statement approved by the Board showing the most important business results compared with the corresponding historical period on the form prepared by the EGX as soon as the Board approves the annual or quarterly interim financial statements. This is in preparation for submitting the financial statements to the auditor for him to issue his report on them, no later than the start time of the trading session following the meeting.
- Announcing the decision of the competent body regarding the cash and/or stock dividend distributions.
- Disclosing whenever the shareholding percentage of a shareholder or related party in the Company's

shares or voting rights exceeds or drops below 5% and its multiples, including shares that were subscribed in through the purchase of subscription rights.

- Disclosing the Company's future investment strategy and the direction of the primary shareholder in the event that their ownership alongside the ownership percentage of associated parties is 25% or more of the Company's capital or voting rights.
- Disclosing whenever any arbitration decisions or court rulings are issued at any stage of litigation that affect the Company's financial position or the rights of its securities holders or have an impact on trading prices or on the investment decision of investors.
- Immediately disclosing if and when any court ruling is issued against a member of the Company's Board of Directors or a Senior Official.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements

Penalties and Judgments Against the Company During the Year

No penalties or judgments were issued against the Company during 2023.

Investor Relations

The Head of Investor Relations is appointed by the Board of Directors and attends the General Assembly of Shareholders. The Head of Investor Relations is responsible for:

- Communicating with and answering the inquiries of shareholders, in addition to distributing press releases relating to the Company that include data and information specified by the EGX.
- Developing a strategy that includes the Company's disclosure policy and complies with all laws, regulations, rules, listing procedures, disclosure requirements, and decisions issued by the FRA and the EGX.
- Having complete knowledge of Senior Management's strategic plans and all decisions taken by them, especially material decisions, while being committed to maintaining the confidentiality of essential and internal information that is not publicly available.
- Disclosing to financial analysts, current and potential investors, and valuation institutions the Company's plans and activities through meetings, conferences, and reports.
- Conveying the circumstances of the market to the Company's top management and assisting in replying to the questions and inquiries of investors, the media, and financial analysts, as well as dealing with the rumors that affect the shares of the Company.

Disclosure Tools

Board of Directors Reports

The Company issues quarterly reports published through the EGX, as well as an annual report in accordance to article 159 of the Companies Law for the year 1981, and its executive regulations to be presented to the General Assembly of Shareholders and are submitted to the FRA and the EGX.

Disclosure Report

The Company prepares a quarterly disclosure report that is prepared by the Company's management with the assistance of the Investor Relations Department. This report includes:

- The Company's contact details.
- The names of the Investor Relations officers and their contact details.
- Structure of the shareholders possessing 5% or more of the shares.
- Overall shareholding structure, specifying the free float shares.
- Details of the treasury shares, if any.
- Changes in the Board and the latest formation of the Board.

Website

The Company's website is available online in both English and Arabic, and financial and non-financial information is disclosed throughout the website in a convenient manner. (www.madinetmasr.com).





Table of Contents



Insider, Related Party, and Associated Party Policy

The Company implements a policy that monitors insider trading of the Company's shares in accordance with the laws of the FRA and the EGX, and it determines the level of compliance of founders, principal shareholders, and associated parties in not partaking in any netting contracts without the approval of the General Assembly. Such transactions are to be presented to the General Assembly in full details, including price and volume, before the transaction is completed, and the involved party shall not have the right to vote during the meeting. The policy ensures that all stakeholders understand the definition of insider trading and its regulations. The policy includes the following regulations:

- It is prohibited for any insider or associated party to deal in any type of stock issued by the Company within five days prior to and one day after the publication of any material information.
- It is prohibited for any shareholder with a shareholding of over 20% to trade either individually or through an associated party without notifying the EGX prior to completing the trade.
- It is prohibited for Board Members, regardless of their current shareholding percentage, as well as Company officials or individuals with access to material, non-public information to trade in any stock instrument associated with this information.



Insider Trading on the Company's Shares

No.	Type	Transaction	Transaction Date	No. of Shares
1	Company Management	Sale	1/4/2023	1,122
2	Related Group	Sale	1/17/2023	60,897
3	Board of Directors	Sale	1/23/2023	300,000
4	Related Group	Sale	3/6/2023	885,000
5	Related Group	Purchase	3/16/2023	1,070,746
6	Board of Directors	Sale	3/27/2023	200,000
7	Board of Directors	Sale	3/28/2023	41,033
8	Board of Directors	Sale	3/29/2023	558,968
9	Related Group	Purchase	7/5/2023	4,150,000
10	Board of Directors	Purchase	10/1/2023	650,000
11	Related Group	Purchase	12/6/2023	2,675,000
12	Related Group	Purchase	12/7/2023	1,485,000
13	Related Group	Purchase	12/10/2023	780,000
14	Related Group	Sale	12/10/2023	311,275
15	Related Group	Purchase	12/10/2023	2,310,000
16	Related Group	Purchase	12/11/2023	1,150,000
17	Related Group	Purchase	12/12/2023	1,275,000
18	Related Group	Purchase	12/13/2023	700,000
19	Related Group	Purchase	12/14/2023	520,000
20	Related Group	Purchase	12/17/2023	265,000
21	Related Group	Purchase	12/18/2023	900,000
22	Related Group	Purchase	12/19/2023	465,826
23	Related Group	Purchase	12/20/2023	385,000
24	Related Group	Purchase	12/21/2023	1,000,000
25	Related Group	Purchase	12/24/2023	900,000
26	Related Group	Purchase	12/25/2023	685,000
27	Related Group	Purchase	12/26/2023	677,169
28	Related Group	Purchase	12/27/2023	800,000
29	Related Group	Purchase	12/28/2023	620,000

Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Executive Management

Board of Directors

Shareholder Information

Corporate Governance Report

Consolidated Financial Statements

The image features a modern, multi-story residential building with a mix of brown and white facades, large windows, and balconies. Palm trees and other greenery are visible in the foreground and background. On the left side, there is a stylized graphic consisting of several concentric, white, geometric shapes that resemble a tunnel or a series of nested triangles, set against a dark grey background.

**CONSOLIDATED
FINANCIAL STATEMENTS**



Table of Contents



AUDITOR'S REPORT

To The Shareholders Of Madinet Masr For Housing And Development – S.A.E.

Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Madinet Masr For Housing and Development - S.A.E., which comprise the consolidated statement of financial position as of 31 December 2023, and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the Consolidated Financial Statements

These consolidated financial statements are the responsibility of the Company's Management as Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Egyptian Accounting Standards and in the light of relevant Egyptian laws and regulations. The Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. This responsibility also includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Egyptian Standards on Auditing and in the light of relevant Egyptian laws and regulations. Those standards require that we plan and perform the audit to obtain reasonable assurance that the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Madinet Masr For Housing and Development - S.A.E. as of 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Egyptian Accounting Standards and in the light of relevant Egyptian laws and regulations.

Mohanad T. Khaled

Fellow of ACCA
Fellow of ESAA
RAA No. 22444
FRA No. 375

Cairo, 14 March 2023



Table of Contents



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2023

- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)

	Note	31/12/2023 L.E.	31/12/2022 L.E.
Assets			
Non-current assets			
Fixed assets	4/1	41,741,950	39,354,368
Right of use assets	24	69,963,831	102,192,609
Assets under constructions	4/2	82,658,533	20,251,779
Intangible assets	5	11,730,975	3,749,628
Amounts paid on account of investments in subsidiaries	43	1,850,000	175,000,000
Financial assets at amortized cost	6/1	566,968	566,968
Financial assets at fair value through other comprehensive income	6/2	28,289,577	27,761,257
Investment properties	6/3	627,984,796	2,383,664
Long term notes receivables	10	1,161,399,489	1,759,337,388
Deferred tax assets	35	192,618,229	42,197,310
Total non-current assets		2,218,804,348	2,172,794,971
Current assets			
Inventory	7	81,470,679	52,275,641
Work in progress	8	6,703,843,098	5,330,977,201
Finished properties	9	266,334,892	264,346,499
Short term notes receivable	10	2,561,299,861	1,770,428,912
Accounts receivable	10	823,400,358	722,708,153
Trade payables - debit balances	11	1,763,324,945	336,858,151
Debtors and other debit balances	12	1,659,754,273	1,460,444,554
Investments at fair value through profit or loss	6/4	2,700,899	2,314,327
Financial assets of amortized cost - Treasury bills	6/5	1,479,853,953	963,623,158
Cash and bank balances	13	911,986,286	906,192,128
Total current assets		16,253,969,244	11,810,168,724
Total assets		18,472,773,592	13,982,963,695
Equity and liabilities			
Equity			
Issued and paid up capital	18	2,135,000,000	2,100,000,000
Legal reserve		373,144,164	335,772,345
Retained earnings		2,533,528,741	1,702,929,034
Net profit for the year		2,128,062,027	736,739,780
Employees and executives shares option plan		107,100,000	-
Other comprehensive income		86,129,467	23,027,947
Shareholders' equity of parent		7,362,964,399	4,898,469,106
Non-controlling interest	19	103,206,352	96,589,611
Total Equity		7,466,170,751	4,995,058,717
Non-Current Liabilities			
Long term notes payable	17/1	101,346,183	154,348,786
Long term loans	20	1,029,680,525	1,201,559,682
Long term land development liability	41	145,486,213	299,954,005
Long term lease liability	36	41,360,789	75,955,603
Total Non-Current Liabilities		1,317,873,710	1,731,818,076
Current Liabilities			
Advance payments from customers for undelivered unites	14	4,467,790,317	2,764,048,914
Creditors - Advance payments		26,452,973	38,820,719
Provisions	15	281,885,187	104,633,148
Trade payables		719,001,063	683,429,398
Infrastructure completion liabilities	16	644,304,536	153,641,750
Creditors and other credit balances	17/2	1,423,557,292	986,666,537
Creditors of management, option and maintenance of residential compounds	22	13,033,521	7,507,417
Current portion of long-term loans	20	239,435,888	1,112,711,174
Short term loans	21/1	700,000,000	741,032,228
Credit banks (credit facilities)	21/2	111,674,532	173,143,706
Short term lease liability	36	32,327,035	25,058,593
Short term land development liability	42	193,687,509	208,806,577
Tax Authority		835,579,278	256,586,741
Total current liabilities		9,688,729,131	7,256,086,902
Total Liabilities		11,006,602,841	8,987,904,978
Total Equity and Liabilities		18,472,773,592	13,982,963,695

Auditor's report "attached".

The attached notes from 1 to 44 form part of these summarized consolidated financial statements.



Table of Contents



CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2023

	Note	31/12/2023 L.E.	31/12/2022 L.E.
Net revenue	25-a	8,113,303,812	5,336,202,832
Less:			
Cost of revenue	25-b	(3,030,862,154)	(3,346,889,755)
Gross profit		5,082,441,658	1,989,313,077
Less:			
Selling and marketing expenses	26	(1,650,124,959)	(610,138,769)
General and administrative expenses	27	(231,426,833)	(152,421,649)
Other operating expenses	28	(49,251,820)	(51,839,301)
Provisions	15	(176,411,077)	(49,504,358)
Finance cost	29	(445,014,686)	(478,339,135)
Expected credit loss provided		(29,428,300)	-
Add:			
Reversal of expected credit loss (Net)		-	54,785,694
Finance income	30	173,280,464	136,655,496
Income relevant to activity	31	115,697,413	105,319,482
Operating profit		2,789,761,860	943,830,537
Return on financial assets at fair value through other comprehensive income		734,226	222,222
Return on financial assets at amortized cost		41,716	41,716
Other expenses	32	(25,644,556)	(14,231,990)
Net profit for the year before tax		2,764,893,246	929,862,485
Income tax		(775,522,795)	(232,808,532)
Deferred tax	35	145,308,317	29,234,041
Net profit for the year		2,134,678,768	726,287,994
(Less)/Add: Non-controlling interest		(6,616,741)	10,451,786
Shareholders' equity of parent company	33	2,128,062,027	736,739,780
Earnings per share for the year	38	0.867	0.304

The attached notes from 1 to 44 form part of these summarized consolidated financial statements.



Table of Contents



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	31/12/2023 L.E.	31/12/2022 L.E.
Net profit for the year	2,134,678,768	726,287,994
Items not to be reclassified in the statement of income		
Surplus of valuation of investment properties at fair value	62,573,200	-
Other comprehensive income	528,320	2,918,582
Total comprehensive income for the year	2,197,780,288	729,206,576
(Less)/Add: Non-controlling interest	(6,616,741)	10,451,786
Shareholders' equity of parent company	2,191,163,547	739,658,362

The attached notes from 1 to 44 form part of these summarized consolidated financial statements.

- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)



Table of Contents



CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2023

	Issued and paid-up capital L.E.	Legal reserve L.E.	Retained earnings L.E.	Net profit for the year L.E.	Treasury shares L.E.	Changes in fair Value L.E.	Total L.E.	Non-controlling interest L.E.	Total L.E.
Balance at 1 January 2022	1,497,600,000	321,640,687	1,702,438,140	282,837,702	-	20,109,365	3,824,625,894	107,041,397	3,931,667,291
Transfer to retained earnings	-	-	282,837,702	(282,837,702)	-	-	-	-	-
Dividends 2021	-	-	(40,215,150)	-	-	-	(40,215,150)	-	(40,215,150)
Transfer to legal reserve	-	14,131,658	(14,131,658)	-	-	-	-	-	-
Capital increase according to Extraordinary General Assembly on April 11, 2022	228,000,000	-	(228,000,000)	-	-	-	-	-	-
Capital increase according to Extraordinary General Assembly on December 13, 2022	374,400,000	-	-	-	-	-	374,400,000	-	374,400,000
Comprehensive income for the year	-	-	-	736,739,780	-	2,918,582	739,658,362	(10,451,786)	729,206,576
Balance at 31 December 2022	2,100,000,000	335,772,345	1,702,929,034	736,739,780	-	23,027,947	4,898,469,106	96,589,611	4,995,058,717
Impact of changing of accounting policies -amended standard (34) for investment properties	-	-	563,060,470	-	-	-	563,060,470	-	563,060,470
Transfer to retained earnings	-	-	736,739,780	(736,739,780)	-	-	-	-	-
Transfer to legal reserve	-	37,371,819	(37,371,819)	-	-	-	-	-	-
Dividends 2022	-	-	(440,462,265)	-	-	-	(440,462,265)	-	(440,462,265)
Transfer to legal reserve	-	14,131,658	(14,131,658)	-	-	-	-	-	-
Capital increase according to Extraordinary General Assembly on April 18, 2023	35,000,000	-	(35,000,000)	-	-	-	-	-	-
Allocation of employees & executives the share option	-	-	35,000,000	-	107,100,000	-	142,100,000	-	142,100,000
Impact of acquisition of both Mink for real estate investment Co. Egy Can for Real Estate Development Co.	-	-	8,633,541	-	-	-	8,633,541	-	8,633,541
Comprehensive income for the year	-	-	-	2,128,062,027	-	63,101,520	2,191,163,547	6,616,741	2,197,780,288
Balance at 31 December 2023	2,135,000,000	373,144,164	2,533,528,741	2,128,062,027	107,100,000	86,129,467	7,362,964,399	103,206,352	7,466,170,751

The attached notes from 1 to 44 form part of these summarized consolidated financial statements.

- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)



Table of Contents



CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

	Note	31/12/2023 L.E.	31/12/2022 L.E.
Operating activities			
Net profit for the year before tax		2,764,893,246	929,862,485
Adjustments for:			
Depreciation of fixed assets and investment properties	4/1, 6/3	11,329,921	19,771,095
Sale of assets under constructions		(1,960,417)	-
Amortization of intangible assets	5	8,193,371	3,800,592
Amortization of right of use assets	24	39,380,203	37,671,014
Provisions provided	15	176,411,076	49,504,358
Reverse of expected credit loss (Net)		29,587,940	(54,785,694)
Return on financial assets at fair value through other comprehensive income		(734,226)	(222,222)
Return on financial assets at amortized cost		(41,716)	(41,716)
Gains on foreign currencies	31	(2,052,268)	(3,727,806)
Finance cost	29	445,014,686	478,339,135
Reversal of investments properties loss		-	29,200
		3,470,021,816	1,460,200,441
Work in progress, Finished properties and material		(1,573,612,055)	1,279,836,263
Debtors, notes and trade receivables, trade payables debit balance, debtors of compound facilities management		(1,801,991,129)	(1,138,152,945)
Trade payables, suppliers, advance payments from customers for undelivered unites, and projects' advance payment infrastructure completion liabilities		2,518,705,621	(27,267,441)
Used provisions	15	(3,995,342)	(10,103,829)
Dividends paid to Board of Directors and employees (*)		(282,962,265)	(73,794,578)
Income tax paid		(196,530,258)	(43,448,978)
Finance expenses paid		(362,224,047)	(406,351,881)
Net cash from operating activities		1,767,412,341	1,040,917,052
Investing activities:			
Payments for purchase of fixed assets and fixed assets under construction	4/1, 4/2	(20,487,234)	(26,117,098)
Proceeds of assets under constructions		2,600,000	-
Payments for purchasing of intangible assets	5	(16,174,718)	(4,520,069)
Payments for purchasing of investments in subsidiaries		(1,850,000)	(175,000,000)
The effect of the acquisition of EgyCan and Minka		127,089,043	(95,956,632)
Return on financial assets at fair value through other comprehensive income		734,226	222,222
Return on financial assets at amortized cost		41,716	41,716
Net cash used in investing activities		91,953,033	(301,329,861)
Financing activities:			
Payments received for capital increase		-	374,400,000
Dividends to share holders		(157,500,000)	-
Payments for lease liabilities	36	(34,477,797)	(678,096,631)
Non-controlling interest		-	13,463,190
Payments for long term loans	20	(1,065,678,553)	(44,072,502)
Proceeds from long term loans	20	18,866,999	28,883,808
Capitalized Interest from long term loans	20	1,657,111	105,587,598
Payments for short term loans	21	(84,366,989)	-
Proceeds from short term loans	21	43,334,761	41,032,228
Net cash used in financing activities		(1,278,164,468)	(158,802,309)
Change in cash and cash equivalents during the year		581,200,906	580,784,882
Cash and cash equivalents at the beginning of the year		1,699,744,271	1,115,231,583
Gain on foreign exchange	31	2,052,268	3,727,806
Total cash and cash equivalents at the end of the year		2,282,997,445	1,699,744,271
Less: Restricted time deposits against letters of guarantee		(59,883,762)	(32,787,919)
Restricted investment certificates against letters of guarantee		(487,000)	(487,000)
Restricted amounts from accounts at NBE		-	(336,228)
Cash and cash equivalents at the end of the year	21	2,222,626,683	1,666,133,124

(*) Includes EGP 157,500,000 for the payment of the dividends' second installment, representing a dividends distribution of EGP 0.15 per share for FY2023.

Non-cash transactions:

The statement of cash flows does not include the following non-cash transactions:

- An amount of L.E. 24,133 represents disposal of investment properties and its equivalent within the work in progress.
- An amount of L.E. 142,100,000 represents the debtors and other debit balance for employees stock ownership plan and its equivalent within the equity (Issued capital and share premium)

The attached notes from 1 to 44 form part of these summarized consolidated financial statements.



Table of Contents



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2023

1. Company background

1.1. Legal form of the company

Madinet Masr For Housing and Development - S.A.E. was incorporated in accordance with the Presidential Decree No. 815/1959 and was changed to Joint Stock Company according to Presidential Decree No 2908/1964, then became a subsidiary of Public Sector Authority for Housing by Presidential Decree No. 469/1983.

The company was converted under the provisions of Law No. 203 for 1991 issued on 30/06/1996 to an Egyptian Joint Stock Company as a subsidiary to the Holding Company for Housing under the name of Madinet Nasr Housing and Development. The Extraordinary General Assembly of the company held on 30/06/1996 approved the change in the governing laws under which the company was operating from the provisions of Law No. 203 for 1991 to the provisions of Law No. 159 for 1981 and its executive regulations and published in company's journal on January 1997.

The Company was registered in the Commercial Registry under No. (300874) dated 23 December 1996 and Tax Registration No. 095-009-200.

On 2 May 2023, the Extraordinary General Assembly Meeting has approved the amendments of the company's name in Article (2) of the Articles of Association to become "Madinet Masr for Housing and Development Company", and the amendment has been registered in the company's commercial registry on 13 June 2023.

1.2. Activity

The company is engaged in all activities related to real estate development for land, buildings and facilities including acquisition of land and real estate, sale and rental, dividing it and providing all types of facilities necessary for reconstruction and connected to it in Nasr City and other areas nationwide, the purchase and development, utilization, leasing and sale of all buildings and land. The company can establish, manage and invest in all residential, administrative, tourist, recreational and all projects necessary to achieve these purposes, and all real estate operations, financial, commercial and entertainment related to these purposes, as well as carrying out design, and engineering consultancy, and supervision of the execution by others.

BIG Investment Group Limited – Britain – is considered the main shareholder of the company.

1.3. Duration

The company's term is 50 years starting from 23/12/1996 and ending 22/12/2046.

1.4. Location

The company's Head Office is located at 4, Youssef Abbass, Nasr City, Cairo, Egypt.

The Chairman is Eng. Mohamed Hazem Barakat.

The company's ordinary shares are listed on the Egyptian Exchange (EGX) and, as Global Depositary Receipts (GDRs).

The company's Board of Directors has approved the consolidated financial statements for the year ended 31 December 2023 on 25 February 2023.

1.5. Basis of consolidation

A subsidiary is a company in which the company owns more than 50% of the share capital and the company exercises the right to control the investee when the company is exposed or entitled to variable returns through the company's contribution to the investee company and has the ability to affect those returns through its authority over the company. Therefore, the company controls the investee company when the company has all the following:

- Power over the investee.
- Exposure or right to variable returns by contributing to the investee company.
- The ability to use the authority on the investee company to influence the amount of proceeds obtained from it.
- Investments in subsidiaries are carried at cost less impairment losses, if any.
- The consolidated financial statements include the financial statements of the company and its subsidiaries.
- The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.
- All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognized as assets and liabilities, are eliminated in full.
- Subsidiaries are fully consolidated from date of acquisition, being the date on which the group obtains control, and continue to be consolidated until the date such control ceases.
- Non-controlling interests represent the portion of total comprehensive income and net assets not held by the group are presented separately in statement of income and within equity in consolidated financial position, separate from owners of parent's equity.

Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

The parent company - Madinet Nasr for Housing and Development Company - invests and has control during the period ending on 31 December 2023 over the subsidiary company, which was included in the consolidated financial statements, as follows:

Subsidiary	Legal Form	Percentage Ownership	Activity
Al Nasr for Civil Works S.A.E.	S.A.E.	52.46%	Civil construction
Egy Can for Real Estate Development Co.	S.A.E.	100%	Real estate development, investment
Minka for Real Estate Investment Co.	S.A.E.	100%	Real estate development, investment

2. Use of estimates and judgments

The preparation of consolidated financial statements in accordance with Egyptian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable, under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on a continuous basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the future periods if it affects future periods.

The following are items on the consolidated financial statements that are affected by judgments, assumptions, and estimates:

- Estimate useful lives of fixed assets, intangible assets and investment properties.
- Provisions and contingent liabilities
- Impairment of financial and non-financial assets
- Taxation
- Cost of sales and cost of completion of infrastructure liability
- Present value (significant financing component)
- Expected credit loss

2.1. Fair value Measurement

The fair value represents the price that the company would receive in exchange for selling the asset or the consideration paid to transfer the liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the assumption that the transaction to sell the asset or transfer the liability will occur in the principal market for the asset, liability, or market that will yield the most interest on the asset or liability.

The fair value of the asset or liability is measured using assumptions that market participants would use when pricing the asset or liability, on the assumption that market participants will pursue their economic interests.

The measurement at the fair value of the non-financial asset takes into account the market participant's ability to generate economic benefits by using the asset to the maximum acceptable degree or by selling it to another market participant who would use the asset to its maximum capacity.

For assets traded in an active market, the fair value is determined by reference to the quoted market bid prices.

The fair value of interest-bearing items is estimated based on discounted cash flows using interest rates on similar items with similar terms and risk characteristics.

For unlisted assets, fair value is determined by reference to the market value of a similar asset or based on the expected discounted cash flows.

The company uses valuation methods that are appropriate in the surrounding circumstances and for which sufficient data are available to measure the fair value, thus maximizing the use of relevant observable data and minimizing the use of data that cannot be observed to a minimum.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are classified into significant categories based on the fair value measurement as a whole:

- The first level: using trading prices (unadjusted) for fully identical assets or liabilities in active markets.
- The second level: by using inputs other than the trading prices contained in the first level, but that can be observed for the asset or liability directly (that is, prices) or indirectly (that is, derived from prices).
- The third Level: inputs for the asset or liability that are not based on observable market data (unobservable inputs).



Table of Contents



[Our Story](#)

[A Record-Breaking Year](#)

[Driving Growth](#)

[Building Sustainable Communities](#)

[Shaping a Better Future](#)

[Our People](#)

[Corporate Governance](#)

[Consolidated Financial Statements](#)

3. Summary of significant accounting policies

On March 6, 2023, Prime Minister Decision No. (883) of 2023 was issued to amend and issue some provisions of the Egyptian Accounting Standards issued No. 110 of 2015 and amended on March 18, 2019, by a decision of the Minister of Investment and International Cooperation, which includes some new accounting standards and amendments to some existing standards, which were published in the Official Gazette on March 6, 2023.

New issuing and amendments to the Egyptian Accounting Standards

Issued standards and amendments

A number of new amendments to standards, enlisted below, are effective this year but they do not have a material effect on the Group's Consolidated Financial Statements, except for where referenced below.

New standard and reissued	Potential impact on the financial statements	Effective for annual reporting periods beginning on or after	Summary of amendments
Egyptian accounting standard No (34) (Investment property)	Recording the fair value of investments property as of 31 December 2023 amounting to L.E. 625,732,000 (2022: L.E. 563,158,800).	January 1, 2023, retrospectively.	<ul style="list-style-type: none"> The fair value model option has been added at the subsequent measurement of investment properties. As a result of amendment of paragraphs related to the use of the fair value model option resulted in amendments to some of the applicable Egyptian accounting standards Egyptian accounting standard No (1) (Presentation of financial statements) Egyptian accounting standard No (5) (Accounting Policies, Changes in Accounting Estimates and Errors) Egyptian accounting standard No (13) (The Effects of Changes in Foreign Exchange Rates) Egyptian accounting standard No (24) (Income tax) Egyptian accounting standard No (30) (Periodic financial statements) Egyptian accounting standard No (31) (Impairment of assets) Egyptian accounting standard No (32) (Non-current Assets Held for Sale and Discontinued Operations) Egyptian accounting standard No (49) (Leases)

3.1. Basis of preparation of consolidated financial statements

- The consolidated financial statements were prepared in accordance with the Egyptian Accounting Standards and relevant local laws and regulations.
- The consolidated financial statements are presented in Egyptian Pounds which presents the functional currency of the group.
- According to the company's Article No. (41) bis to (41) bis of the capital market law promulgated by Law No. 95 of 1992 apply to securitization treatments in the financial statements.

3.2. Summary of significant accounting policies

3.2.1. Fixed assets and depreciation

Recognition and measurement

Fixed assets are recorded on purchase at cost and are presented in the consolidated financial position net of accumulated depreciation and impairment losses (Note 4/1). Historical costs include costs associated with the purchase of the asset. For assets constructed internally, the cost of the asset includes the cost of raw materials, direct labor and other direct costs incurred in bringing each asset to its location and the purpose for which it was acquired, as well as the costs of removal and rearrangement of the site, where the assets are located.

Components are accounted for on an item of fixed assets that have different useful lives as separate items within those fixed assets.

Subsequent costs

The carrying amount of fixed assets includes the cost of replacing a part or component of such assets when it is expected to obtain future economic benefits as a result of spending that cost. Other costs allocated to the consolidated statement of income as an expense when incurred.

Any gain or loss on disposal of an item of fixed assets is recognized in profit or loss.



Table of Contents



- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)**

Depreciation

Depreciation is provided on a straight-line basis to write off the cost less estimated residual value of each asset – other than land. Estimated useful lives are reviewed periodically and on review base useful lives are adjusted and relevant rates as follows:

	MMHD Useful life Periods
Buildings	40 years
Improvements- Leasehold building	5 or the duration of the lease whichever is lower
Improvements- Building owned	8 years
Machinery & equipment for production	-
Machinery & equipment	5 years
Vehicles	5 years
Computers & servers	5-8 years
Tools & equipment	2 years
Furniture & office equipment	2-8 years
Fixtures & decorations	-

Fixed assets under construction

Fixed assets under construction are recorded at cost which includes all the direct costs incurred on the assets to reach its final position (Note 4/2). These are transferred to fixed assets or investment property or intangible assets when the asset is complete and ready for its intended use. Fixed assets under construction are recorded at cost less impairment, if any.

