

**PALM HILLS**

**Palm Hills Developments reported a 272% YoY increase in its new sales in 9M2024, reaching EGP130.3 billion vs. EGP35 billion in 9M2023, net profit stood at EGP2.3 billion, a growth of 124% YoY**

Cairo on November 17, 2024 - Palm Hills Developments S.A.E. ("PHD" or "the Company"), a leading real estate developer in Egypt, announces its consolidated financial and operating results for the financial period ended September 30, 2024.

**Key Highlights:**

- Strong sales momentum of EGP 130 billion in the first nine months of 2024, growing 3.8x YoY, driven by solid demand for new launches and existing projects.
- The third quarter of 2024 was another record-breaking quarter for the company, with total sales of EGP65 billion compared to EGP15 billion in 9M2023, growing 4.4x YoY.
- Revenues increased by 59% YoY to EGP17.9 billion in 9M2024, driven by significant growth in new sales during the nine-months and the increase in units' handovers.
- Gross profit stood at EGP6.4 billion in 9M2024, an increase of 68% YoY, reflecting a margin of 36% compared to 34% in 9M2023.
- EBITDA reached EGP4.1 billion, up 77% YoY, implying an EBITDA margin of 23% compared to 21% in 9M2023.
- Net Profit After Tax & Minority Interest stood at EGP2.3 billion in 9M2024 compared to EGP 1.0 billion in 9M2023, reflecting an increase of 124% YoY, with a Net Profit margin of 13.1%.
- Receivables including off-balance sheet receivables stood at EGP125.4 billion compared to EGP69.5 billion in FY2023, covering net debt of EGP3.3 billion by 15x.
- Total Cash collected from customers increased to c. EGP18.5 billion in 9M2024, up 94% YoY.
- Significant cash flow from operations improvement in 9M2024 to reach EGP1.1 billion-without conducting securitization during the 9M2024-showing the increase in down payment collected from new sales and the company's strong operational performance.

**Yasseen Mansour, Executive Chairman, comments:** "We are pleased to report our best nine months results, fueled largely by strong sales in our North Coast developments. Albeit we applied a sales phasing strategy that led us receiving only 14% of demand in our Hacienda Heneish project. That said, we are intentionally executing a vigorous phased sales strategy to maximize the long-term value of our projects and capitalize on the significant potential that lies ahead.

In addition to our successful real estate operations, we recently acquired a 30% stake of Taaleem Management Services-a leading listed higher education player-marking a strategic move into this high-potential vertical and making palm hills the largest shareholder in Taaleem. Furthermore, we are expanding our hospitality portfolio with the addition of 200 rooms at Casa Cook hotel in our premium project Hacienda White on the North Coast, along with our 250 rooms Ritz-Carlton Hotel Palm Hills in West Cairo. These 450 rooms are only the start of 2,000 rooms that we are planning to add in the coming four years".



## PALM HILLS

## Financial Review

EGP Million	9M2024	9M2023	Change	3Q2024	3Q2023	Change
Revenues	17,964	11,284	59%	7,026	4,365	61%
Gross Profit	6,390	3,805	68%	2,173	1,461	49%
Gross Profit margin	36%	34%	2pp	31%	33%	(2pp)
EBITDA	4,132	2,329	77%	1,180	2,329	25%
EBITDA margin	23%	21%	2pp	17%	21%	(5pp)
Net Profit before Tax & Minority Interest	3,253	1,544	111%	883	685	29%
Net Profit after Tax & Minority Interest	2,352	1,049	124%	649	441	47%
Net Profit margin	13%	9%	4pp	9%	9%	-

Revenues stood at EGP17.9 billion in 9M2024, an increase of 59% YoY, driven by higher new sales since the beginning of the year complemented by 16% higher units' handovers of 1,148 units in 9M2024 mainly in Badya, Palm Hills New Cairo, Palm Hills Alexandria and the Crown.

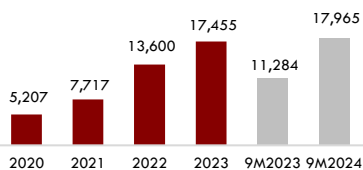
Gross Profit increased by 68% YoY to record EGP6.4 billion in 9M2024, with a gross profit margin of 36% in 9M2024 versus 34% in 9M2023.

EBITDA grew to EGP4.1 billion, an increase of 77% YoY, with an EBITDA margin of 23% compared to 21% in 9M2023.

