



mnhd

مدينة نصر للإسكان و التعمير

FY 2022 Earnings Release

26 February 2023



MNHD Reports Results for FY 2022

MNHD closes the year with record-breaking gross contracted sales exceeding EGP 11.0 billion and doubles its revenue year-on-year to EGP 5.2 billion on the back of new project launches and significant increases in unit deliveries during the year.

Cairo, 26 February 2023 – Madinet Nasr for Housing & Development (“MNHD” or “the Company”), one of Egypt’s leading urban community developers, announced on 26 February 2023 its standalone financial results for the year ended 31 December 2022 (FY 2022), reporting a net profit of EGP 747.4 million on total revenue of EGP 5,155.3 million. The Company reported a net profit of EGP 202.5 million for the quarter ended 31 December 2022 (Q4 2022), booking a top line of EGP 2,154.0 million.

Summary Income Statement (EGP mn)	Q4 2022	Q4 2021	Change	FY 2022	FY 2021	Change
Revenue	2,154.0	787.7	173.4%	5,155.3	2,097.8	145.8%
Gross Profit	765.7	108.0	608.9%	1,996.5	738.0	170.5%
<i>Gross Profit Margin</i>	<i>35.5%</i>	<i>13.7%</i>	<i>+21.8 pts</i>	<i>38.7%</i>	<i>35.2%</i>	<i>+3.5 pts</i>
EBITDA	487.0	106.9	355.7%	1,355.7	535.9	153.0%
<i>EBITDA Margin</i>	<i>22.6%</i>	<i>13.6%</i>	<i>+9.0 pts</i>	<i>26.3%</i>	<i>25.5%</i>	<i>+0.7 pts</i>
Net Profit	202.5	25.0	710.1%	747.4	282.6	164.5%
<i>Net Profit Margin</i>	<i>9.4%</i>	<i>3.2%</i>	<i>+6.2 pts</i>	<i>14.5%</i>	<i>13.5%</i>	<i>+1.0 pts</i>

Key Operational Indicators	Q4 2022	Q4 2021	Change	FY 2022	FY 2021	Change
Gross Contracted Sales (EGP mn)	3,694.8	869.1	325.1%	11,236.0	3,464.0	224.4%
Units Sold	962	275	249.8%	3,215	1,074	199.3%
Deliveries	957	460	108.0%	2,070	1,030	101.0%
Land Bank (million sqm)	9,588.1	9,588.1	-	9,588.1	9,588.1	-

Key Highlights

- MNHD achieves record-breaking gross contracted sales of EGP 11,236.0 million for FY 2022, up by 224.4% y-o-y driven by new project launches at Taj City and Sarai during the year. Gross contracted sales reached EGP 3,694.8 million in Q4 2022, an increase of 325.1% y-o-y. Furthermore, the newly acquired subsidiaries – Minka and EgyCan – generated EGP 1,175.5 million in contracted sales which were not consolidated in MNHD’s results for the year.
- The Company delivered a total of 2,070 units during FY 2022, an increase of 101.0% y-o-y versus the 1,030 units delivered for FY 2021. In Q4 2022, MNHD delivered a total of 957 units, up by 108.0% y-o-y.
- Revenue recorded EGP 5,155.3 million for FY 2022, up by 145.8% y-o-y, on the back of strong gross contracted sales growth and unit deliveries doubling during the year. MNHD booked EGP 2,154.0 million in revenue for Q4 2022, an increase of 173.4% y-o-y.
- Gross profit came in at EGP 1,996.5 million in FY 2022, climbing 170.5% y-o-y. MNHD’s gross profit margin increased from 35.2% in FY 2021 to 38.7% in FY 2022 due to an increase in income from installment sale interest. In Q4 2022, gross profit came in at EGP 765.7 million, up by 608.9%, yielding an



improved gross profit margin of 35.5% against the 13.7% booked in Q4 2021 on the back of a 267.8% y-o-y increase new sales.