3.2.2. Intangible assets (Software and IT)

Recognition

Assets of a non-monetary nature that are identifiable and have no physical existence and that is held for purposes of use and from which future benefits are expected to flow are treated as intangible assets.

The first measurement at recognition

Intangible assets are measured at cost, which is represented in the monetary price on the date of evidence, and in the event that payment is postponed for periods exceeding the followed credit periods, the difference between the cash price and the total amount paid is recognized as interest. Intangible assets are shown net, net of depreciation and impairment.

Subsequent expenditures

Subsequent expenditures on the acquisition of intangible assets are capitalized only when these expenditures increase the future economic benefits of the related asset, and all other expenditures are charged to the income statement (profits or losses) when incurred.

Amortization

Amortization is charged to the income statement (profits or losses) according to the straight-line method over the life of the useful life of the intangible assets, and this is the amortization of intangible assets from the date in which they are available for use, but if the useful life of the intangible assets is not specified then it is done. Carrying out impairment testing on a regular basis at the date of each financial position for these assets.

	Useful life
Software	1-3 years



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

**Consolidated Financial
Statements**

3.2.3. Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- Amortized cost;
- FVOCI – debt investment and equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect future cash flows.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets- Business Model Assessment:

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company's management; and
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.



Table of Contents



[Our Story](#)

[A Record-Breaking Year](#)

[Driving Growth](#)

[Building Sustainable Communities](#)

[Shaping a Better Future](#)

[Our People](#)

[Corporate Governance](#)

[Consolidated Financial Statements](#)

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company takes under consideration:

- Contingent events that would change the amount or timing of cash flows;
 - Terms that may adjust the contractual coupon rate, including variable-rate features;
 - Prepayment and extension features; and
 - Terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).
- A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual per amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets classified at FVTPL

Financial assets at FVTPL are measured at fair value. Changes in the fair value, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses.

Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss.

Other net gains and losses are recognized in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value.

Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Financial Liabilities - Classification, Subsequent Measurement, Profits and Loss

Financial liabilities are classified as at amortized cost or at fair value through profit and loss.

Financial liabilities are classified as fair value through profit or loss if they are classified as held for trading at initial recognition.

Financial liabilities measured at fair value through profit and loss are measured at fair value and net gains and losses, including interest expense, are recognized in profit and loss.

Other financial liabilities are measured at amortized cost using the effective interest method. Interest expense and gains and losses from changes in foreign exchange rates are recognized in profit and loss. Gains and losses resulting from disposal are recognized in profit and loss.

De-recognition Financial assets

The company derecognizes the financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the contractual cash flows from the financial asset, or it transfers the contractual rights to receive the cash flows in a transaction in which all the risks and rewards of ownership of the financial asset have been transferred materially, or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial assets.

Financial liabilities

Financial liabilities are derecognized when the contractual obligations are discharged, canceled or expired.

The company also derecognizes the financial obligations when their terms are modified and the cash flows of the modified obligations differ substantially, in which case the new financial obligations are recognized on the basis of the modified terms at fair value.

On derecognition of financial liabilities, the difference between the carrying amount and consideration paid (including any non-monetary assets transferred or liabilities assumed) is recognized in profit or loss.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

3.2.4. Investment properties

Investment properties are measured at cost model and depreciation expense carried to the consolidated statement of income according to the straight-line method over the estimated useful life of all investment property except the land. In case of such assets are impaired, the loss is included in the consolidated income statement.

Assets	Useful life
Residential	40 years
Non-residential units	40 years

3.2.5. Securitization

The company dispose the notes receivable which were sold through securitization, from the accounting records and recognize the difference between current value and cash value received through securitization as finance cost in the separate statement of profit or loss.

Investments at fair value through profit or loss

Investments at fair value through profit or loss are initially recorded at cost and revaluated at the date of consolidated financial statements at fair value which represents the market price at the valuation date. Changes in fair value are charged to the consolidated statement of income.

3.2.6. Inventories

Inventories are stated at the lower of cost or net realizable value. Costs include expenses incurred in bringing each product to its present location and condition. Cost of raw materials, packing materials, spare parts, fuel and oil is determined on an weighted average basis.

Net realizable value is based on estimated selling price less selling and completion cost.

3.2.7. Lands, unfinished and finished properties

All cost incurred on lands, unfinished and finished properties are included in this account. At point of sale, this account is adjusted based on actual per meter cost of land or units sold. Lands, unfinished and finished properties are measured at the lower of cost and net realizable value. In case of decrease the net realizable value under the cost, the decrease is charged to the consolidated statement of income.

3.2.8. Consolidated statement of cash flows

The consolidated statement of cash flow is prepared according to the indirect method. Earned and paid interest, employees share in profit, and Board of Directors remunerations are being classified in operating activities.

3.2.9. Cash and cash equivalents

Cash and cash equivalents include cash on hand, time deposits and treasury bills (due within 3 months), investments at fair value through profit and loss, bank current accounts, and short term highly liquid investments, which can be easily converted to cash, less overdrafts (credit banks) and pledged time deposits against letters of guarantee. Cash and cash equivalents does not include the balances of current accounts and bank deposits related to the maintenance deposit of residential compounds that are collected and managed for the benefit of customers and are not considered as cash balances of the company.

3.2.10. Trade receivables, notes receivables and other debit balances

Trade accounts receivable stated at cost net of allowance for doubtful debts, which is estimated for amounts not expected to be collected in full. Other debit balances are being stated at cost less any impairment losses, (if any).

Notes receivable represents the value of the Post-Dated Checks (PDCs) obtained from the customers in payment of the remaining contractual values of the contracted real estate units. The initial recognition of the notes receivable is at fair value at the time the contract is entered into with the customers. At the date of preparation of the consolidated financial statements, notes receivable is re-measured at amortized cost which is determined by discounting the future cash flows of the notes receivable using the rate of return that discounts the nominal value of the instruments to the current cash price for selling the real estate units.

3.2.11. Assets impairment

Non-Financial Assets

At the consolidated financial statements date, the company reviews the carrying amounts of its owned non-financial assets to determine whether there is any indication that those assets may be impaired. If any such indication exists, the company estimates the recoverable amount for each asset separately in order to estimate the impairment losses. In case the recoverable amount of the asset cannot be properly estimated, the company estimates the recoverable amounts for the cash-generating unit which is related to the asset.

In case of using a reasonable and consistent basis for allocating of the assets to the cash generating units, the company's general assets would be also allocated to these units. If this is unattainable, the general assets of the company shall be allocated to the smallest group of the cash-generating units, which the company determined using logical and fixed bases.

The asset recoverable amount or the cash-generating unit is represented by the higher of the fair value (less the estimated selling costs) or the estimated amount from the usage of the asset (or the cash generating unit).



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

**Consolidated Financial
Statements**

The estimated future cash flow from the usage of the assets, or the cash generating unit using a discount rate before tax is discounted in order to reach the present value for these flows which represents the estimated amount from using the asset (or the cash generating unit).

This rate reflects current market assessments of the time value of money and the risks specific to the asset, which were not taken into consideration when estimating the future cash flow generated from it. When the recoverable amount of the asset (cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount with the impairment loss recognized immediately in the consolidated income statement.

In case the impairment on asset (or cash generating unit) decreases subsequently, and this decrease is related in a logical manner to one event or more taking place after the initial recognition of the impairment at the profit or losses, a reversal is done for the revised amount of losses (or a part of it) – which had been previously recognized – in the consolidated income statement, and the carrying amount for the asset is increased (or the cash generating unit) with the new estimated recoverable amount provided that the revised carrying amount of the asset after revising (or the cash generating unit) does not exceed the carrying amount determined for the asset, had the recognized losses resulting from impairment, not been recognized in previous periods

The company applies a three-stage approach to measuring the expected credit losses from financial assets carried at amortized cost and debt instruments at fair value through other comprehensive income. Assets go through the following three phases based on the change in credit quality since their initial recognition.

Stage 1: The expected credit loss over 12 months

Stage one includes financial assets on initial recognition that do not have a significant increase in credit risk since initial recognition or that have relatively low credit risk. For these assets, 12-month ECL is recognized and interest is charged on the total carrying amount of the assets (without deducting the credit provision). 12-month ECL This is the expected credit loss that could result from defaults likely within 12 months after the date of the financial statements.

Stage 2: the expected credit loss over the life - with no impairment of the value of credit

Second stage includes financial assets that have had a significant increase in credit risk since initial recognition but there is no objective evidence of impairment. Lifetime ECL is recognized for those assets, but interest continues to be charged on the total carrying amount of the assets. Lifetime ECL is the expected credit loss arising from all possible defaults over the expected life of the financial instrument.

Stage 3: Lifetime Expected Credit Loss – Credit Impairment

Stage three includes financial assets for which there is objective evidence of impairment at the reporting date; For these assets, a lifetime ECL is recognized.

Financial Assets

At the end of each reporting date, the company determines whether there is any indication that its financial assets may be impaired.

Financial assets are exposed to impairment when an objective evidence that the estimated future cash flow have been affected by the event or more established at a date subsequent to the initial recognition of the financial asset.

The carrying value of all financial assets is reduced directly with the impairment losses except those related to the reduction in the expected value of the collections from the customers debts and other debit balances, where a formed allowance for impairment loss is done on its value. When the debt of the clients or the owner of the debit balance is uncollectible, a written off discount is applied upon this account. All the changes in the book value relating to this account are recognized in the consolidated statement of income.

3.2.12. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable an outflow of resources embodying economic benefits will be required to settle this obligation and a reliable estimate can be made for the obligation. Provisions are reviewed at the consolidated statement of financial position date and adjusted (if necessary) to present the best current estimate.

3.2.13. Treasury shares

Treasury shares are recorded at cost and deducted from shareholders equity. Gain or loss from sale of shares is included in equity.

3.2.14. Dividends

Dividends are recorded as liability during the period when declared.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

**Consolidated Financial
Statements**

3.2.15. Revenue recognition

1) Revenue from customer contracts

The Company applied the EAS No. 48 as of January 1, 2021 where the Company recognizes the revenue from contract with customers in accordance with the five steps module as identified in EAS No. 48, as follows:

- Identify Contract with Customers
- Identify separate performance obligations in the contract
- Determine the transaction price
- Allocate Transaction price to the distinct performance obligations based on relative standalone selling price.
- Revenue recognition when/(at) the entity satisfies its performance obligation.

The Company satisfy the performance obligation and recognize revenue over time, if one of the following criteria is met:

- a) Company performance does not arise any asset that has an alternative use of the Company and the Company has an enforceable right to pay for completed performance until the date.
- b) The Company arise or improves a customer-controlled asset when the asset is arise or improved.
- c) The customer receives and consumes the benefits of Company performance at the same time as soon as the company has performed.

Revenue from customer contracts is recognized over the time if the performance obligations are not fulfilled over a year of time. All remaining benefits, in this case the company must recognize revenue because it has fulfilled its performance obligations.

When the company satisfies the performance obligation by providing the promised goods and services, it creates the principal of the contract based on the amount achieved through performance. When the amount collected from the customer exceeds the amount of revenue recognized, a contract obligation arises.

Revenue is measured at the fair value of the consideration received or receivable, taking into account the contractual terms specified for the payments. The Company evaluates revenue contracts against specific criteria to determine whether it is acting as principal or agent. The company concluded that it was acting as a major supplier in all of its revenue contracts.

The company pays sales commission for contracts it obtains to sell certain units of real estate and capitalizes the additional costs of obtaining a contract that meet the criteria in Egyptian Accounting Standard No. 48. These costs are recognized when revenue is recognized. The capitalized costs of acquiring such contracts are presented separately as a current asset in receivables and other receivables and amortized in selling and marketing expenses in the statement of profit or loss.

The Company adjusts the transaction price for the effect of the significant financing component by discounting it using the rate that would be reflected in a separate financing transaction between the Company and its customers on the contract inception date.

The company pays sales commission for contracts it obtains to sell certain units of real estate and capitalizes the additional costs of obtaining a contract that meet the criteria in Egyptian Accounting Standard No. 48. These costs are recognized when revenue is recognized. The capitalized costs of acquiring such contracts are presented separately as a current asset in receivables and other receivables and amortized in selling and marketing expenses in the statement of profit or loss.

Revenue recognition

Madinet Masr For Housing and Development:- Real Estate sales

Revenue from the sale of contracted residential administrative and commercial units shall be proven upon the transfer of control to customers in accordance with the stages of delivery as sale value in accordance with contracts with customers for such units. The revenues of such units shall be proven at a point of time net of the units that the customers has transferred control over.

Land sales

Land sale revenue are recognized when control transfers from the company to customers when the land is actually delivered to customers provided that the facilities are completed and revenue from the land proven at a point of time for the land that have been transferred to the customers.

Interest income

Interest income is recognized on an accrual basis using the effective interest method is the rate used to deduct future cash payments expected to be made or collected during the financial instruments life expectancy/or if appropriate, a lesser period of time) to fully equal the financial assets book value or financial obligation.

NCCW Contracting revenues

The company chose to apply the output method in the distribution of the transaction price to performance obligation so the revenue is recognized on the basis of direct measurements of the value of goods and services transferred to the customer considers that the use of the output method that requires revenue proof based on direct measurements of the value of the goods and services transferred to the customers to date provides the best performance for the revenue actually realized, when applying the output method, the company will continue completed performance to date results assessments" assessments of the results achieved any the specific milestone reached, the time selected until the date of each financial statements.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

2) Joint arrangement

A joint arrangement is an arrangement in which two or more parties have joint control. It is either a joint operation or a joint venture. A joint arrangement is that the parties are bound by a contractual agreement granting joint control to two or more parties of the arrangement.

The classification of a joint arrangement as a joint operation or a joint venture depends on the rights and obligations (undertakings) of the parties to the arrangement. The joint operation becomes a joint arrangement when its parties have joint control over the rights over the assets and the obligations associated with the arrangement. These parties are called joint operators. A joint venture is a joint arrangement when its parties have joint control over the rights over the net assets associated with the arrangement. These parties are called shareholders in joint ventures. The entity shall apply the judgment in assessing whether the joint arrangement is a joint venture or a joint venture.

