Palm Hills Developments achieves EGP 52 billion sales in 1Q2026, reporting EGP 1.2 billion in net profit after tax

Cairo on May 20, 2026 - Palm Hills Developments S.A.E. ("Palm Hills" or "the Company"), Egypt's foremost luxury real estate company, announces its consolidated financial and operating results for the financial period ended March 31, 2026.

1Q2026 Key Highlights:

- New sales recorded EGP 52 billion in 1Q2026, reflecting steady performance across all regions.
- Palm Hills Successfully Closed an EGP2.015 billion securitization issuance as Part of EGP30 billion Issuance Program.
- During the 1Q2026, the company launched its strategic land plot Village de La Capitale in New administrative Capital with total sales of EGP24 billion.
- Revenue reached EGP 9.3 billion in 1Q2026, up 11% YoY, supported by strong new sales and recognition of development backlog.
- Gross profit stood at EGP 3.3 billion during the period, reflecting a margin of 35% versus 44% in 1Q2025.
- EBITDA came in at EGP 1.9 billion, with a margin of 20% compared to 32% in 1Q2025.
- Net profit before tax and minority stood at EGP 1.6 billion, while net profit after tax came in at EGP 1.2 billion, delivering a net profit margin of 13%.
- As of 1Q2026, the company's backlog of units sold and not yet delivered reached EGP263 billion up from EGP190 billion in 1Q2025.

Yasseen Mansour, Executive Chairman, comments: "Palm Hills' strong start to 2026 reflects our continued ability to anticipate market demand and execute with discipline across our expanding portfolio. During the first quarter, we accelerated momentum through the successful launches of new projects across key destinations, reinforcing our position as a leading developer of integrated communities.

These launches not only drove solid sales performance but also demonstrated the trust our clients place in our vision, brand equity, and product quality. The quarter witnessed total sales of EGP52 billion, representing 58% growth over our normalized sales base.

As we move into the remainder of the year, we will continue to build on this trajectory by advancing construction progress, enhancing operational efficiencies, and selectively introducing new offerings that align with evolving customer preferences. We also look forward to the launch of our long-awaited North Coast project, Hacienda Ras El Hekma, next month.

We remain focused on delivering sustainable growth rather than shortsighted profitability, creating differentiated living experiences, and generating long-term value for our shareholders and partners. At the same time, we are strengthening our pipeline through strategic land acquisitions and partnerships that support our long-term expansion strategy. We are confident that our disciplined approach and customer-centric focus will enable us to navigate market dynamics while continuing to deliver consistent, high-quality results".

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Financial Review

EGP Million	1Q2026	1Q2025	Change
Revenue	9,346	8,395	11.3%
Gross Profit	3,309	3,754	(11.8%)
Gross Profit margin	*35%*	*45%*	*(10pp)*
EBITDA	1,915	2,669	(28.3%)
EBITDA margin	*20%*	*32%*	*(12pp)*
Net Profit before Tax & Minority Interest	1,657	2,278	(27.2%)
Net Profit after Tax & Minority Interest	1,205	1,539	(21.7%)
Net Profit margin	*13%*	*18%*	*(6pp)*

Revenue stood at EGP 9.3 billion in 1Q2026, an increase of %11.3 YoY, supported by strong new sales growth and backlog recognition across all projects. Revenue during 1Q26 would have increased 20% y-o-y on a normalized basis after adjusting for land sales in the comparable period last year.

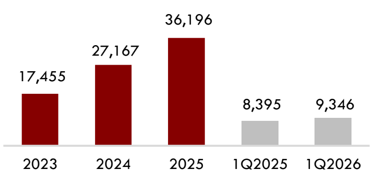
Gross profit recorded EGP 3.3 billion in 1Q2026, with a margin of 35.42% compared to 45% in 1Q2025.

EBITDA stood at EGP 1.9 billion in 1Q2026, reflecting an EBITDA margin of 20%, versus 32% in 1Q2025.