- MNHD booked an EBITDA of EGP 1,355.7 million for FY 2022, a 153.0% y-o-y increase. The EBITDA margin came in at 26.3% for the year, against a margin of 25.5% recorded one year previously, despite the increase in revenue from unit deliveries. In Q4 2022, EBITDA recorded EGP 487.0 million, up by 355.7%, yielding a margin of 22.6% against the 13.6% booked for Q4 2021.
- The Company recorded a net profit of EGP 747.4 million for FY 2022, up by 164.5% y-o-y with an associated net profit margin of 14.5% against the 13.5% booked for FY 2021. Net profit came in at EGP 202.5 million for Q4 2022, up by 710.1%, yielding a net profit margin of 9.4% compared to 3.2% in FY 2021 as bottom-line results benefitted from a rapid increase in revenue in Q4.
- Net debt stood at EGP 1,485.1 million at year-end 2022, marking a decrease of 43.6% from the close of FY 2021, in line with MNHD's strategy to optimize efficient utilization of borrowing to support growth and manage financial risk. The net debt/EBITDA ratio booked 1.1x for the period, down from 4.9x at year-end FY 2021.¹
- Total notes receivable recorded EGP 3,950.1 million as at 31 December 2022, up by 14.6% from year-end 2021, yielding a receivables/net debt ratio of 2.7x for FY 2022, up from 1.3x at the close of FY 2021.
- Net cash collections booked EGP 3,564.0 million in FY 2022, up by 21.3% y-o-y. In Q4 2022, the Company made net cash collections of EGP 1,030.4 million, up 42.1% y-o-y.
- MNHD deployed EGP 1,800.7 million in construction and infrastructure CAPEX during FY 2022, compared to the outlay of EGP 2,385.9 million in FY 2021 following the completion and delivery of several construction projects. The Company made CAPEX outlays of EGP 459.9 million in Q4 2022, almost at par with the EGP 466.3 million deployed in Q4 2021.

Management Comment

I am delighted to report on what has been an exceptional year for MNHD. We embarked on a journey of reinvention and change at the start of the year and the stellar results achieved since demonstrate the validity of our new growth strategy and vision.

We achieved record-breaking gross contracted sales crossing the EGP 11.0 billion mark in FY 2022, an increase of over three-folds year-on-year. Despite a challenging operating environment, we pushed ahead with our growth plans and launched three projects at Taj City during 2022. While inflationary pressures have generally hindered consumer purchasing power, it benefitted MNHD as people resorted to the real estate market to safeguard their financial interests. The new projects saw record reservation figures, boosting total gross contracted sales for the year and further illustrating strong demand for our unique value proposition. Our Company is in an enviable position given its strategically located and liability free undeveloped land bank, which secures years of sales and provides stability for the business moving forward.

Furthermore, we achieved our target of doubling deliveries in FY 2022 to reach 2,070 units, of which over 70% were handovers in Sarai. On-time delivery has amplified homebuyers' trust and confidence in our ability to navigate challenges and remain on track. Operational achievements reflected positively on financial results with

¹ MNHD's net debt/EBITDA ratio for FY 2022 was calculated using an annualized EBITDA of EGP 1,355.7 million.



revenue growing 145.8% y-o-y to record EGP 5.2 billion and net profit more than doubling year-on-year to EGP 747.4 million with an associated margin of 14.5% in FY 2022. Moreover, ongoing portfolio optimization efforts led to turnaround results including a lower delinquency rate, lower cancellations as a percentage of sales and higher cash collection.

Our vision of building and delivering sustainable urban communities involves collaborating with likeminded partners. On that front, we continue expanding our strategic partnerships to add value to our communities and support our growing project pipeline. Towards the end of 2022, we signed a partnership agreement with DMC to undertake construction projects in Taj City and a contract with Madkour Utilities to become the distribution systems operator in Sarai. Our partners are helping us deliver on our commitment to build integrated communities that enrich homeowners' lives and create long-term value for our shareholders.

Moving forward, we are exploring several expansion opportunities and looking to diversify our revenue streams. In this regard, we intend on expanding beyond Cairo and being more active in the commercial space starting with the launch of Kinda Offices at Taj City. In addition, for the first time in Egypt, we introduced a unique investment opportunity through fractional property ownership at The Hoft in Taj City, a hybrid property that includes serviced apartments, administrative offices, co-working spaces and a commercial plaza.

2022 was a transformation year for our Company that yielded noteworthy results. We look forward to carrying forward the momentum into 2023 as we continue to deliver on our growth strategy with operational and financial results that set us apart from the competition and differentiate our communities. We are confident in our approach and optimistic about a new era for our Company.

Abdallah Sallam

Chief Executive Officer



Operational Performance

Gross Contracted Sales

MNHD recorded **gross contracted sales** of EGP 11,236.0 million during FY 2022, up by 224.4% y-o-y from EGP 3,464.0 million in FY 2021, marking record-breaking annual sales for MNHD. Approximately 56.3% (EGP 6,325.9 million) of MNHD's gross contracted sales for FY 2022 were recorded at **Taj City**, the Company's 3.6-million-sqm mixed-use development in the eastern suburbs of Cairo. Meanwhile, 43.7% (EGP 4,910.1 million) of MNHD's gross contracted sales for FY 2022 were generated by **Sarai**, a 5.5-million-sqm mixed-use project near the New Administrative Capital on the Cairo-Suez Road.