The joint operator shall account for assets, liabilities, income and expenses related to its share in the joint operation in accordance with the Egyptian Accounting Standards applicable to such assets, liabilities, revenues and expenses.

On 31 December 2015, the Company adopted a new strategy to execute a joint venture development contract based on a share in the revenue of the sales. The Company receives its share against the land provided for development by the other co-developer who will receive the rest of the sale revenue against incurring the development cost.

3) Other revenue:

- Rental income is recognized on a time-apportioned basis. Interest income on deposits and bonds is recognized on a time basis and using the target rate of return on the financial asset.
- Dividend income is recognized in the separate statement of income when the right to receive dividends from the investee is established and is recognized after the date of acquisition.

3.2.16. Direct and indirect cost

The actual costs of establishing real estate units are capitalized within (a work in progress and finished properties) costs are charged according to contractors and suppliers extracts after the company's technical affairs department has approved those extracts, the costs are appointed among the units on the basis of the actual completion of each phase in accordance with the following bases:

- The units share of attached long cost allocated for the establishment of the units, when is distributed on the basis of the long area of each unit in the residential assembly.
- The units share of the actual construction costs distributed on the basis of contracts and invoices for all units within each phase.
- The units share of actual interest costs and finance expenses based on the units direct costs to the total costs of units for the residential assembly of each phase.

3.2.17. Other operating expenses and residential community measurement

An expense represents the cost of temporary operating activity for residential compounds until delivering the units to the customers.

3.2.18. Lease contracts

Recognition and measurement

At the commencement date, the company recognizes the right of use asset and a lease liability as flows:

Initial measurement of the right of use asset

At the commencement date of lease contract, the right of use assets is measured at "cost" which is:

- The initial measurement of lease contract liability which is presented in the paragraph below.
- Any lease payments made at or before the commencement date, less any lease incentives received.
- Any initial direct costs incurred by the lessee.
- An estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease contract, unless those costs are incurred to produce inventories, the lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Initial measurement of the lease liability

At the commencement date, the lessee measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease contract, if that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- Fixed payments, less any lease incentives receivable.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable by the lessee under residual value guarantees.
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.



Table of Contents



[Our Story](#)

[A Record-Breaking Year](#)

[Driving Growth](#)

[Building Sustainable Communities](#)

[Shaping a Better Future](#)

[Our People](#)

[Corporate Governance](#)

[Consolidated Financial Statements](#)

Recognition and measurement of the company as lessor:

The company classifies each lease contract as an operating lease or as a financing lease:

Operating lease:

The company recognizes lease payments from operating lease as income either in instalment method or on any other regular basis if that basis is more reflective of the pattern in which the use of the asset under contract decreases.

Sale and leaseback contracts

In the case of sale and leaseback, the transfer of assets shall be evaluated if the sale of the buyer obtains control over the asset, directs its use and obtain the remaining benefits from it or is not a sale as follows:

Asset transfer represent a sale:

The asset is established as a right of utilization in accordance with the requirements of Egyptian Accounting Standard No. (49) on lease against recognized of the lease liability at the present value of lease payments as liability as set out in the policy for initial measurement of the asset of the benefit, where the contract is classified as a lease in this case.

Assets transfer is not a sale:

The asset transferred to the company's books shall be recognized as an asset against a financial obligation equal to the receipts of the transfer of the contract. This obligation shall be accounted for in accordance with Egyptian Accounting Standard No. (47) in this case, the contract shall be classified as a secured financing contract.

Short term lease and leases with lease low value assets

Short term leases are leases with a term of 12 month or less impaired assets are items that do not meet the requirements for capitalization of a company and are considered immaterial to the company's statement of the financial position as a whole. Lease payments for short-term and low value asset lease are recognized as an expenses on straight line basis in the statement of profit or loss.

3.2.19. Employees' benefits

The company contributes to the social insurance scheme for the benefit of its employees in accordance with the Social Insurance Law. No.79 of 1975 and its amendments Contributions of workers and employers are calculated at a fixed rate of wages. The company's commitment is represented in value of its contribution. The company's contributions are charged to the consolidated statement of income. The company gives employees who have reached retirement age, end of service gratuity up to a maximum of 50 thousand Egyptian pounds. At 21 December 2022 BOD decided to increase the amount of end of services gratuity to be L.E. 100,000 instead of L.E. 50,000. The Company also applies an optional early retirement scheme. End of service benefits for employees benefiting from this system are charged to the consolidated statement of income in the year in which they are approved for early retirement.

3.2.20. Taxation

Income tax

Taxation is accounted according to Egyptian laws and regulations.

Income tax expense that is calculated on the profits of the company represents the sum of the tax currently payable (calculated according to the applied laws and regulations and using the tax rates prevailing as of the consolidated financial statements date) and deferred tax. Current and deferred taxes are recognized as income or expenses and included in the profits or losses of the Period except for instances that taxes are established from:

- A transaction or event recognized, in the same period or other period, outside profit or loss either in other comprehensive income or directly in equity, or
- Business combinations.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities according to the accounting basis used in the separate financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted at the separate financial statements date.

Deferred tax liabilities are generally recognized (generated from taxable temporary differences in the future) while deferred tax assets recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reduced to the extent that it is no longer probable that sufficient taxable profits will be available in future years to allow all or part of the asset to be recovered. The balance sheet method is used in accounting for deferred assets and liabilities and they are recognized as non-current assets and liabilities.

3.2.21. Earnings per share

Earnings per share are calculated by dividing the net profit for the period after deducting employees share in profit and Board of Directors remuneration by the weighted average number of outstanding shares during the year.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

**Consolidated Financial
Statements**

3.2.22. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualified asset for capitalization of cost of borrowing; are capitalized as part of the cost of the asset. Other borrowing costs are charged as an expense in the consolidated statement of income on a time-apportioned basis using the effective interest rate.

An asset eligible to bear the cost of borrowing necessarily requires a long year of time to process it for use for its intended purposes or to sell it. This applies to land and building facilities items as fixed assets under construction (under construction projects) and incomplete inventory of reconstruction and housing projects.

Capitalization of borrowing costs begins as part of the cost of the qualifying asset to bear the cost of borrowing when:

- Expenditure on the qualified asset.
- The Company incurs a borrowing cost.
- The activities required for the preparation of the asset for use for purposes specified for it or for its sale to others are currently under implementation.

Capitalization of borrowing costs is suspended during periods in which the effective construction of the asset is impaired. Capitalization is contingent upon the completion of all material activities necessary to prepare the qualifying asset to bear the borrowing cost for its intended use or to sell it to third parties.

3.2.23. Legal reserve

As required, by the Companies Law No. 159 of 1981 and the company's Articles of Association 5% of the profit for the period is transferred to the legal reserve. The company may resolve to discontinue such annual transfers when the reserve totals 50% of the issued share capital. The legal reserve cannot be distributed except in cases stated in the Law.

3.2.24. Foreign currency transactions

The company's functional currency is the Egyptian pound. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the consolidated financial statements date are translated at the rate of exchange ruling at that date. Retranslation exchange profit and loss is taken to the consolidated statement of income.

3.2.25. Takaful contribution

Takaful contribution system mandated by Law No. 2 for 2018 has been adopted on 12 July 2018 and is applied on all entities whether individual or corporate regardless of their nature in legal form.



Table of Contents



4.1 Fixed assets

31/12/2023	Land (*) L.E.	Buildings and constructions (*) L.E.	Leasehold improvement L.E.	Machinery & equipment L.E.	Vehicles L.E.	Tools & Equipment L.E.	Furniture & office equipment L.E.	Computers & software L.E.	Fixtures L.E.	Total L.E.
Cost:										
At 1 January 2023	1,659,444	28,310,124	37,828,013	33,920,977	14,731,096	1,366,142	17,007,523	23,679,560	-	158,502,879
Effect of acquiring fixed assets of the two subsidiaries Egycan & Minka	-	-	-	-	-	-	3,017,550	1,956,195	1,815,283	6,789,029
Additions during the year	-	1,029,209	206,903	34,884	-	2,779,434	990,406	7,173,978	-	12,214,813
Disposals	-	-	-	(558,161)	(2,277,384)	(1,229)	(797,850)	(4,702,213)	-	(8,336,837)
At 31 December 2023	1,659,444	29,339,333	38,034,916	33,397,700	12,453,712	4,144,346	20,217,629	28,107,520	1,815,283	169,169,883
Accumulated depreciation:										
At 1 January 2023	-	10,803,725	34,313,543	33,182,825	13,673,081	1,204,439	14,459,875	11,511,022	-	119,148,510
Effect of acquiring fixed assets of the two subsidiaries Egycan & Minka	-	-	-	-	-	-	2,280,752	1,920,760	1,093,233	5,294,745
Depreciation for the year	-	2,864,878	1,154,674	438,846	606,017	130,427	1,404,777	4,294,920	426,977	11,321,516
Disposals	-	-	-	(558,161)	(2,277,384)	(1,229)	(797,850)	(4,702,213)	-	(8,336,837)
At 31 December 2023	-	13,668,603	35,468,217	33,063,510	12,001,714	1,333,637	17,347,554	13,024,489	1,520,210	127,427,934
Net book value:										
At 31 December 2023	1,659,444	15,670,730	2,566,699	334,190	451,998	2,810,710	2,870,075	15,083,031	295,073	41,741,950

(*) Lands and buildings include land and building of the social club and the playground for Madinet Nasr for Housing and Development Employees' club, and the book value is approximately L.E. 1.3 million for the land and L.E. 4.5 million for the buildings. There are no guarantees or pledging on fixed assets at the date of the consolidated financial statements.

	Land (*) L.E.	Buildings and constructions (*) L.E.	Leasehold improve- ment L.E.	Machinery & equipment L.E.	Vehicles L.E.	Tools & Equipment L.E.	Furniture & office equipment L.E.	Computers & software L.E.	Total L.E.
Cost:									
At 1 January 2022	1,659,444	24,762,279	37,663,013	33,928,630	15,475,297	1,404,313	17,285,698	17,883,560	150,062,234
Additions during the year	-	3,547,845	165,000	-	-	-	366,603	5,963,222	10,042,670
Disposals during the year	-	-	-	(7,653)	(744,201)	(38,171)	(644,778)	(167,222)	(1,602,025)
At 31 December 2022	1,659,444	28,310,124	37,828,013	33,920,977	14,731,096	1,366,142	17,007,523	23,679,560	158,502,879
Accumulated depreciation:									
At 1 January 2022	-	9,123,261	23,529,805	31,342,507	13,804,372	1,177,501	13,520,327	8,514,953	101,012,726
Provided during the year	-	1,680,464	10,783,738	1,847,971	612,909	65,110	1,575,064	3,163,290	19,728,546
Disposals during the year	-	-	-	(7,653)	(744,201)	(38,171)	(635,514)	(167,222)	(1,592,761)
At 31 December 2022	-	10,803,725	34,313,543	33,182,825	13,673,080	1,204,440	14,459,877	11,511,021	119,148,511
Net book value:									
At 31 December 2022	1,659,444	17,506,399	3,514,470	738,152	1,058,016	161,702	2,547,646	12,168,539	39,354,368



Table of Contents



[Our Story](#)

[A Record-Breaking Year](#)

[Driving Growth](#)

[Building Sustainable Communities](#)

[Shaping a Better Future](#)

[Our People](#)

[Corporate Governance](#)

[Consolidated Financial Statements](#)

a) Fully depreciated assets and still in use are as follows:

	31/12/2023 L.E.	31/12/2022 L.E.
Buildings and constructions	1,993,060	1,107,128
Leasehold improvements	33,727,690	16,678,711
Machinery and equipment	31,984,092	28,975,474
Vehicles	9,870,973	11,245,580
Tools and equipment	927,680	716,808
Furniture and office equipment	11,763,092	10,063,551
Computers and software	2,806,916	3,851,715
	93,073,503	72,638,967

b) Depreciation for the year is allocated as follows:

	31/12/2023 L.E.	31/12/2022 L.E.
Cost of sales	2,868,543	3,890,070
General & administrative expenses (Note 27)	3,715,261	12,945,032
Selling & marketing expenses (Note 26)	4,591,158	2,826,899
Other operating expenses (Note 28)	146,554	66,545
	11,321,516	19,728,546

4.2 Fixed assets under construction

	31/12/2023 L.E.	31/12/2022 L.E.
Balance at the beginning of the year	20,251,779	3,537,768
Additions during the year	8,272,421	16,074,428
Sale of fixed assets under construction	(639,583)	-
Effect of acquiring fixed assets of the two subsidiaries Egycan & Minka	54,773,916	-
Balance at the end of the year	82,658,533	20,251,779



Table of Contents



- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)**

5. Intangible assets

Computer software and information technology.

	31/12/2023	31/12/2022
	L.E.	L.E.
Cost at the beginning of the year	29,408,810	24,888,741
Additions during the year	16,174,718	4,520,069
Cost at the end of the year	45,583,528	29,408,810
Accumulated amortization at the beginning of the year	25,659,182	21,858,590
of the year	8,193,371	3,800,592
Amortization for the year	33,852,553	25,659,182
Net book value	11,730,975	3,749,628

Intangible Assets mainly represents the cost of the ERP system (SAP).