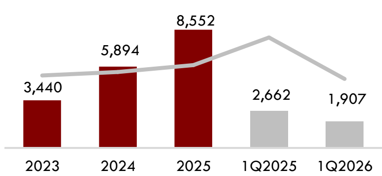
Net profit before tax and minority interests reached EGP 1.6 billion for the period, while net profit after tax and minority interests amounted to EGP 1.2 billion, delivering a net profit margin of 13% compared to 18% in 1Q2025. Net Profit during 1Q26 would have increased by 23% y-o-y on a normalized basis after adjusting for one-off land sale in the comparable period last year.

On the balance sheet front, Net Debt stood at EGP3.3 billion by the end of 1Q2026, reflecting the increase in construction spending pace in 1Q2026, while receivables including off-balance sheet stood at EGP260 billion in 1Q2026, at par with outstanding receivables by end of FY2025.

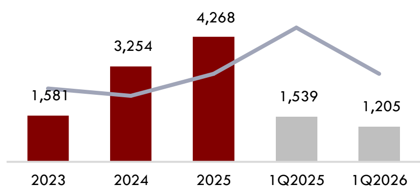
Revenue
(EGP mn)



EBITDA & EBITDA Margin
(EGP mn)



Net Profit after Tax & Minority Interest
(EGP mn)



Operational Review

In 1Q2026, new sales were EGP 52 billion, with performance driven by robust performance across all operating regions. The percentage contribution of each operational region to new sales during 1Q2026 is shown in the following chart:

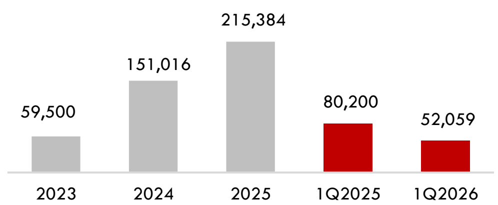
West Cairo and Badya achieved EGP16.6 billion in 1Q2026, compared to EGP54.9 billion in the previous year. Sales in Badya, P/X and the recently launched Palm Hills One were the region's key drivers. During the 1Q2026 period, Badya recorded EGP5.5 billion in total residential sales.

New sales in East Cairo, primarily the recently launched 315 feddan project namely Village de La Capitale, PHNC and 97 Hills, amounted to EGP 29.5 billion in 1Q2026 as opposed to EGP11.5 billion in 1Q2025.

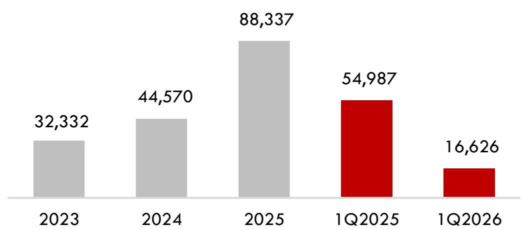
North Coast and Alexandria region were demonstrated by sales in Hacienda Heneish, Hacienda Blue and Hacienda Waters booking total new sales of EGP5.4 billion during the 1Q2026 compared to EGP 13.7 billion in the comparable period last year.

The Company spent EGP4.6 billion on construction activities during 1Q2026, a growth of 60% YoY, mainly in Badya, Palm Hills Alexandria, Palm Hills New Cairo and Hacienda West. A total of 1,200 contractual units were ready to be handed over in FY2026. These units were part of numerous projects, including Badya, Palm Hills New Cairo, Capital Gardens, Palm Hills Alexandria, and Hacienda West.

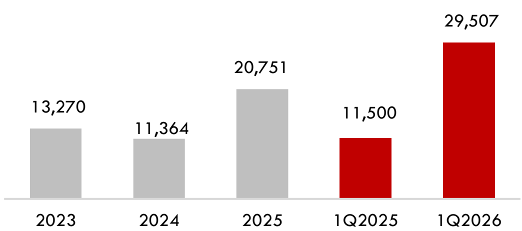
New Sales, All Regions
(EGP mn)



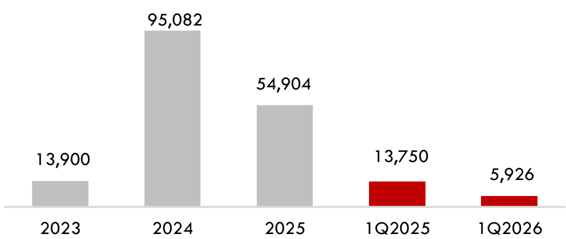
West Cairo & Badya
(EGP mn)