The Company sold a total of 3,215 units in FY 2022, up by 199.3% y-o-y from 1,074 units in FY 2021. MNHD sold 1,497 units at Taj City during the year (FY 2021: 455) and 1,718 units at Sarai (FY 2021: 619). In 2022, MNHD launched three projects in Taj City; Taj Ville in April, a premium, 145 thousand-sqm, villas-only project, Elect in July, a 167.2 thousand-sqm development with one-story, two-story and Z-villas, followed by Club Side in November, a 131.5 thousand-sqm development with lofts, apartments and duplexes. As at 31 December 2022, MNHD's sales reached EGP 1,019 million in Taj Ville, EGP 1,335 million in Elect and EGP 714 million in Club Side.

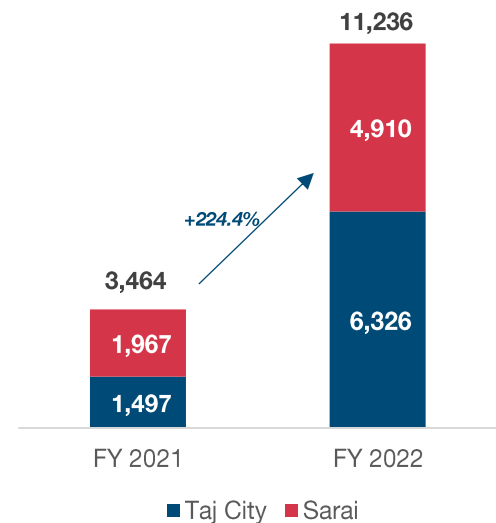
In Q4 2022, gross contracted sales booked EGP 3,694.8 million, up 325.1% y-o-y from the EGP 869.1 million booked in the same quarter the previous year. Taj City accounted for 60.6% (EGP 2,239.0 million) of the quarter's gross contracted sales, while Sarai accounted for the remaining 39.4% (EGP 1,455.8 million). MNHD sold a total of 962 units during Q4 2022, up by 248.6% from the same quarter of the previous year. Taj City sold 465 unit in Q4 2022 (Q4 2021: 159), while 497 units were sold at Sarai (Q4 2021: 117).

Cash Collections

MNHD made **cash collections** of EGP 3,564.0 million for FY 2022, up by 21.3% from the figure of EGP 2,939.0 million collected in FY 2021. The Company recorded a cumulative **delinquency rate** of 2.9% by the end of FY 2022, down significantly from the rate of 6.0% reported for FY 2021. The decline in the delinquency rate reflects routine efforts to purge the Company's receivables portfolio of nonperforming contracts.

Net cash collections amounted to EGP 1,030.4 million in Q4 2022, an increase of 42.1% y-o-y against the EGP 725.4 million collected one year previously. The quarter's delinquency rate of 2.6% marked a significant decrease from the rate of 6.2% recorded for Q4 2021.

Gross Contracted Sales (EGP mn)





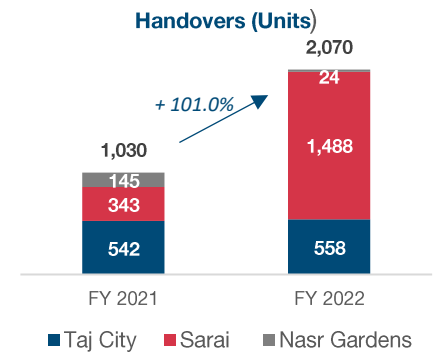
Cancellations

In line with declining delinquency rates, **cancellations** stood at EGP 2,101.4 million for FY 2022, an increase from cancellations of EGP 1,741.3 million in FY 2021. The increase in cancellations during the period was a result of a challenging macroeconomic environment and its effects on the purchasing power of certain market segments as well as ongoing portfolio optimization efforts. As a percentage of MNHD’s gross contracted sales, cancellations booked 18.7% during FY 2022, down from the rate of 50.3% recorded one year previously as the Company makes significant progress on its receivables portfolio optimization efforts. MNHD expects cancellations to normalize towards a more typical rate of 10-15% as the Company’s receivables portfolio is cleared of nonperforming contracts during Q1 2023.

In Q4 2022, cancellations booked EGP 398.4 million, down 55.2% y-o-y from the EGP 888.4 million booked Q4 2021. Cancellations recorded 10.8% as a percentage of gross contracted sales in Q4 2022, down significantly y-o-y against the 102.2% booked in Q4 2021.

Deliveries

The Company **delivered** 2,070 residential units across its developments during FY 2022, up by 101.0% y-o-y from the 1,030 deliveries recorded for FY 2021. Deliveries for the year were largely on schedule. The rapid increase in handovers during the year reflects MNHD’s ability to deliver efficiently on its construction pipeline. Deliveries for the year were led by Sarai and boosted by sales of ready-to-move inventory. MNHD completed 1,488 handovers at Sarai for FY 2022, up from 343 one year previously. The Company recorded 558 handovers at Taj City during FY 2022, up from 542 in FY 2021. Meanwhile, the Company booked 24 handovers at Nasr Gardens, a subsidized housing project, down from 145 in FY 2021.