Fully amortized intangible assets and still in use are as follows:

	31/12/2023	31/12/2022
	L.E.	L.E.
Computer software and information technology	28,285,264	20,050,299

Depreciation for the year is allocated as follows:

	31/12/2023	31/12/2022
	L.E.	L.E.
Cost of sales	5,730,410	3,487,600
Selling & marketing expenses (Note 26)	1,534,473	114,784
General and administrative expenses (Note 27)	756,795	99,379
Other operating expenses (Note 28)	171,693	98,829
	8,193,371	3,800,592

6. Investments and financial assets

6.1. Financial assets at amortized cost

	31/12/2023	31/12/2022
	L.E.	L.E.
Investments in Governmental bonds (Non active market)	566,968	566,968

Investments in Governmental bonds (Non active market) 566,968 566,968



Table of Contents



- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)**

6.2. Financial assets at fair value through other comprehensive income

	Contribution %	31/12/2023 L.E.	31/12/2022 L.E.
Egyptian Kuwaiti Real Estate Development	7.503	23,198,520	22,933,722
High Education House (S.A.E.)	1.200	4,871,857	4,608,335
El Nasr Transformers & Electrical Products Co. (El-Maco)	0.01	19,200	19,200
El Nasr Co. for Clay Brick Production	0.8	200,000	200,000
		28,289,577	27,761,257

6.3. Investments properties

	31/12/2023 L.E.	31/12/2022 L.E.
Leased real-estate to others – Revalued using the fair value model	625,732,000	-
Held land ownership on sold properties (*)	2,076,335	2,076,335
Rented building using cost model – Net (**)	176,461	307,329
	627,984,796	2,383,664

(*) The movement of lands that the company keep its ownership while the building established upon these lands were sold:

	31/12/2023 L.E.	31/12/2022 L.E.
Opening balance	2,076,335	3,427,692
Transfer to work in progress	-	(1,351,357)
Ending balance	2,076,335	2,076,335

(**) Investment property rented building using cost model – Net

31/12/2023	Residential units L.E.	None residential units L.E.	Total L.E.
Cost:			
At 1 January 2023	545,997	2,210,998	2,756,995
Impact of changing of accounting policies -amended standard (34)	(3,253)	(1,766,452)	(1,769,705)
Balance on 1 Jan 2023 after Adjustments in Egyptian Accounting Standards	542,744	444,546	987,290
Transferred to work in progress	(7,438)	(43,784)	(51,222)
Translates from Non-Residential Units to Residential Units	60,857	(60,857)	-
At 31 December 2023	596,163	339,905	936,068
Accumulated depreciation:			
At 1 January 2023	482,537	1,967,129	2,449,666
Impact of changing of accounting policies -amended standard (34)	(2,913)	(1,668,462)	(1,671,375)
Balance on 1 Jan 2023 after Adjustments in Egyptian Accounting Standards	479,624	298,667	778,291
Depreciation During the year	39	8,366	8,405
Transferred to work in progress	(6,657)	(20,432)	(27,089)
Translates from Non-Residential Units to Residential Units	54,459	(54,459)	-
At 31 December 2023	527,465	232,142	759,607
Net book value:			
At 31 December 2023	68,698	107,763	176,461



Table of Contents



- Our Story
- A Record-Breaking Year
- Driving Growth
- Building Sustainable Communities
- Shaping a Better Future
- Our People
- Corporate Governance
- Consolidated Financial Statements**

31/12/2022	Residential units	None residential units	Total
	L.E.	L.E.	L.E.
Cost:			
At 1 January 2022	545,997	2,638,627	3,184,624
Transferred to work in progress	-	(344,405)	(344,405)
Disposals	-	(83,224)	(83,224)
At 31 December 2022	545,997	2,210,998	2,756,995
Accumulated depreciation:			
At 1 January 2022	482,498	2,199,235	2,681,733
Provided during the year (Note 23-b)	39	42,510	42,549
Transferred to work in progress	-	(220,592)	(220,592)
Disposals	-	(54,024)	(54,024)
At 31 December 2022	482,537	1,967,129	2,449,666
Net book value:			
At 31 December 2022	63,460	243,869	307,329

- Fully depreciated investment properties and still used are as follows:

	31/12/2023	31/12/2022
	L.E.	L.E.
Residential units	526,323	424,481
Non-residential units	9,747	1,665,218
	536,070	2,146,642

(*) The revalued investment properties using the fair value model. The fair value of these investments properties has been valued by an independent expert who is registered with the Financial Regulatory Authority, This valuation has been conducted in accordance with paragraph (75) of standard No (34).

(**) The investment properties that has been valued with cost model can not determine their fair value reliably according to paragraph 53 of Egyptian Accounting Standard No (34), This is mainly due to they are residential properties leased under old lease Contracts whose under indefinite an undetermined lease contracts according to the law, Currently there are no market transactions for comparable properties and alternative estimates of fair value are not available.

6.4. Investments at fair value through profit or loss

	31/12/2023	31/12/2022
	L.E.	L.E.
Investment certificates in:		
Bank Misr Investment Fund (Day-By-Day)	-	51
QNB Investment Fund	1,947,918	1,666,452
Banque Du Caire Investment Fund	82,459	74,019
United Bank Investment Fund - Rakhaa (*)	670,522	573,805
	2,700,899	2,314,327



Table of Contents

[Our Story](#)[A Record-Breaking Year](#)[Driving Growth](#)[Building Sustainable Communities](#)[Shaping a Better Future](#)[Our People](#)[Corporate Governance](#)[Consolidated Financial Statements](#)

Investments in investment fund certificates are short-term investments for the purpose of managing the company's cash balances by investing in cash investment funds, which are highly liquid investments that can be redeemed daily or weekly and are considered part of the cash and cash equivalents. (Note 21)

(*) United Bank Investment Fund (Rakhaa) includes restricted investment certificates by L.E. 487,000 (2021: L.E. 487,000) against letters of guarantee as of consolidated financial statement date. (Note 21)

6.5. Financial assets at amortized cost

	31/12/2023 L.E.	31/12/2022 L.E.
Treasury Bills (*)	1,057,463,186	963,623,158
Time deposits (**)	422,390,767	33,081,146
	1,479,853,953	996,704,304

(*) Treasury bills	31/12/2023 L.E.	31/12/2022 L.E.
Treasury Bills – 90 days	-	228,575,000
Treasury Bills – 86 days	-	25,900,000
Treasury Bills – 71 days	-	15,450,000
Treasury Bills – 49 days	-	30,600,000
Treasury Bills – 42 days	-	356,100,000
Treasury Bills – 41 days	-	10,175,000
Treasury Bills – 40 days	225,000,000	-
Treasury Bills – 34 days	158,650,000	-
Treasury Bills – 28 days	-	4,025,000
Treasury Bills – 21 days	-	65,600,000
Treasury Bills – 20 days	-	231,800,000
Treasury Bills – 14 days	375,700,000	-
Treasury Bills – 7 days	301,175,000	-
	1,060,525,000	968,225,000
Less:		
Unrealized gain on treasury bills	(3,061,814)	(4,601,842)
	1,057,463,186	963,623,158

(*) The treasury bills within 90 days from the date of acquisition were classified in cash and cash equivalents. (Note 21)

(**) The term deposits include EGP 59,883,762 as of December 31, 2023 (EGP 32,787,919 as of December 31, 2022) restricted deposits against letters of guarantee. (Note 21)

7. Inventories

	31/12/2023 L.E.	31/12/2022 L.E.
Materials and supplies	79,683,506	50,285,921
Fuel and oil	30,063	25,207
Spare parts and supplies	1,757,110	1,964,513
	81,470,679	52,275,641



Table of Contents

[Our Story](#)[A Record-Breaking Year](#)[Driving Growth](#)[Building Sustainable Communities](#)[Shaping a Better Future](#)[Our People](#)[Corporate Governance](#)[Consolidated Financial Statements](#)

8. Work in progress

	31/12/2023 L.E.	31/12/2022 L.E.
Tag City (*)	3,202,629,346	2,641,484,439
Sarai City (*)	1,324,668,958	2,091,508,527
West Assuit (**)	519,828,093	465,696,331
Tag ville	269,647,093	79,669,075
Kinda Egy Can for Real State Development Co.	1,192,336,368	-
The Hoft Mink for real state investment Co.	194,733,240	-
Al Nasr for Civil Works S.A.E.	-	52,618,829
	6,703,843,098	5,330,977,201
Al Nasr Civil Works	31/12/2023 L.E.	31/12/2022 L.E.
Work in progress	52,618,829	52,618,829
Total	5,326,466,465	5,326,466,465

(*) Tag City includes the completed phases that the company started for sale: "Tag sultan", "Park residence", "Shalya & Lake Park", "Elect", "Coblet" and "club side "Origami" In addition to the not yet ready for sale, where the balance of 31 December, 2023 represents the cost of external and internal utilities, the cost construction works and cost of extension works of the Shinzo Abi corridor that pass through the company's lands. (Note 40)

Sarai includes the phases that are ready for sale: "Taval", "Crowns", "Cavana", "Strip mall", and "Mansion" rayi. In addition to the not yet ready for sale, where the balance of 31 December 2023 represents the cost of external and internal facilities & the cost construction works.

Land and real estate units have been recorded at actual cost which shall not be less than its redemption value as at the date of the consolidated financial statements.

(**) In accordance with the resolution of New Urban Communities Authority's Board of Directors no. (134) dated 22 January 2020 to allocate a plot of land with area 104.15 Feddan in the new Nasr city (west Assuit) in favor of the company to construct an urban complex. Also, the resolution of the board of directors no (138) dated 14 May 2020 to amend the schedule of payment of amounting L.E. 497,309,325 and a percent of 15% to be paid as administration fees and board of trustees amounting L.E. 56,297,962, and the remaining percent of 85% will be paid amounting L.E. 441,011,367 on installments after grace period of 2 years from date advice. The first payment will be during April 2022, including interest as declared by the Egyptian Central Bank after adding 2%. The company issued notes payable against these installments in favor of the authority of new Nasser city (West of Assuit)- Note 15/1,15/2).

The capitalized interests from the significant financing component with clients as follows:

	31/12/2023 L.E.	31/12/2022 L.E.
Taj city	7,604,613	2,093,424
Sarai	5,883,858	2,246,164
Tag Ville	149,676	16,738
	13,638,147	4,356,326



Table of Contents



- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)**

9. Finished properties

	31/12/2023 L.E.	31/12/2022 L.E.
El Waha, Premira & Nasr City	17,104,209	19,157,261
6th October (Nasr Gardens)	249,230,683	245,189,238
	266,334,892	264,346,499

10. Trade and notes receivable

	31/12/2023 L.E.	31/12/2022 L.E.
Notes receivables - long term		
Tag City	712,411,989	1,276,819,128
Sarai	967,215,134	859,680,826
Other	27,575,799	40,030,245
	1,707,202,922	2,176,530,199
Less: Finance component of contracts with customers	(510,643,357)	(375,866,034)
Less: Expected Credit Loss	(35,160,076)	(41,326,777)
	1,161,399,489	1,759,337,388
Notes receivables - short term		
Tag City	2,086,614,483	1,352,151,979
Sarai	1,561,772,442	1,012,420,524
Other	16,948,033	15,707,810
	3,665,334,958	2,380,280,313
Less: Expected Credit Loss	(991,410,497)	(33,715,777)
Less: Finance component of contracts with customers	(112,624,600)	(576,135,624)
	2,561,299,861	1,770,428,912
Trade receivables		
Tag City	130,916,401	216,844,494
Sarai	140,191,120	202,704,318
Constructions receivables (NCCW)	524,591,428	316,240,046
Other	54,201,181	65,317,533
	849,900,130	801,106,391
Less: Expected Credit Loss	(26,499,772)	(78,398,238)
	823,400,358	722,708,153

The discount of the present value of notes receivable is amortized as revenue in the maturities of these securities according to the effective interest rate.

Movement for expected credit loss for notes receivables and trade receivables during the period is as follows:

	31/12/2023 L.E.	31/12/2022 L.E.
Balance at the beginning of the year	153,440,792	209,069,584
Provided during the year	20,843,656	-
Reverse of ECL	-	(55,628,792)
	174,284,448	153,440,792



Table of Contents



- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)

Post-dated checks (off balance sheet)

The company maintains off balance sheet post-dated checks received from customers for undelivered units and not included in financial position as follows:

	31/12/2023	31/12/2022
	L.E.	L.E.
Notes receivables for undelivered units	32,422,085,259	9,178,289,027

According to the decision of the Financial Supervisory Authority issued on 12 January 2022, the company applied the accounting treatment related to the real estate development activity.

11. Trade payables debit balances - net

	31/12/2023	31/12/2022
	L.E.	L.E.
Trade payables & contractors	1,771,855,330	344,754,018
Less: creditors expected credit loss - debit balances	(8,530,385)	(7,895,867)
	1,763,324,945	336,858,151

Movement for Expected credit loss for trade payables – debit balance during the year as follows:

	31/12/2023	31/12/2022
	L.E.	L.E.
Balance at the beginning of the year	7,895,867	7,605,905
Provided during the year	634,518	289,962
	8,530,385	7,895,867

12. Debtors and other debit balances – net

	31/12/2023	31/12/2022
	L.E.	L.E.
Cost of obtaining contracts with customers	828,017,890	511,479,178
Tamweel Mortgage Company	427,633,592	-
Securitization Financial Group	151,332,506	840,843,489
Employee share option plan (ESOP)(*)	142,100,000	-
Refundable deposits	48,091,988	22,382,148
Prepaid expenses	10,743,601	8,363,769
Accrued interest (deposits interest)	593,981	643,364
Other debit balances	42,784,839	69,820,333
Cash cover of letters of guarantee	439,410	2,085,862
Tax Authority	8,241,587	5,107,422
	1,659,979,394	1,460,725,565
Less: Expected credit loss	(225,121)	(281,011)
	1,659,754,273	1,460,444,554

(*) On 18 April 2023 the ordinary general assembly meeting has approved the increase of the issued capital with L.E. 35,000,000 by issuing number of 35 million share dividends of Employee share option plan, Managers & Executive Board of directors Members of the company authorized by financial Regulatory Authority in February 2022.



Table of Contents



- Our Story
- A Record-Breaking Year
- Driving Growth
- Building Sustainable Communities
- Shaping a Better Future
- Our People
- Corporate Governance
- Consolidated Financial Statements**

Movement for Expected credit loss for debtors and other debit balances during the year is as follows:

	31/12/2023	31/12/2022
	L.E.	L.E.
Balance at the beginning of the year	281,011	246,547
Provided during the year	-	-
Reverse of ECL	(55,890)	-
	225,121	281,011

13. Cash and bank balances

	31/12/2023	31/12/2022
	L.E.	L.E.
Cash on hand	239,557	1,484,487
Bank current accounts	911,877,568	872,384,859
	912,117,125	873,869,346
Less: Expected Credit loss	(130,839)	(758,364)
	911,986,286	873,110,982

Movement for Expected credit loss for cash on hand and bank balances during the year as follow:

	31/12/2023	31/12/2022
	L.E.	L.E.
Balance at the beginning of the year	758,364	239,692
Provided during the year	8975	518,672
Reverse of ECL	(636,500)	-
	130,839	758,364

14. Advance payment from clients for undelivered units

	31/12/2023	31/12/2022
	L.E.	L.E.
Tag City	2,004,474,413	1,359,464,735
Sarai	1,123,669,165	1,279,593,399
Tag Ville	276,283,593	124,990,780
West Assuit (Zahw)	4,612,625	-
Kinda	958,492,026	-
The Hoft	100,258,495	-
	4,467,790,317	2,764,048,914



Table of Contents



- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)

15. Provisions

	Balance at 1/1/2023	Provided during the year	Effect of acquiring fixed assets of the two subsidiaries Egycan & Minka	Used during the year	Balance at 31/12/2023
	L.E.	L.E.	L.E.	L.E.	L.E.
Claims provision	62,741,746	29,764,999	-	(265,501)	92,241,244
Legal provision	21,313,706	12,823,445	-	(1,137,151)	33,000,000
Other provisions	20,577,696	133,822,632	4,836,305	(2,592,690)	156,643,943
	104,633,148	176,411,076	4,836,305	(3,995,342)	281,885,187

16. Infrastructure completion liabilities

	Balance at 1/1/2023	Provided / (returns)	Work executed	Balance at 31/12/2023
	L.E.	L.E.	L.E.	L.E.
Tag City	57,959,819	553,310,099	(442,829,483)	168,440,435
Sarai and Capital Gardens	70,681,931	256,240,485	(101,190,948)	225,731,468
Operating and maintenance Expenses liability for residential compounds	25,000,000	250,000,000	(24,867,367)	250,132,633
	153,641,750	1,059,550,584	(568,887,798)	644,304,536

This balance represents estimated amounts to complete utilities for projects that have not been completely delivered from the contracting companies.