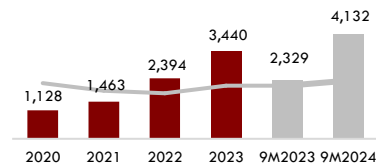
Net Profit After Tax & Minority Interest reached EGP2.3 billion in 9M2024, compared to EGP1 billion in the comparable period last year, an increase of 124% YoY, with a Net Profit margin of 13% compared to 9% in 9M2023.

Net Debt stood at EGP3.3 billion by the end of 9M2024, while receivables balance stood at EGP125 billion in 9M2024, covering net debt by 15x.

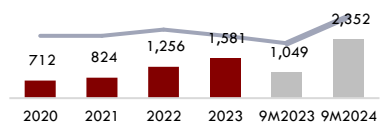
**Revenues**  
(EGP mn)



**EBITDA & EBITDA Margin**  
(EGP mn)



**Net Profit after Tax & Minority Interest**  
(EGP mn)

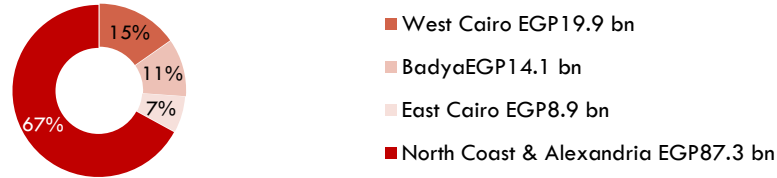




PALM HILLS

**Operational Review**

New sales stood at EGP130.3 billion in 9M2024, an increase of 272% YoY driven by strong sales across all operating regions. The following chart illustrates percentage contribution of each operating region to new sales during 9M2024:



In West Cairo, the region has witnessed strong sales during the 9M2024 with sales growing 166% YoY to record EGP19.9 billion, boasted by sales in P/X, The Crown and Palm Parks.

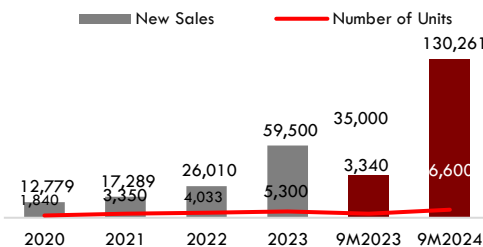
Badya booked total residential sales of EGP 14 billion in 9M2024 compared to EGP11.3 billion residential sales in 9M2023, an increase of 24% YoY.

In East Cairo, new sales came in at EGP8.9 billion compared to EGP5.8 billion in 9M2023, driven by sales in Palm Hills New Cairo. Sales in PHNC were complemented by PHNC commercial area namely Palmet East.

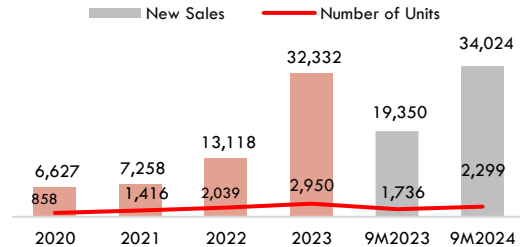
North Coast and Alexandria region new sales grew c.9x YoY to record EGP87.3 billion compared to EGP9.8 billion in 9M2023. The increase in region sales was accomplished by the launch of two new developments during the summer season 9M2024.

The Company spent EGP6.1 billion on construction activities during 9M2024, a growth of 17% YoY, mainly in Badya, Palm Hills Alexandria, Palm Hills New Cairo, Hacienda West, and Alamein. As at the end of 9M2024, a total of 1,500 contracted units are ready for handing over in Badya, Palm Hills New Cairo, Capital Gardens, Palm Hills Alexandria, and The Crown while Ready-to-Move inventory reached EGP3.7 billion, representing 118 units across all regions.