MNHD recorded 957 unit deliveries in Q4 2022, up by 108.0% from the 460 units recorded for Q4 2021. The Company delivered 122 units at Taj City during the quarter (Q4 2021: 219), 831 units delivered at Sarai (Q4 2021: 226) and four units delivered at Nasr Gardens (Q4 2021: 15).

Ready-to-Move Inventory

Approximately 25% of MNHD’s gross contracted sales for FY 2022 were sales of **ready-to-move inventory**, with such sales driven largely by Taval and Croons (Sarai) and Park Residence (Taj City). Meanwhile, **off-plan sales** accounted for 75% of gross contracted sales in FY 2022, mainly at Croons and Cavana (Sarai), as well as Shalya, Taj Ville, Taj Gardens, Elect and Club Side (Taj City).



CAPEX

MNHD deployed **construction and infrastructure CAPEX** of EGP 1,800.7 million during FY 2022 compared to EGP 2,385.9 million in FY 2021. The Company's construction and infrastructure investments at Taj City amounted to EGP 794.6 million in FY 2022, against EGP 1,018.5 million for FY 2021. At Sarai, MNHD recorded a construction and infrastructure CAPEX spend of EGP 855.4 million for FY 2022, against EGP 1,302.2 million for FY 2021. Construction and infrastructure CAPEX at other projects booked EGP 150.7 million for FY 2022, an increase from the EGP 65.3 million recorded one year previously.

The overall change in CAPEX for FY 2022 comes following MNHD's completion and delivery of several construction projects at the TAVAL and Croons developments in Sarai and at Park Residence in Taj City. Meanwhile, in June 2022, MNHD began construction at Shalya and Lake Park, demonstrating the Company's commitment to continuous delivery on its project pipeline.

MNHD made construction and infrastructure CAPEX outlays of EGP 459.9 million for Q4 2022, nearly at par with EGP 466.3 million one year previously. CAPEX spends recorded EGP 158.1 million at Taj City (Q4 2021: EGP 194.3 million), EGP 221.1 million at Sarai (Q4 2021: EGP 259.5 million), and EGP 80.7 million at other projects (Q4 2021: EGP 12.5 million).

Land Bank

MNHD held a **land bank** measuring 9.6 million sqm at the close of FY 2022. The Company's primary land bank is strategically located in Greater Cairo (Taj City and Sarai) and is owned in freehold, imparting significant competitive advantages as MNHD is not bound by any specific development timelines outlined by state authorities and is legally entitled to parcel and sell plots of undeveloped land. About 37.9% of MNHD's land bank was held at Taj City as at 31 December 2022, with 57.5% held at Sarai.

Nearly 54.6% of Taj City's land area was under development at the close of FY 2022, with unlaunched residential projects and unlaunched nonresidential projects accounting for 22.7% and 22.6%, respectively. At Sarai, approximately 29.9% of the total land area was under development in FY 2022, with unlaunched residential projects and unlaunched nonresidential projects accounting for 55.4% and 14.7%, respectively.

The Company holds a new land bank of more than 437 thousand sqm in the Assiut region of Upper Egypt. As of FY 2022, MNHD's land bank in Assiut was under development, marking the Company's geographical expansion beyond the Greater Cairo area.



Financial Performance

Income Statement

Revenues

The Company booked **revenues** of EGP 5,155.3 million in FY 2022, up by 145.8% y-o-y from a top line of EGP 2,097.8 million in FY 2021. Revenue growth for the year was primarily driven by a significant increase in unit deliveries and further supported by strong gross contracted sales.

Deliveries generated revenue of EGP 2,990.5 million during FY 2022, an increase of 113.6% y-o-y, while new sales generated revenue of EGP 2,415.3 million for the period, up by 137.9% y-o-y. Meanwhile, revenue from unit deliveries contributed 55.3% of the Company's gross FY 2022 sales revenue of EGP 5,405.8 million before cancellations, installment interest and rental revenue. Revenue from new sales accounted for 44.7% of the Company's gross top line for the period. At the close of FY 2022, MNHD had an unrecognized revenue **backlog** of EGP 11,942.3 million, calculated as the nominal price of undelivered sales.

MNHD recorded revenue of EGP 2,154.0 million for Q4 2022, up by 173.4% y-o-y. Delivery revenue represented 62.2% of the Company's gross top line during Q4 2022, while revenue from unit sales contributed 37.8% for the quarter.