17. Creditors and other credit balances

17.1. Long Term Notes Payable (Net)

	31/12/2023	31/12/2022
	L.E.	L.E.
Long term notes payable at face value – West Assuit land	133,771,634	211,315,679
Discount: Finance component	(32,425,451)	(56,966,893)
	101,346,183	154,348,786



Table of Contents

[Our Story](#)[A Record-Breaking Year](#)[Driving Growth](#)[Building Sustainable Communities](#)[Shaping a Better Future](#)[Our People](#)[Corporate Governance](#)[Consolidated Financial Statements](#)

17.2. Creditors and other credit balances – current

	31/12/2023	31/12/2022
	L.E.	L.E.
Notes payable – West Assuit Land	77,544,045	84,649,540
Notes payable	532,101,617	305,184,411
Support to National Housing Project	330,000	330,000
Down payment for reservation of land and property sales	261,972,642	274,073,766
Customer Collections (Gas-Water-Dish)	987,263	-
Employees incentives	5,950,130	5,950,130
Contractors and amounts under settlement	174,521	12,233,489
Engineering stamp and Building Union stamp	447,484	269,456
Customers' balances for cancelled reservations	3,570,667	1,697,584
Proceeds for maintenance expenses and counters	40,062,455	22,867,742
Accrued interest	82,790,639	71,073,940
Governmental authorities	117,624,661	86,206,283
Accrued expenses	18,493,428	29,896,755
Accrued salaries and others	2,957,181	19,241,323
Bank receipts from customers under settlement	167,807,287	55,372,844
Takaful contribution	23,275,588	15,772,985
Other	87,467,684	1,338,289
	1,423,557,292	986,666,537

18. Share capital

Authorized capital:

The authorized capital is five billion Egyptian Pounds.

	31/12/2023	31/12/2022
	L.E.	L.E.
Issued and paid up:		
The value of each share is one Egyptian Pound	2,135,000,000	2,100,000,000



Table of Contents



- Our Story**
- A Record-Breaking Year**
- Driving Growth**
- Building Sustainable Communities**
- Shaping a Better Future**
- Our People**
- Corporate Governance**
- Consolidated Financial Statements**

Following are a list of percentage of shares of issued and paid-up capital for shareholders:

	No. of shares 31/12/2023	Nominal Value 31/12/2023 L.E.	Contribution %
BIG Investment Group Ltd.	417,883,272	417,883,272	19.57
Holding Co. for Construction and Development	318,999,182	318,999,182	14.94
B Investment Holding Co.	156,909,104	156,909,104	7.35
Social insurance fund of governmental sector workers	104,717,254	104,717,254	4.90
National Investment Bank	77,392,641	77,392,641	3.62
Al Alian Co. for Investments Ltd.	76,196,236	76,196,236	3.57
Other shareholders	982,902,311	982,902,311	46.05
	2,135,000,000	2,135,000,000	100%

On 18 April 2023, the Ordinary General Assembly approved to increase the issued and paid up capital through issuing shares dividends reduced from retained earnings balance as at 31 December 2022 of 35 million shares fully allocated to the company's employees, executives and Board of Directors shares option plan. All of the related formalities were finalized and the capital increase was annotated in the company's commercial register on 13 June 2023.

	No. of shares 31/12/2022	Nominal Value 31/12/2022 L.E.	Contribution %
BIG Investment Group Ltd.	417,883,272	417,883,272	19.90
Holding Co. for Construction and Development	318,999,182	318,999,182	15.19
B Investment Holding Co.	156,909,104	156,909,104	7.47
National Investment Bank	77,392,641	77,392,641	3.69
Al Alian Co. for Investments Ltd.	76,196,236	76,196,236	3.63
Social Insurance Fund of Governmental Sector Workers	26,233,018	26,233,018	1.25
Other shareholders	1,026,386,547	1,026,386,547	48.87
	2,100,000,000	2,100,000,000	100%

19. Non-controlling interest

Non-controlling interest right are their share of equity (Net assets) in subsidiary company.

	Non-controlling interest in net assets %	Non-controlling interest in net assets 1/1/2023 L.E.	Non-controlling interest share in net Profit the period L.E.	Non-controlling interest in net assets 31/12/2023 L.E.
Al Nasr Company for Civil Works	47.54	96,589,611	6,616,741	103,206,352



Table of Contents



20. Term loans

Madinet Misr for Housing & Development S.A.E.

	31/12/2023				
	Balance at the beginning of the year	Capitalized interest during the year	Amounts with-drawn during the year	Installments paid during the year	Balance at the end of the year
	L.E.	L.E.	L.E.	L.E.	L.E.
a) National Investment Bank	42,848	-	-	(42,848)	-
c) Egyptian Gulf Bank	278,545,573	-	18,866,999	(55,764,858)	241,647,714
d) Syndication loan - Sarai compound	891,459,978	1,657,111	-	(893,117,089)	-
e) Syndication loan – Notes receivable discount	674,063,616	-	-	(57,317,350)	616,746,266
f) Syndication loan – Notes receivable discount	470,158,841	-	-	(59,436,408)	410,722,433
	2,314,270,856	1,657,111	18,866,999	(1,065,678,553)	1,269,116,413

Classification of loans and interest for each loan are as follows:

	31/12/2023				
	Current portion of term loans	Term loans	Balance at the end of the year	Interest and commission capitalized on qualified assets	Interest and commission recorded in the statement of income
	L.E.	L.E.	L.E.	L.E.	L.E.
a) National Investment Bank	-	-	-	-	2,571
b) Egyptian Gulf Bank	74,353,143	167,294,571	241,647,714	43,307,401	13,884,418
d) Syndication loan – Notes receivable discount	99,234,487	517,511,779	616,746,266	-	76,329,232
e) Syndication loan – Notes receivable discount	65,848,258	344,874,175	410,722,433	-	49,553,625
	239,435,888	1,029,680,525	1,269,116,413	43,307,401	139,769,846

	31/12/2023				
	Balance at the beginning of the year	Capitalized Interest during the year	Withdrawals during the year	Installments paid during the year	Balance at the end of the year
	L.E.	L.E.	L.E.	L.E.	L.E.
a) National Investment Bank	190,389	-	-	(147,541)	42,848
b) Egyptian Gulf Bank	249,661,765	-	28,883,808	-	278,545,573
c) Syndication loan - Sarai compound	785,872,380	105,587,598	-	-	891,459,978
d) Syndication loan – Notes receivable discount	684,624,684	-	-	(10,561,068)	674,063,616
e) Syndication loan – Notes receivable discount	503,522,734	-	-	(33,363,893)	470,158,841
	2,223,871,952	105,587,598	28,883,808	(44,072,502)	2,314,270,856

Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

	31/12/2022				
	Current portion of term loans	Term loans	Balance at the end of the year	Interest and commission capitalized on qualified assets	Interest and commission recorded in the statement of income
	L.E.	L.E.	L.E.	L.E.	L.E.
a) National Investment Bank	42,848	-	42,848	-	11,423
b) Egyptian Gulf Bank	104,454,590	174,090,983	278,545,573	35,733,341	-
c) Syndication loan - Sarai compound	891,459,978	-	891,459,978	108,885,531	-
d) Syndication loan – Notes receivable discount	57,317,350	616,746,266	674,063,616	-	82,884,622
e) Syndication loan – Notes receivable discount	59,436,408	410,722,433	470,158,841	-	59,091,962
	1,112,711,174	1,201,559,682	2,314,270,856	144,618,872	141,988,007

These loans are represented in long term facilities granted from the following banks:

a) National Investment Bank

This balance is represented in the long-term loans granted to the company by the National Investment Bank (shareholder) out of loans amounting to L.E. 9,172,000 and was used in public housing projects of low-cost that were sold several years ago. The interest of the loan is charged to the income statement and is paid annually in June of each year until the loan expires in 2023.

b) Egyptian Gulf Bank

A medium-term loan contract was signed between the Egyptian Gulf Bank and Madinet Masr for Housing and Development on February 23, 2020, to finance the cost of establishing and developing the Sarai transformer station.

The amount of financing is available for withdrawal starting from the date of the first withdrawal of financing, which took place on June 17, 2020, and ends on March 31, 2023.

The financing period is 74 months, starting from the date of signing the financing documents and ending on December 31, 2028.

c) Syndicated loan – Sarai compound

Purpose: To finance part of the total investment cost for the construction and construction of part of an integrated residential city project under the names Sarai (1) and Sarai (2).

Participating banks:

- The National Bank of Egypt in its capacity as the original main arranger, loan promoter, financing agent, and debt service consumption account bank.
- Arab African International Bank as the original main arranger, finance marketer, general coordinator and account bank.
- Banque Misr in its capacity as the original main arranger, finance marketer and guarantee agent.

Loan amount: 2,100,000,000 including capitalized interest.

Loan period: 8 years from the date of financial closing.

Date of signing loan agreement: May 7, 2020.

The loan and its interest were fully paid in January 2023.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

Consolidated Financial Statements

d) Syndicated loan – Notes receivable discount

Long term syndicated financing contract Participating banks:

- 1) The Commercial International Bank in its capacity as the main arranger, loan promoter, financing agent and lending bank.
- 2) The United Bank in its capacity as the lending bank
- 3) The Arab Investment Bank in its capacity as the lending bank
- 4) The Egyptian Gulf Bank in its capacity as the lending bank.
- 5) Contract date August 26, 2020.

Purpose of financing: discounting commercial papers with a nominal value of 1,133,870,000 Egyptian pounds, in order to provide the necessary amounts to finance the construction and development of the company's unfunded projects.

Loan period: Expires on March 9, 2027.

e) Syndicated loan – Notes receivable discount

A long-term syndicated financing contract signed in July 2021

Participating banks:

- Commercial International Bank as the main arranger, finance marketer, financing agent and lending bank.
- National Bank of Kuwait as the lending bank.
- Purpose of financing: discounting commercial papers with a nominal value of 761,108,401 Egyptian pounds, in order to provide the necessary amounts to finance the construction and development of the company's unfunded projects.
- Loan period: ends on November 30, 2028

21. Cash and cash equivalents

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following consolidated financial position amounts:

	31/12/2023	31/12/2022
	L.E.	L.E.
Cash and bank balances (Note 13)	912,117,125	906,950,492
Investment at fair value through profit and loss (Note 6/4)	2,700,899	2,314,327
Investment held to maturity – Treasury bills (Note 6/5)	1,479,853,953	963,623,158
Less:		
Credit facilities (Note 21/2)	(111,674,532)	(173,143,706)
Cash and cash equivalents at the end of the year	2,282,997,445	1,699,744,271
Less:		
Restricted investment certificates against letters of guarantee (Note 6/4)	(487,000)	(487,000)
Restricted for time deposits against letters of guarantee	(59,883,762)	(32,787,919)
Restricted time deposits against letters of guarantee (Note 13)	-	(336,228)
Cash and cash equivalents at the end of the year	2,222,626,683	1,666,133,124



Table of Contents



- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)

Consolidated Financial Statements

21.1. Short Term Loan

	31/12/2023				
	Balance at the beginning of the year	Withdrawals during the year	Installment paid during the year	Balance at the end of the year	Commissions and interest during the year
	L.E.	L.E.	L.E.	L.E.	L.E.
Kuwait National Bank	700,000,000	-	-	700,000,000	138,053,789
QNB Al Ahli	41,032,228	43,334,761	(84,366,989)	-	6,734,569
	741,032,228	43,334,761	(84,366,989)	700,000,000	144,788,358

	31/12/2022			
	Balance at the beginning of the year	Withdrawals during the year	Balance at the end of the year	Commissions and interest during the year
	L.E.	L.E.	L.E.	L.E.
Kuwait National Bank	700,000,000	-	700,000,000	86,047,324
QNB Al Ahli	-	41,032,228	41,032,228	780,246
	700,000,000	41,032,228	741,032,228	86,827,570

A) NBK

On March 28, 2020, a short-term loan agreement was signed with the National Bank of Kuwait – Egypt, according to this agreement the bank granted a loan amounting EGP 750,000,000 to finance the operating expenses. The loan agreement renewed in March 2023 and the loan limit has been increased to become one billion to be ending on 31 March 2024.

B) QNB

On September 7, 2022, a short-term loan agreement was signed with Qatar National Bank to grant the company a loan amounting LE 200 million, to be utilized in financing the working capital of the company.

The duration of this contract is a year and a half starting from the date of the first use of the facility, with a maximum of 18 months from the date of the first use, which is the date that all subsequent returns, commissions and any expenses of this facility will be fully paid, without prejudice to any of the terms of this contract or the bank's other rights prescribed legally or as per the contract.

The withdrawal period is 12 months, and at the end of the withdrawal period, the unused amount of the total loan value is automatically cancelled.

The company is obliged to pay the value of each amount withdrawn from the total amount of this loan in addition to the returns and commissions determined on it within a maximum period of six months from the date of each withdrawal so that the total debt balance of the loan is paid within a maximum of 18 months from the date of first use.