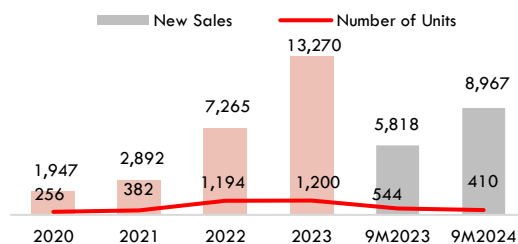
**New Sales, All Regions**  
(EGP mn)



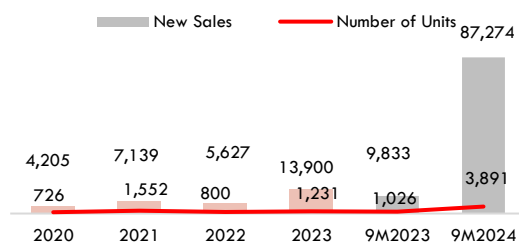
**West Cairo & Badya**  
(EGP mn)



**East Cairo**  
(EGP mn)



**New Sales, North Coast & Alexandria**  
(EGP mn)





## PALM HILLS

**Consolidated Income Statement <sup>2</sup>**

	September 30, 2024	September 30, 2023	%
<b>Revenues</b>	<b>17,964,696</b>	<b>11,284,721</b>	<b>59%</b>
<b>Gross Profit</b>	<b>6,390,777</b>	<b>3,805,122</b>	<b>68%</b>
<i>Gross Profit margin</i>	36%	34%	2pp
<b>EBITDA</b>	<b>4,132,924</b>	<b>2,329,501</b>	<b>77%</b>
<i>EBITDA margin</i>	23%	21%	2pp
<b>Operating Profit</b>	<b>3,964,963</b>	<b>2,198,593</b>	<b>80%</b>
<i>Operating Profit Margin</i>	22%	19%	3pp
<b>Net Profit Before Income Tax &amp; Minority Interest</b>	<b>3,253,236</b>	<b>1,543,947</b>	<b>111%</b>
<b>Net Profit After Tax &amp; Minority Interest</b>	<b>2,352,611</b>	<b>1,049,338</b>	<b>124%</b>
<i>Net Profit After Tax &amp; Minority Interest margin</i>	13%	9%	4pp

**Consolidated Balance Sheet Items<sup>2</sup>**

EGP Thousand	September 30, 2024	December 31, 2023
Total long - Term Assets	45,942,504	31,824,034
Total Current Assets	58,159,458	42,474,427
<b>Total Assets</b>	<b>104,101,963</b>	<b>74,298,461</b>
Total Current Liabilities	62,728,469	42,602,540
Total Long-Term Liabilities	27,651,028	19,974,072
<b>Total Liabilities</b>	<b>90,379,498</b>	<b>62,576,613</b>
<b>Total Equity attributable to Parent Company</b>	<b>13,722,464</b>	<b>11,159,387</b>
Non-Controlling Interest	661,501	562,461
<b>Total Shareholders' Equity</b>	<b>13,722,464</b>	<b>11,721,848</b>

**Consolidated Cash Flow Statement<sup>2</sup>**

EGP Thousand	September 30, 2024	September 30, 2023
Cash Flows from Operating Activities	1,137,496	(84,684)
Cash Flows from Investing Activities	(2,430,797)	(519)
Cash Flows from Financing Activities	2,449,519	1,615,755
<b>Cash &amp; Cash Equivalents as of September 30, 2024</b>	<b>4,345,460</b>	<b>2,172,753</b>

2- Selected Company's Consolidated Financial Statements for the period ended September 30, 2024, prepared in accordance with Egyptian Accounting Standards ("EAS"), can be downloaded from our Company's website: [www.palmhillsdevelopments.com](http://www.palmhillsdevelopments.com)



## **PALM HILLS**

### **About Palm Hills Developments**

Palm Hills Developments ("PHD"), a leading real estate developer in Egypt, is a joint stock company established in 1997. The Company builds integrated communities and has one of the most diversified land bank portfolios, spreading over 33 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.

As at end of 9M2024, PHD delivered more than 16,000 units within its developments. Today, PHD has several projects under development in West Cairo, East Cairo, North Coast and Alexandria, in addition to co-development projects, translating into a sales backlog of c.EGP110 billion. PHD is listed and traded on the Egyptian Stock Exchange under the symbol "PHDC.CA". For more information, please visit: <https://ir.palmhillsdevelopments.com/>

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### **Disclaimer**

This report contains statements that could be construed as forward looking. These statements appear in several places in this report and include statements regarding the intent, belief or current expectations of the number of units to be delivered, construction spending, projects' timelines and estimates regarding future growth of the business, financial results and other aspects of the activity and situation relating to the Company. Such forward-looking statements are no guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in the forward-looking statements as a result of various factors. You are cautioned not to place undue reliance on those forward-looking statements, which speak only as of the date of this report, which is not intended to reflect Palm Hills Developments business or acquisition strategy or the occurrence of unanticipated events.