

## Telecom Egypt signs Lol offering PEACE redundancy in exchange for competitive pricing on fibre optic cables

**Beijing, 27 April 2019:** Telecom Egypt signed a binding letter of intent (Lol) with Pakistan & East Africa Connecting Europe (PEACE) Cable International Network Co. and its affiliate HENGTONG OPTIC-ELECTRIC, the Chinese technology and industrial giant, enriching the partnership between PEACE and Telecom Egypt further and extending it to other service lines.

Under the Lol, PEACE will be granted an additional fiber pair to its redundant cross Egypt routes to accommodate PEACE extensive demand to Europe with a total value of USD 20mn, and in return HENGTONG shall provide TE with fiber optic cables of different cores based on competitive pricing that will be utilized in TE's strategic plans for fiber deployment inside Egypt. The agreement enacting the Lol is expected to be completed within the coming two months.

### **Adel Hamed, Telecom Egypt's Managing Director and Chief Executive Officer said:**

"I am very pleased with the signing of this letter of intent, which attests our network evolution over time to offer a secure passage for international traffic as well as demonstrates the significance of our services for the growing demand from the East to Europe. Strategically, this agreement is a manifestation of our future plans to extract synergies and integrate our strength across our business units by leveraging our positioning in the international market to secure a business opportunity for our local business within the strategy of extending our fiber network to every corner in Egypt."

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## About Telecom Egypt

Telecom Egypt is the first total telecom operator in Egypt providing all telecom services to its customers including fixed and mobile voice and data services. Telecom Egypt has a long history serving Egyptian customers for over 160 years maintaining a leadership position in the Egyptian telecom market by offering its enterprise and consumer customers the most advanced technology, reliable infrastructure solutions and the widest network of submarine cables. Aside from its mobile operation "WE", the company owns a 45% stake in Vodafone Egypt. Telecom Egypt's shares and GDRs (Ticker: ETEL.CA; TEEG.LN) are traded on The Egyptian Exchange and the London Stock Exchange. Please refer to Telecom Egypt's full financial disclosure on [ir.te.eg](http://ir.te.eg)

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## About HENGTON Group

HENGTON Group is a national innovative enterprise group with services in the field of information and communication, electricity transmission, energy mineral, financial, real estate, trade and investment and 70 wholly owned and holding companies, including 3 listed companies in Indonesia Stock Exchange, HKEx and Shanghai stock exchange. HENGTON has industry bases in 10 provinces and cities in China and 9 research and development industry bases around the world (located in Brazil, Indonesia, Spain, Portugal, South Africa, India, Germany, Egypt). It also owns marketing and technical service companies in more than 30 overseas countries and regions. The companies' products are widely used in more than 140 countries and areas. It is also the largest leading enterprises in the field of Chinese optical fiber network construction and operation and maintenance services, top 500 enterprises of China, top 100 Chinese private enterprises and top 3 global fiber optic communications manufacturer. It occupies 15% of the global market of fiber optic network. The revenue of HENGTON Group reached to 12 billion dollars in 2017, and ranks No.1 in the optic communication industry in China.

## About PEACE

The Pakistan East Africa Connecting Europe (PEACE) is a privately owned cable system that provides an open system design, flexibility and carrier-neutral cross-connect services for its customers. With the DTS work completed and proceeding activities underway, the project is targeted for completion in the first quarter of 2020. The system design will adopt the latest 200G and WSS technologies, which will initially provide the capability to transmit over 16 Tbps per fibre pair, servicing growing regional capacity needs. This network topology will substantially reduce network latency by adopting the shortest direct connectivity route, providing cost-effective capacity in an economically growing region and enhancing route diversity between and among Asia, Africa and Europe. See more: [www.peacecable.com](http://www.peacecable.com)