Gross Profit

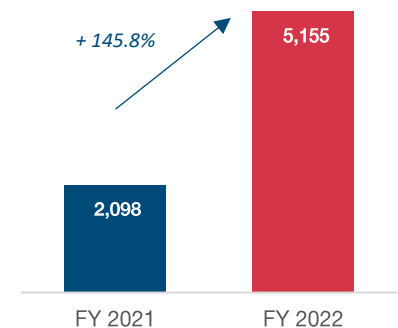
Gross profit recorded EGP 1,996.5 million for FY 2022, an increase of 170.5% y-o-y against EGP 738.0 million one year previously. Healthy growth in gross profit was driven by the Company's rapid top-line expansion for the period. MNHD booked a gross profit margin of 38.7% in FY 2022, against 35.2% in FY 2021. The expansion in the gross profit margin (GPM) during the period was achieved despite higher contribution of unit delivery revenue to MNHD's total revenue mix for FY 2022 (delivery revenues generate lower margins as compared to revenue from new sales).

MNHD booked a gross profit of EGP 765.7 million for Q4 2022, up by 608.9% y-o-y. The Company's GPM registered 35.5% for the quarter, up from the 13.7% registered one year previously.

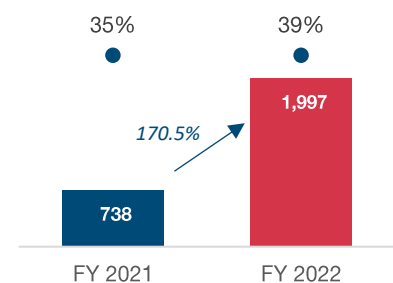
Sales, General & Administrative Expense

Sales, general & administrative (**SG&A**) expense came in at EGP 743.5 million for FY 2022, rising by 97.5% y-o-y from the outlay of EGP 376.5 million recorded for FY 2021. SG&A expenses rose on the back of targeted media campaigns production and activation as well as the period's increase in contracted sales and deliveries,

Revenues (EGP mn)



Gross Profit, Margin (EGP mn, %)



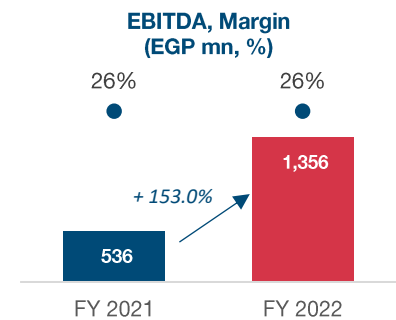


which drove a concurrent increase in sales commissions. As percentage of revenues, SG&A expense recorded 14.4% for FY 2022, down from 17.9% one year previously.

SG&A expenses recorded EGP 253.5 million for Q4 2022, up by 144.0% y-o-y. SG&A expense booked 11.8% as a percentage of revenues in Q4 2022, down from the figure of 13.2% booked for Q4 2021.

Net Interest Expense

Net interest expense booked EGP 339.9 million in FY 2022, up from EGP 140.8 million for FY 2021. The increase in MNHD's net interest expense during the period reflects the increase in interest rates during 2022 and the execution of a securitization transaction in 4Q22 with net proceeds of EGP 805 million. Net interest expense recorded EGP 206.5 million in Q4 2022, up from EGP 81.5 million.



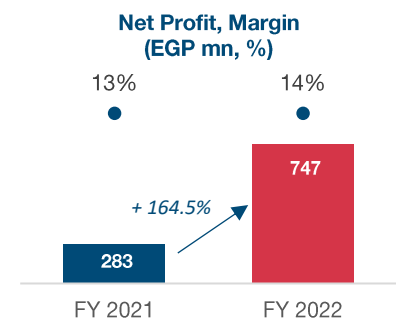
EBITDA

MNHD reported an **EBITDA** of EGP 1,355.7 million for FY 2022, marking a climb of 153.0% y-o-y from the EGP 535.9 million recorded for FY 2021. The associated EBITDA margin was 26.3% in FY 2022 compared to 25.5% one year previously due to the increase in the share of deliveries with their typically lower profit margins in the Company's revenue mix for FY 2022.

In Q4 2022, MNHD booked an EBITDA of EGP 487.0 million, up by 355.7% y-o-y. The EBITDA margin came in at 22.6% for the quarter, up from the 13.6% recorded in Q4 2021.

Net Profit

Net profit registered EGP 747.4 million for FY 2022, a climb of 164.5% y-o-y compared to the EGP 282.6 million booked one year previously. Bottom-line growth for the period reflects a rapid increase in revenue. The net profit margin (NPM) settled at 14.5% for FY 2022, against 13.5% in FY 2021. This increase in the Company's NPM was achieved despite higher contribution of unit delivery revenue to MNHD's total revenue mix for FY 2022 and an increase in net interest expense during the period.