In September ,2023 the loan has been fully paid during the second quarter of the year 2023,

21.2. Credit Banks (credit facilities)

The balance of credit banks is summarized as follows:

	31/12/2023	31/12/2022
	L.E.	L.E.
Madinet Nasr for Housing Development (Parent company) – United Bank	111,674,532	171,129,762
Al Nasr Company for Civil Works (Subsidiary) – QNB Al Ahli	-	438,944
Al Nasr Company for Civil Works – National Bank of Abu Dhabi	-	1,575,000
	111,674,532	173,143,706



Table of Contents

[Our Story](#)[A Record-Breaking Year](#)[Driving Growth](#)[Building Sustainable Communities](#)[Shaping a Better Future](#)[Our People](#)[Corporate Governance](#)[Consolidated Financial Statements](#)**First: Credit facility from United Bank to Madinet Nasr Housing and Development Company**

Current overdraft limit of 200 million Egyptian pounds without collateral to finance the payment of checks and transfers to beneficiaries' accounts in other dealing banks for administrative and general expenses.

Sub-limit for letters of guarantee of 2,572,415 Egyptian pounds.

The credit facility balance as of December 31, 2023 was 111,674,532 Egyptian pounds (December 31, 2022: 171,129,762 Egyptian pounds).

Second: Credit facilities with Nasr Civil Works Company (a subsidiary)

The credit facilities granted by the banks to the company are as follows:

NBE

Amount of 30.7 million Egyptian pounds to issue letters of guarantee for the purpose of bidding on tenders and executing awarded works.

QNB

Amount of 89 million Egyptian pounds to issue letters of guarantee for the purpose of bidding on tenders and executing awarded works.

NBAD

- Amount of 54.1 million Egyptian pounds to issue letters of guarantee for the purpose of bidding on tenders and executing awarded works.
- The maximum withdrawal limit granted by First Abu Dhabi Bank is 15,750,000 Egyptian pounds to cover the value of commercial papers drawn on the Housing Fund for Contractors' Workers and endorsed to the bank in full ownership. This is in case the value is not collected / rejected twice for any reason, without any objection from the company. In this case, the bank has the right to terminate the facility and demand that the company pay the full dues from its own resources. The utilization of the facility shall not exceed 90% of the value of the post-dated checks at any time. Upon collection of the checks, the remaining 10% will be transferred to the company's account with the bank.
- The facility is repaid in 9 quarterly installments over a period of two years. The first installment will be paid on March 29, 2021 at an interest rate of 2% above the central bank's announced lending rate plus a 0.02% commission on the highest debit balance. The overdraft balance as of December 31, 2023 was zero Egyptian pounds.
- The above credit facilities are subject to interest and commissions at the rates due to each bank separately according to the credit facility contracts.

22. Debtors of compounds facility management

	31/12/2023 L.E.	31/12/2022 L.E.
Treasury bills	1,520,618,689	1,155,609,839
Bank current accounts	133,024,580	70,331,733
Cheques under collection	604,495,995	64,265,133
Bank deposits of compounds facility management	2,258,139,264	1,290,206,705
Amounts under settlement	13,033,521	7,507,417
Liabilities of compounds facility management	2,271,172,785	1,297,714,122

23. Joint arrangement

	Nature of relationship	Nature of Account	Balance at 31/12/2023 L.E.	Balance at 31/12/2022 L.E.
Capital Gardens project	Joint operation	Long term notes receivable	313,518,786	216,871,707
		Finance component discount	(147,921,263)	(61,111,183)
		Net	165,597,523	155,760,524
		Short term notes receivable	68,932,207	14,467,526
		Total	234,529,730	170,228,050



Table of Contents



- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)

24. Right of use assets (net)

	31/12/2023 L.E.	31/12/2022 L.E.
Cost:		
At the beginning of the year	122,971,866	76,315,365
Additions during the year	8,759,821	95,956,632
Disposals during the year	(7,139,419)	(49,300,131)
At the end of the year	124,592,268	122,971,866
Accumulated amortization:		
At the beginning of the year	20,779,257	32,408,374
Amortization during the year	39,380,201	37,671,014
Amortization of disposals of the year	(5,531,021)	(49,300,131)
At the end of the year	54,628,437	20,779,257
Net book value		
At the end of the year	69,963,831	102,192,609

25. Revenues and cost of revenues

25.a. Net Revenues

	31/12/2023 L.E.	31/12/2022 L.E.
Tag City	3,585,890,766	2,112,874,775
Sarai	3,845,848,174	3,468,775,727
Contracting revenue (Al Nasr for Civil Works)	479,594,553	180,868,605
Other	24,652,548	12,628,136
Total revenue	7,935,986,041	5,775,147,243
Less: Sales returns	(243,626,546)	(759,153,465)
Net revenue	7,692,359,495	5,015,993,778
Add:		
Return on Financial component from contracts	411,668,119	316,401,958
Return on investment properties	9,276,198	3,807,096
Net sales revenue	8,113,303,812	5,336,202,832



Table of Contents

[Our Story](#)[A Record-Breaking Year](#)[Driving Growth](#)[Building Sustainable Communities](#)[Shaping a Better Future](#)[Our People](#)[Corporate Governance](#)[Consolidated Financial Statements](#)

25.b. Cost of Revenues

	31/12/2023 L.E.	31/12/2022 L.E.
Tag City	920,821,997	1,156,438,083
Sarai	1,452,307,921	2,124,996,009
Contracting cost of revenue (Al Nasr for Civil Works)	435,430,156	188,062,674
Other	10,908,727	3,688,083
	2,819,468,801	3,473,184,849
Less: Cost of sales returns	(38,615,052)	(151,337,643)
	2,780,853,749	3,321,847,206
Add:		
Obligation of operation and maintenance of residential compounds	250,000,000	250,000,000
Depreciation of investment properties (Note 6/3)	8,405	42,549
Cost of revenue	3,030,862,154	3,346,889,755

The contracts of the subsidiary company (Al Nasr Company for Civil Works) with its customers are as follows:

The value of contracts available for the implementation of Civil Utilities and Construction Works as of 31 December 2023 amounted to L.E. 4,156 million (2022: L.E. 4,015 million) of which the executed as of 31 December 2023 amounted to L.E. 3,456 million (2022: L.E. 3,136 million).

26. Selling and marketing expenses

	31/12/2023 L.E.	31/12/2022 L.E.
Salaries and wages	34,507,023	30,590,587
Selling and marketing commissions	970,007,953	250,108,901
Advertising expenses (including stamp tax)	578,693,240	260,982,638
Rent	718,200	231,891
Professional and marketing fees	6,062,403	6,061,017
Depreciation (Note 4/1)	4,591,158	12,945,032
Amortization of intangible assets (Note 5)	1,534,473	114,784
Transportation, materials and maintenance	15,068,995	12,440,580
Amortization of right of use assets (Note 24)	38,941,514	36,663,339
	1,650,124,959	610,138,769

27. General and administrative expenses

	31/12/2023 L.E.	31/12/2022 L.E.
Salaries and wages	114,486,086	80,719,515
Board of Directors salaries and allowances	16,502,112	15,325,771
Depreciation (Note 4/1)	3,715,261	2,826,899
Amortization of right of use assets	438,689	99,379
Amortization of intangible assets (Note 5)	756,795	1,007,675
Other expenses	95,527,890	52,442,410
	231,426,833	152,421,649



Table of Contents



- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)

28. Residential community management and other operating cost

	31/12/2023	31/12/2022
	L.E.	L.E.
Salaries and wages	17,048,606	7,618,722
Residential compounds operating expenses	8,395,396	10,746,896
Printing	38,872	650,351
Advertising expenses (including stamp tax)	25,366	18,526
Depreciation of fixed assets (Note 4/1)	146,554	66,545
Amortization of intangible assets (Note 5)	171,693	98,829
Maintenance of building, computers, fuel	17,351,255	30,277,277
Rent	1,940,695	46,750
Security and cleaning	4,127,609	1,849,886
Other services expenses	5,774	465,519
	49,251,820	51,839,301

29. Finance cost

	31/12/2023	31/12/2022
	L.E.	L.E.
Loans and facilities interest & Securitization	429,912,631	413,146,921
Interest on sale and leaseback	-	58,522,677
Lease contract interest	15,102,055	6,669,537
	445,014,686	478,339,135

30. Finance income

	31/12/2023	31/12/2022
	L.E.	L.E.
Return from investment at fair value through profit or loss	386,624	219,138
Credit interest	72,200,883	54,894,865
Return on treasury bills	100,692,957	81,541,493
	173,280,464	136,655,496

31. Other operating income

	31/12/2023	31/12/2022
	L.E.	L.E.
Administrative fees from customers (for redemption assignment etc.)	28,910,726	53,129,466
Sundry income	6,723,086	16,900
Delay penalty on contractors	78,011,333	44,544,815
Penalties on contracts	-	3,900,495
Gain on foreign exchange	2,052,268	3,727,806
	115,697,413	105,319,482



Table of Contents



- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)

32. Other expenses

	31/12/2023	31/12/2022
	L.E.	L.E.
Compensations and fines	1,576,828	194,405
Donations	3,082,285	75,000
Takaful contribution	20,985,443	13,933,385
Losses from disposal of investments properties	-	29,200
	25,644,556	14,231,990

33. Consolidated statement of income

	31/12/2023	31/12/2022
	L.E.	L.E.
Net profit from Madinet Nasr for Housing & Development S.A.E.	2,122,322,538	747,436,372
Group portion in net profits / (losses) of subsidiaries companies	16,278,784	(11,532,003)
Net share in subsidiary company loss	(903,662)	506,411
Elimination effect of return and costs from investments in subsidiaries	329,000	329,000
Reversal of expected credit loss – related party	(3,474,414)	-
	736,739,780	736,739,780

34. Contingent liabilities

- **Madinet Nasr for Housing & Development S.A.E.**

The value of letters of guarantee as of December 31, 2023 was EGP 84,105,163 (December 31, 2022: EGP 9,572,415) with a cash cover of letters of guarantee of EGP 439,410 (December 31, 2022: EGP 2,085,862) (Note 10). This is in addition to certificates of documents of the Monetary Investment Fund (Rakh'a Fund) with United Bank amounting to EGP 487,000 (December 31, 2022: EGP 487,000) (Notes 6/5) and term deposits amounting to EGP 12,476,880 with Abu Dhabi Commercial Bank (Note 6/5).

- **Al Nasr Co. for Civil Works – (Subsidiary Company)**

Potential obligations as of December 31, 2023 are represented in the value of letters of guarantee issued by banks on behalf of the company and in favor of third parties against execution contracts amounting to EGP 172,701,811 (2022: EGP 187,482,775). It is worth noting that letters of guarantee amounting to EGP 9,084,310 were returned until December 2023 and advance payment letters of guarantee were reduced by EGP 7,696,654 until December 2023.

35. Deferred tax

Madinet Nasr for Housing and Development (Parent company)

	31/12/2023		31/12/2022	
	Assets	(Liabilities)	Assets	(Liabilities)
	L.E.	L.E.	L.E.	L.E.
Fixed assets	-	(8,378)	1,142,755	-
Provisions	176,409,106	-	26,836,774	-
Total deferred tax	176,409,106	(8,378)	27,979,529	-
Net deferred tax (assets)	176,400,728	-	27,979,529	-
Total Deferred tax charged to the statement of income	148,421,199	-	23,066,524	-



Table of Contents

[Our Story](#)[A Record-Breaking Year](#)[Driving Growth](#)[Building Sustainable Communities](#)[Shaping a Better Future](#)[Our People](#)[Corporate Governance](#)[Consolidated Financial Statements](#)

Al Nasr Company for Civil Works – (Subsidiary Company)

	31/12/2023		31/12/2022	
	Assets	(Liabilities)	Assets	(Liabilities)
	L.E.	L.E.	L.E.	L.E.
Fixed assets	242,195	-	310,019	-
Provisions	9,220,909	-	6,334,044	-
Deferred tax liabilities	2,701,896	-	7,573,718	-
Right of use assets	-	(172,764)	-	-
	12,165,000	(172,764)	14,217,781	-
Net deferred tax assets	11,992,236	-	14,217,781	-
Deferred tax charged to the statement of income	(2,225,545)	-	6,167,517	-

Mink for real state investment Co. – (Subsidiary Company)

	31/12/2023		31/12/2022	
	Assets	(Liabilities)	Assets	(Liabilities)
	L.E.	L.E.	L.E.	L.E.
Fixed assets	81,038	-	-	-
Provisions	22,500	-	-	-
accumulated losses	2,822,122	-	-	-
Total deferred tax	2,925,660	-	-	-
Net deferred tax (assets)	2,925,660	-	-	-
Total Deferred tax charged to the statement of income	1,222,981	-	-	-

Egy Can for Real State Development Co. – (Subsidiary Company)

	31/12/2023		31/12/2022	
	Assets	(Liabilities)	Assets	(Liabilities)
	L.E.	L.E.	L.E.	L.E.
Fixed assets	85,200	-	-	-
accumulated losses	1,214,405	-	-	-
Total deferred tax	1,299,604	-	-	-
Net deferred tax (assets)	1,299,604	-	-	-
Total Deferred tax charged to the statement of income	(2,110,318)	-	-	-
The effect on consolidated financial statements				
Total deferred tax asset (statement of financial position)	192,618,229	-	42,197,310	-
Total charged to the statement of income	145,308,317	-	29,234,041	-



Table of Contents



- Our Story
- A Record-Breaking Year
- Driving Growth
- Building Sustainable Communities
- Shaping a Better Future
- Our People
- Corporate Governance
- Consolidated Financial Statements**

36. Lease liability

Madinet Nasr for Housing and Development (Parent company)

	31/12/2023 L.E.	31/12/2022 L.E.
A) Short term Lease liabilities		
Short term lease liabilities:	31,450,840	23,103,993
Long term Lease liabilities		
1-5 years	39,580,576	72,382,857

Al Nasr Company for Civil Works – (Subsidiary Company)

	31/12/2023 L.E.	31/12/2022 L.E.
Short-term lease Liabilities	876,195	1,954,600
Long-term lease Liabilities	1,780,213	3,572,746
	2,656,408	5,527,346
Total lease	73,687,824	101,014,196

Impact on the consolidated financial statements

	31/12/2023 L.E.	31/12/2022 L.E.
Short-term lease Liabilities	32,327,035	25,058,593
Long-term lease Liabilities	41,360,789	75,955,603
Total lease	73,687,824	101,014,196

37. Tax status

Madinet Nasr for Housing and Development S.A.E. (Parent company)

• Corporate tax

The company submitted its tax returns and amended returns on the legally prescribed dates, and the company paid taxes based on these returns after being approved by the company's tax advisor until 2022

years from the start of the activity until 2017

The tax dispute between the company and the Tax Authority for those years has been terminated, and the due tax has been paid in full, according to the decisions of the internal committees, the Appeal Committee, and the dispute settlement committees,

The years are from 2018 to 2022

The inspection was not conducted by the Tax Authority, and the company did not receive any forms for those years to date, and according to the method of the Tax Authority in the inspection, the estimated provision was formed for the expected points of disagreement.