East Cairo
(EGP mn)



North Coast & Alexandria
(EGP mn)



Consolidated Income Statement [2]

EGP Thousand	March 31, 2026	March 31, 2025	Change
Revenue	**9,346,133**	**8,392,553**	**11%**
Cost of Revenue	(6,036,161)	(4,641,315)	29%
Gross Profit	**3,309,973**	**3,751,238**	**(11%)**
Gross Profit margin	**35%**	**45%**	**(10pp)**
EBITDA	1,915,527	2,669,761	(28%)
EBITDA margin	**20%**	**32%**	**(12pp)**
Operating Profit	1,795,392	2,592,345	(29%
Operating Profit Margin	19%	31%	(12pp)
Net Profit Before Income Tax & Minority Interest	**1,657,166**	**2,277,962**	**(27%)**
Net Profit After Tax	**1,224,001**	**1,653,894**	**(25%)**
Non-Controlling Interest	(18,748)	(114,233)	(83%)
Net Profit After Tax & Minority Interest	**1,205,253**	**1,539,660**	**(21%)**
Net Profit After Tax & Minority Interest margin	*12.9%*	*18.3%*	*(5pp)*

Consolidated Balance Sheet Items[2]

EGP Thousand	March 31, 2026	December 31, 2025
Total long - Term Assets	63,115,069	65,900,163
Total Current Assets	114,863,946	106,229,649
Total Assets	**177,979,015**	**172,129,829**
Total Current Liabilities	108,093,095	105,098,969
Total Long-Term Liabilities	49,497,421	48,265,091
Total Liabilities	**157,590,601**	**153,364,060**
Total Equity	**18,955,743**	**17,431,419**
Non-Controlling Interest	1,432,670	1,334,332
Total Shareholders' Equity	**20,388,413**	**18,765,751**

Consolidated Cash Flow Statement[2]

EGP Thousand	March 31, 2026	March 31, 2025
Cash Flows from Operating Activities	1,766,705	1,013,148
Cash Flows from Investing Activities	(1,891,835)	(842,205)
Cash Flows from Financing Activities	(571,788)	192,135
Cash & Cash Equivalents as of March 31, 2026	**9,125,128**	**6,737,643**

2- Selected Company's Consolidated Financial Statements for the period ended March 31, 2026, prepared in accordance with Egyptian Accounting Standards ("EAS"), can be downloaded from our Company's website: www.palmhillsdevelopments.com

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About Palm Hills Developments

Palm Hills Developments ("PHD"), is the leading real estate developer in Egypt, grown over 25 years of success. The Company builds integrated communities and has one of the most diversified land bank portfolios in Egypt and Abu Dhabi, spreading over 46 million square meters ("sqm"). PHD's product offerings include primary homes in West Cairo, East Cairo and Alexandria, as well as secondary homes on the North Coast along with seven operating hotels across all the operating regions and three sports clubs in East, West and Badya. Having delivered thousands of residential and commercial units within its distinguished developments, PHD continues to expand its footprint with multiple ongoing projects across its key regions.

And with its latest acquisition of 32.61% in Taaleem Management Services-Egypt's leading higher education provider-which operates through three operating assets Nahda University and Badya University, as well as the Memphis University in East Cairo, the company can strengthen its position and diversify its revenues streams.

During 2025, Palm Hills Developments signed an agreement to develop a 1.9 million sqm located adjacent to Saadiyat Island in Abu Dhabi, this marks a transformational point for Palm Hills as its first landmark overseas project.

Through its three core verticals—Real Estate, Education, and Hospitality—Palm Hills Developments is uniquely positioned to offer a comprehensive lifestyle ecosystem tailored to the evolving needs of its growing customer base.

PHD is traded on the Egyptian Stock Exchange since 2008 under the symbol "PHDC.CA". For more information, please visit: https://ir.palmhillsdevelopments.com/

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