MNHD recorded a net profit of EGP 202.5 million for Q4 2022, up by 710.1% y-o-y. The Company's NPM booked 9.4% for Q4 2022, up from the 3.2% recorded one year previously.



Balance Sheet

Cash & Cash Equivalents

On the balance sheet front, MNHD held **cash and cash equivalents** of EGP 1,836.8 million excluding customer maintenance deposits as at 31 December 2022, up 65.3% from EGP 1,111.2 million at the close of 2021, primarily due to the decrease in CAPEX spending and increase in new sales.

Debt

As at 31 December 2022, MNHD had outstanding **debt** of EGP 3,321.9 million, down 11.2% from the of EGP 3,742.4 million booked at year-end 2021, due to the partial repayment of sale-and-lease back liabilities. The Company's **debt/equity** ratio stood at 68.2% by the close of FY 2022, a decrease from the level of 98.8% posted for December 2021. **Net debt** came in at EGP 1,485.1 million as at 31 December 2022, down from EGP 2,631.2 million at the close of 2021. MNHD recorded a **net debt/EBITDA** ratio of 1.1x for FY 2022, down from 4.9x as at 31 December 2021. MNHD's strategy is to optimize efficient utilization of borrowing to support growth and manage financial risk.

Notes Receivable

MNHD held EGP 3,950.1 million in **notes receivable** at the close of FY 2022, of which EGP 1,770.4 million were short-term receivables, EGP 1,759.3 million long term receivables and EGP 420.3 million were due from customers. The Company closed an EGP 300 million securitization transaction during the year, bringing its cumulative gross securitized receivables to EGP 744.4 million as of 31 December 2022. **Receivables to net debt** stood at 2.7x by the end of FY 2022, up from the 1.3x recorded at year-end 2021.

PP&E

PP&E, fixed assets under construction, and property investments booked EGP 57.0 million at the close of FY 2022, down from EGP 50.6 million at the close of 2021.



Recent Corporate Developments

- On 5 July 2022, the Company's Board of Directors received a non-binding offer from Sixth of October for Development and Investment Company (SODIC) for a potential cash acquisition of up to 100% of MNHD's share capital through a mandatory tender offer. SODIC's offer indicated a price in the range of EGP 3.20-3.40. MNHD's Board of Directors has invited the Company's Ordinary General Assembly to convene on 16 August 2022 to discuss the request submitted by SODIC for approval of due diligence studies on MNHD. The OGM of shareholders rejected the due diligence request.
- In July 2022, MNHD launched the first phase of Elect, a new development at Taj City. MNHD sold 50 percent of the development's first phase within two days of launch, recording approximately EGP 400 million in sales during that phase. As at 31 December 2022, sales had reached a total of EGP 1,335 million. Encompassing three distinct zones, Elect presents homebuyers with a unique selection of one-story, two-story, and Z-villas. The 167.2-thousand-sqm development sits at an elevation of nine meters above the rest of Taj City and will offer residents a full and exceptional view of the project and its neighborhoods.
- MNHD recorded EGP 1.5 billion in pre-sales for the month of July 2022. This marks the Company's record figure for reservations in a single month. Activity was driven by the launches of Elect and Taj Ville, as well as sales of ready-to-move inventory and activity at Croons and Taval at Sarai. Historically strong sales activity indicates the Company's ability to leverage healthy consumer demand despite macroeconomic uncertainty and testifies to the great potential of MNHD's undeveloped land banks at Taj City and Sarai for profitable residential and commercial development.
- In September 2022, MNHD announced a Memorandum of Understanding (MoU) with El Hazek Construction, a leading construction company of El Hazek Group, to carry out construction work worth EGP 1.5 billion for its projects starting with "Shalya" in Taj City. Under this agreement, Al Hazek Construction will carry out the construction work of 34 residential buildings with a total of 941 units with various spaces ranging from 69 to 300 sqm, spanning 34 feddans. The scope of work will cover a number of phases within the project over the two-year term of agreement. The first phase of the project is expected to be delivered within 18 months.
- In September 2022, MNHD signed a partnership agreement with Asten College to establish its first international school in Taj City. Asten College is a project of the Balanced Education Company (BalancED) that follows the British Education System (IGCSE) and is one of the first schools to implement the digital transformation concept in education through a partnership with Microsoft Egypt. The school spans a total area of 20,000 sqm in Taj City with a capacity of more than 1,800 students.
- In October 2022, MNHD signed a partnership agreement with DMC – one of the leading Egyptian contracting companies in general contracting and projects construction – to execute the construction of 13 buildings in the Lake Park project in Taj City. The total investment of the project is valued at EGP 350 million and is expected to be delivered in 18 months.



- In November 2022, MNHD signed a contract with Madkour Utilities to become the Distribution Systems Operator (DSO) in Sarai. Under the five-year contract, Madkour Utilities will be in charge of managing and operating electricity and water smart metering systems across Sarai.