Table of Contents



[Our Story](#)

[A Record-Breaking Year](#)

[Driving Growth](#)

[Building Sustainable Communities](#)

[Shaping a Better Future](#)

[Our People](#)

[Corporate Governance](#)

[Consolidated Financial Statements](#)

- **Payroll tax**

The years from the start of the activity until 2018

The tax dispute between the company and the tax authority for those years has been settled and the tax due has been paid in full.

The years are from 2019 to 2020

The inspection for these years is in progress, and the company did not receive any forms for those years to date, and according to the method of the Tax Authority in the inspection, the estimated provision was formed for the expected points of disagreement.

The years are from 2021 to 2022

The inspection was not conducted by the Tax Authority, and the company did not receive any forms for those years to date, and according to the method of the Tax Authority in the inspection, the estimated provision was formed for the expected points of disagreement.

- **Stamp tax**

The years from the start of the activity until 2014

The tax dispute between the company and the tax authority has been terminated and the tax due has been paid in full.

The years are from 2015 to 2019

The tax inspection is in progress for those years, and the company has not been notified any assessment forms to date, and according to the inspection method, a provision for points of disagreement has been provided.

The years are from 2020 to 26/1/2022

The inspection was not conducted by the Tax Authority, and the company did not receive any forms for those years to date, and according to the method of the Tax Authority in the inspection, the estimated provision was formed for the expected points of disagreement.

- **Real estate tax**

The years are from 2013 to 2022

The tax returns were submitted within the specified legal date, and the tax was paid for the real estate for which the tax forms were received, and a provision was made for the tax on the real estate for which no tax forms were received to date.

Al Nasr Company for Civil Works – S.A.E. (Subsidiary company)

The company follows the mission of the Center of Major Financiers File No. 410/3/5/555 and registered under No. 933/396/100 General Tax and Sales.

- **Corporate tax**

Years until 30/6/2008, the taxes were settled and there is no tax due for these years.

Years from 1/7/2009 until 31/12/2012

The link was made based on the decisions of the appeal committees and it was appealed with the administrative court and reconciliation request was submitted to the Senior Finance Center Submit a request in accordance with Law No. 174 of 2018 regarding delay fines.

From year 2013 to 2016

Have been inspection and an internal committee worked to re-examine.

From year 2017 to 2022

The inspection has not been conducted to date, and estimated tax declaration according to law 91 to year 2005.



Table of Contents



Our Story

A Record-Breaking Year

Driving Growth

Building Sustainable Communities

Shaping a Better Future

Our People

Corporate Governance

**Consolidated Financial
Statements**

- **Payroll tax**

The year ended 31/12/2004

They have been inspection and the dispute were ended, and the tax differences were paid.

The year from 2005 to 2014

They have been inspection and the Appeal Committee issued a decision to re-examine to adjustment the year and the documentations of the company .

The year from 2015 to 2018

They have been inspection and the Appeal Committee issued a decision to re-examine to adjustment the year and the documentations of the company

The year from 2019 to 2022 not preformed for inspection

- **Stamp Tax**

Periods till 31/12/2015 The tax dispute between the company and the tax authority has been terminated and the tax due has been paid in full.

The period from 1/1/2016 until 31/12/2022 have not been inspected yet.

- **Withholding tax**

The company will pay first at quarterly intervals according to the models prepared for this.

- **Value Added tax (VAT)**

Years until 31/12/2013 were inspected and the outstanding discrepancies paid in full.

Years 2014 and 2015 Inspection and appeal were conducted and the Appeal Committee decision was issued to reduce outstanding discrepancies.

Years 2016 and 2017 were inspected, appeal and the dispute is under consideration.

Years from 2018 to 2022, the company provides monthly tax returns and reimburses the tax due from the return.

The company registered in VAT issued by Law No. 67 of 2016.

- **Real Estate tax**

Tax returns were submitted in accordance with the law and tax due until 31/12/2022 was paid.

Egy Can for Real Estate Development Co.– S.A.E. (Subsidiary company)

- **Corporate tax**

The years from the start of the activity until 2022

The company is subject to the corporate income tax and the tax return is submitted on the dates specified by law. The company's accounts have not been Inspection from the start of the activity until 2022.

- **Withholding Tax**

The company is committed to submitting the quarterly return form 41 and paying the tax in accordance with the dates specified by law.

The company's accounts are currently being Inspection for the years from the start of the activity until 2022.

- **Payroll tax**

Taxes are withheld from employees and paid to the tax authority in accordance with the dates specified by law based on the quarterly returns form 4 salaries.



Table of Contents



[Our Story](#)

[A Record-Breaking Year](#)

[Driving Growth](#)

[Building Sustainable Communities](#)

[Shaping a Better Future](#)

[Our People](#)

[Corporate Governance](#)

[Consolidated Financial Statements](#)

• **Stamp tax**

The company pays the stamp duty on advertising and publicity expenses in accordance with the Stamp Duty Law and the dates specified by law. The company has not been Inspection from the start of the activity until 2022.

Mink for real estate investment Co.– S.A.E. (Subsidiary company)

• **Corporate tax**

The years from the start of the activity until 2022

The company is subject to the corporate income tax and the tax return is submitted on the dates specified by law. The company has been notified by form number (4/3) to inspect the years from the start of the activity until 2021 and the documents and analyzes required by the office to inspect the company's accounts are being prepared.

• **Withholding tax**

The company is committed to submitting the quarterly return form 41 and paying the tax in accordance with the dates specified by law. The inspection for these years is in progress for the years from the start of the activity until 2020

• **Payroll tax**

Taxes are withheld from employees and paid to the tax authority in accordance with the dates specified by law based on the quarterly returns form 4 salaries. The company was inspected from the start of the activity until 2019 and the due tax was paid. company has been

Company has been notified by form (4) to inspect and the settlements, documents and analyzes required by the office to inspect the company's accounts are being prepared.

• **Value Added Tax (VAT)**

The company is committed to submitting monthly returns on the dates specified by law. The company's accounts have not been inspected from the start of the activity until 2022.

• **Stamp tax**

The company pays the stamp duty on advertising and publicity expenses in accordance with the Stamp Duty Law and the dates specified by law. The company has not been Inspection from the start of the activity until 2022.

38. Earnings per share

	31/12/2023	31/12/2022
	L.E.	L.E.
Net profit for the year after tax	2,128,062,027	736,739,780
Less: Board of Directors and employees share in profit	(277,042,889)	(125.462.265)
Shareholders share in net profit	1,851,170,445	611.277.515
Weighted average numbers of shares outstanding during the year	2,135,000,000	2.007.682.192
Earnings per share	0.867	0.304



Table of Contents

[Our Story](#)[A Record-Breaking Year](#)[Driving Growth](#)[Building Sustainable Communities](#)[Shaping a Better Future](#)[Our People](#)[Corporate Governance](#)[Consolidated Financial Statements](#)

39. Financial instruments and related risks

On-balance sheet financial instruments comprise cash and bank balances, financial investments, debtors, creditors, and amounts due from/to related parties, Notes to the financial statements include the accounting policies adopted in the recognition and measurement of financial instruments,

The significant risks associated with the financial instruments and the procedures followed by the company to mitigate these risks are as follows:

- **Credit risk**

Credit risk is the risk that debtors fail to settle the amounts due from them, The company seeks to reduce this risk to the minimum by agreeing with the customers to transfer property after settling all of their debts, also the company charges customers for delay penalties calculated on settlement.

- **Liquidity risk**

Liquidity risk represents all factors which affect the company's ability to pay part or all of its obligations, according to the company's policy sufficient liquidity is maintained which reduce the risk to the minimum.

The following are due dates of the financial liabilities:

	Less than one year L.E.	1-2 years L.E.	More than 2 years L.E.	Book value L.E.
31/12/2023				
Term loans	239,435,888	389,371,852	640,308,673	1,269,116,413
Creditors and other credit balances	1,400,281,705	-	-	1,400,281,705
Short term loans	700,000,000	-	-	700,000,000
Trade payables	719,001,063	-	-	719,001,063
Land development liability by face value	193,687,509	178,568,442	-	372,255,951
Long term notes payable	-	70,438,560	63,333,074	133,771,634
	3,252,406,165	638,378,854	703,641,747	4,594,426,766
31/12/2022				
Term loans	1,112,711,174	234,719,138	966,840,544	2,314,270,856
Creditors and other credit balances	970,893,552	-	-	970,893,552
Short term loans	741,032,228	-	-	741,032,228
Trade payables	683,429,398	-	-	683,429,398
Land development liability by face value	208,806,577	193,687,509	178,568,442	581,062,528
Long term notes payable	-	77,544,045	133,771,634	211,315,679
	3,716,872,929	505,950,692	1,279,180,620	5,502,004,241

- **Market risk**

Market risk includes potential gains and losses from the company's financial investments. The company's management applies an investment policy aimed at reducing risk, through investing in various low-risk financial instruments (mainly Egyptian treasury bills).



Table of Contents



- Our Story
- A Record-Breaking Year
- Driving Growth
- Building Sustainable Communities
- Shaping a Better Future
- Our People
- Corporate Governance
- Consolidated Financial Statements**

• Interest rate risk

Interest rate risk represents the risk of changes in the rate of interest, Time deposits, loans and bank overdrafts are subject to this risk. The company uses most of its deposits in settling its loans and overdraft balances whenever a gap between debit and credit interest rates takes place in order to reduce this risk to the minimum as possible.

The following are the financial assets and liabilities according to interest rate type:

	31/12/2023 L.E.	31/12/2022 L.E.
Financial assets instruments with fixed interest rate		
Financial assets (trade and notes receivable)	4,786,378,940	5,452,848,610
Financial liabilities instruments with floating interest rate		
Financial liabilities (Long- and short-term loans and credit banks)	2,080,790,945	3,228,446,790

• Foreign currency risk

Foreign currency risk represents the changes in the currency rates which affect the receipts and disbursements and the translation of assets and liabilities in foreign currencies. The company policy is not to take a loan in foreign currencies nor keep significant balances in currencies other than Egyptian pound.

• Capital Management

Regarding capital management, the company's policy is to uphold a strong capital base to safeguard its shareholders' equity, creditors, and market confidence, as well as the continued growth of its future activities.

The company seeks to maintain a balance between the lowest cost of borrowing and the other associated risks and benefits of the finance to keep a strong capital base.

The company has no change in the capital management during the year and it has no external capital requirements.

40. Contractual commitments

The value of contracts with contractors for the implementation of housing and development projects amounted to L.E. 6.26 billion, the executed works till 31 December 2022 amounted to L.E. 4.94 billion. Contractors' dues have been paid in accordance with the contracts.

Project	Value of current works contracted with contractors to execute residential units L.E.' Million	Value of executed works till 31 December 2023 L.E.' Million	Value of remaining contractual commitment at 30 December 2023 L.E.' Million
Taj Sultan	1,71	845	865
Park residence	1,74	1,68	60
Shalya	1.48	484	996
Lake Park	373	111	262
Taj Ville - Joint venture	277	151	126
Taval	1,06	974	86
Croons	1,97	1,49	480
Cavana	491	78	413
Strip Mall	104	40	64
Show room (Tag Plaza)	141	45	96
Nasr Gardens 6 October	48	-	48
Total	9.39	5.91	3.48



Table of Contents



- [Our Story](#)
- [A Record-Breaking Year](#)
- [Driving Growth](#)
- [Building Sustainable Communities](#)
- [Shaping a Better Future](#)
- [Our People](#)
- [Corporate Governance](#)
- [Consolidated Financial Statements](#)

41. Commitments related to developing land

These commitments comprise of a contractual commitment to finance the execution of a part of the extended axis of "Shinzo Abe" that pass through the company's land in "Taj City"; these liabilities are amounting LE 871.7 million in addition to the incurred interest amounting LE 151 million. The company paid an amount of LE 650,66 million out of these liabilities. The counter value will be paid on two installments till July 2025 as follows:

	31/12/2023 L.E.	31/12/2022 L.E.
Contractual commitment of developing land – short term	193,687,509	208,806,577
Contractual commitment of developing land – long term		
Nominal value	178,568,442	372,255,951
Less: Finance component	(33,082,229)	(72,301,946)
	145,486,213	299,954,005
Total of contractual commitment related developing land	339,173,722	508,760,582

42. Financial instruments

The group holds the financial assets by fair value through other comprehensive income as follows:

Measuring the recurring fair value

	First level L.E.	Second level L.E.	Third level L.E.	Total L.E.
Measuring the recurring fair value as at 31 December 2023				
Financial assets in fair value through the other comprehensive income (equity instruments)	-	28,070,377	-	28,070,377
Total financial assets	-	28,070,377	-	28,070,377
Measuring the recurring fair value as at 31 December 2022				
Financial assets in fair value through the other comprehensive income (equity instruments)	-	27,542,057	-	27,542,057
Total financial assets	-	27,542,057	-	27,542,057

43. Investments in both mink real estate investment and egy can for real estate development

On July 3, 2022 the company signed an agreement to acquire the whole capital shares of the two companies "Mink for Real Estate Investment (S.A.E.)" & "Egy Can for Real Estate Development (S.A.E.)" for L.E. 200 million, this agreement was signed pursuant to the approval of the general assembly of the company's shareholders dated 13 December 2021 and the approval of the company's Board of Directors dated 29 June 2022. The entire acquisition process was completed in July 2023 and the financial statements of the subsidiaries were included in the consolidated financial statements starting from the third quarter of 2023

44. Comparative figures

Certain figures of prior year have been reclassified to conform with the presentation of the current year.

	31/12/2022 Before reclassification L.E.	Reclassification L.E.	31/12/2022 After reclassification L.E.
Work in progress	5,326,466,465	4,510,736	5,330,977,201
Trade supplier – Debit balance	341,368,887	(4,510,736)	336,858,151

45. SUBSEQUENT EVENT

The Monetary Policy Committee of the Central Bank of Egypt in its meeting on February 1, 2024, decided raising the interest rate by 200 basis point on deposits and lending, then 600 basis point on 6 March 2024, and the credit discount rate was increased by 600 basis points on 6 March 2024.

Also announced the floatation of the exchange rate according to the market considerations since from 6 March 2024.