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Madinet Nasr for Housing & Development (MNHD)
FY 2022 Earnings Release

Income Statement

(EGP 000)	Q4 2022	Q4 2021	Change	FY 2022	FY 2021	Change
Net Revenues	2,153,962.6	787,716.7	173.4%	5,155,334.2	2,097,762.8	145.8%
Cost of Revenues	(1,388,286.6)	(679,701.0)	104.2%	(3,158,827.1)	(1,359,720.4)	132.3%
Gross Profit	765,676.0	108,015.7	608.9%	1,996,507.1	738,042.5	170.5%
Less:						
Sales & Marketing Expense	(214,661.0)	(80,487.0)	166.7%	(610,138.8)	(256,289.8)	138.1%
General & Administrative Expenses	(38,821.5)	(23,391.3)	66.0%	(133,368.6)	(120,213.6)	10.9%
Other Operating Expenses	(21,592.1)	(7,607.3)	183.8%	(51,839.3)	(37,340.3)	38.8%
Interest Expense	(250,868.0)	(100,314.1)	150.1%	(474,858.8)	(226,756.0)	109.4%
Provisions	(38,000.0)	-	-	(48,000.0)	-	-
Add:						
Provisions No Longer Required	-	-	-	-	8,000.0	-100.0%
Reversal of Expected Credit Loss (Net)	-	51,000.0	-	55,000.0	51,000.0	7.8%
Interest Income	44,360.5	18,850.3	135.3%	134,971.7	85,909.2	57.1%
Other Operating Income	24,443.7	46,234.4	-47.1%	102,422.1	98,868.9	3.6%
Operating Profit	270,537.6	12,300.7	2099.4%	970,695.5	341,220.9	184.5%
Income from Financial Assets Held at Fair Value (Other Comprehensive Income)	-	392.2	-100.0%	222.2	2,223.1	-90.0%
Income from Financial Assets – Amortized Cost	1.4	-	-	41.7	41.7	-
Other Expenses	(5,803.0)	(2,192.0)	164.7%	(13,781.1)	(6,939.9)	98.6%
Net Profit Before Tax	264,736.0	10,500.9	2421.1%	957,178.4	336,545.8	184.4%
Income Tax	(65,656.2)	9,548.0	-	(232,808.5)	(46,015.3)	405.9%
Deferred Tax	3,384.1	4,943.7	-31.5%	23,066.5	(7,897.4)	-392.1%
Net Profit for the Period	202,463.9	24,992.6	710.1%	747,436.4	282,633.2	164.5%



Madinet Nasr for Housing & Development (MNHD)
FY 2022 Earnings Release

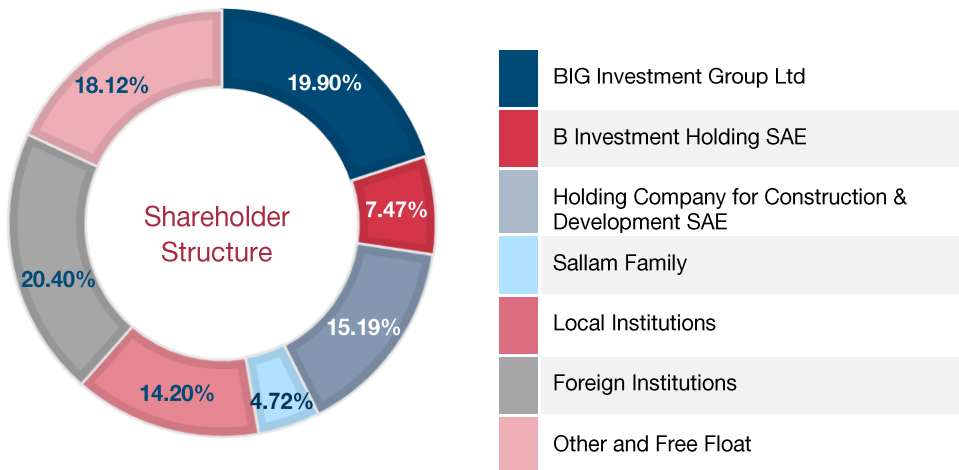
Balance Sheet

(EGP 000)	31-Dec-22	31-Dec-21	Change
Assets			
Noncurrent Assets			
Fixed Assets (Net)	35,002.9	43,166.8	-18.9%
Right-of-Use Assets	97,597.5	43,907.0	122.3%
Fixed Assets Under Construction	19,612.2	3,537.8	454.4%
Intangible Assets	3,749.6	3,030.2	23.7%
Investments in Subsidiaries	78,957.3	78,957.3	0.0%
Investments in Subsidiaries – Down payment	175,000.0	0.0	-
Financial Assets at Amortized Cost	122.0	122.0	0.0%
Financial Assets at Fair Value – Other Comprehensive Income	27,542.1	24,623.5	11.9%
Real Estate Investments	2,383.7	3,930.6	-39.4%
Long-Term Notes Receivable (Net)	1,759,337.4	779,882.2	125.6%
Deferred Tax	27,979.5	4,913.0	469.5%
Total Noncurrent Assets	2,227,284.1	986,070.3	125.9%
Current Assets			
Inventory - Materials	0.0	2,095.7	-100.0%
Lands and Real Estate Units Under Construction	5,277,852.0	6,128,349.3	-13.9%
Completed Real Estate Units	265,056.6	208,136.4	27.3%
Short-Term Accounts Receivable (Net)	1,770,428.9	2,087,540.4	-15.2%
Due from Customers (Net)	420,323.0	578,612.1	-27.4%
Due from Suppliers (Net)	241,888.7	282,860.1	-14.5%
Debtors and Other Debit Balances	1,434,892.8	698,959.3	105.3%
Financial Assets at Fair Value Through Profit or Loss	2,314.3	2,486.0	-6.9%
Financial Assets at Amortized Cost - Treasury Bills	963,623.2	589,648.8	63.4%
Due from Related Parties	78,745.8	56,763.6	38.7%
Due from Management, Operations, and Maintenance at Residential Developments	0.0	10,950.9	-100.0%
Cash & Cash Equivalents	870,893.2	519,104.4	67.8%
Total Current Assets	11,326,018.5	11,165,507.0	1.4%
Total Assets	13,553,302.6	12,151,577.3	11.5%
Liabilities & Shareholders' Equity			
Shareholders' Equity			
Issued and Paid-In Capital	2,100,000.0	1,497,600.0	40.2%
Legal Reserve	335,772.3	321,640.7	4.4%
Retained Earnings	1,664,460.0	1,664,173.6	0.0%
Net Profit for the Period	747,436.3	282,633.2	164.5%
Other Comprehensive Income	23,027.9	20,109.4	14.5%
Total Shareholders' Equity	4,870,696.0	3,786,156.9	28.6%
Noncurrent Liabilities			
Long-Term Notes Payable (Net)	154,348.8	205,585.8	-24.9%
Long-Term Loans	1,201,559.7	2,117,384.0	-43.3%
Long-Term Liabilities – Land Development	299,954.0	-	-
Long-Term Lease Liabilities	72,382.9	14,818.0	388.5%
Total Noncurrent Liabilities	1,728,245.3	2,337,787.7	-26.1%
Current Liabilities			
Advances from Customers	2,764,048.9	2,965,379.3	-6.8%
Provisions	82,148.0	43,979.3	86.8%
Due to Related Parties	5,028.0	5,469.3	-8.1%
Due to Suppliers	478,318.1	388,942.5	23.0%
Completion of Infrastructure Liabilities	153,641.8	86,803.9	77.0%
Dividend Payable	-	20,116.2	-
Creditors and Other Credit Balances	962,328.8	845,695.7	13.8%
Due to Management, Operations and Maintenance at Residential Developments	7,507.4	0.0	-
Current Portion of Long-Term Debt	1,112,711.2	106,487.9	944.9%
Short-Term Loans	741,032.2	700,000.0	5.9%
Banks - Credit Facilities	171,129.8	39,426.7	334.0%
Short-Term Lease Liabilities	23,104.0	764,292.9	-97.0%
Short-Term Liabilities – Land Development	208,806.6	0.0	-
Tax Authority	244,556.0	61,038.9	300.7%
Total Current Liabilities	6,954,360.7	6,027,632.6	15.4%
Total Liabilities	8,682,606.0	8,365,420.4	3.8%
Total Liabilities and Shareholders' Equity	13,553,302.6	12,151,577.3	11.5%



About MNHD

Since 1959, Madinet Nasr Housing and Development (MNHD) has served the housing needs of millions of Egyptians. Initially founded to develop master projects for the Cairo district of Nasr City, home to three million residents, MNHD has grown into a premier real estate developer and has become one of the country’s most recognizable real estate brands. MNHD was listed on the Egyptian Exchange in 1996, capitalizing on a long and successful track record of delivering world-class housing and infrastructure projects to broaden its exposure to various target segments of the Egyptian real estate market. Anchored in the Greater Cairo Area and with a growing presence in other regions of Egypt, the Company holds a land bank of over nine million square meters (sqm). MNHD had fifteen active projects across two main developments at the close of FY 2022: Taj City, a 3.6 million sqm mixed use development positioned as a premier cultural destination, and Sarai a 5.5 million sqm mixed use development strategically located near Egypt’s New Administrative Capital between Cairo and Suez.



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Forward Looking Statements

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