

Telecom Egypt to refinance short-term facilities with new USD 200m medium-term loan facility from Banque Misr, UAE

22 May 2024: Telecom Egypt, the country's full-service telecom operator, today signed an agreement to secure a USD 200m medium-term loan from Banque Misr, UAE.

Banque Misr, UAE is the Mandated Lead Arranger and the Facility Agent.

Given the favorable terms and conditions of this new facility, Telecom Egypt will use the loan to refinance its existing short-term facilities. This loan comes at a timely manner as Telecom Egypt pursues a refinancing strategy to reduce its borrowing costs, assure adequate liquidity, and increase its financial flexibility. In 2023, Telecom Egypt strategically procured and settled its CapEX requirements upfront to hedge against expected FX fluctuations in 2024, and other unforeseeable risks.

It is also worth highlighting that this five-year amortizing loan will be settled from the collection of Telecom Egypt's foreign currency revenues.

Mohamed Nasr, Managing Director and Chief Executive Officer at Telecom Egypt, commented:

"We are pleased to be cooperating with Banque Misr, UAE for this financing facility. This new USD 200m medium-term loan facility is a testament to the confidence of respected financial institutions, such as Banque Misr, in Telecom Egypt's strong operations. This loan will complement our existing liquidity base and enable us to repay installments in line with the cash flow generation from our different foreign currency revenue streams. In addition, we are confident that our solid financial and operational plans will deliver exceptional results and continued organic growth, allowing us greater cash flow flexibility, continued product development, enhanced service to all of our customers, and propel our future business growth."

Khaled El Bialy, Chief Executive Officer at Bank Misr, UAE, stated:

“We are delighted to support Telecom Egypt in their pursuit for better financial management and cash flow flexibility. This finance facility cements our strategic relationship with TE and reflects Banque Misr’s commitment to a long term partnership with the company.”

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About Telecom Egypt

Telecom Egypt is a full-service telecom operator in Egypt, providing a wide array of telecom services to a diverse customer base. Serving individuals, communities, SOHOs, SMEs and large enterprises, Telecom Egypt offers a comprehensive, innovative, and diversified portfolio of services, ranging from fixed and mobile voice to essential data solutions that are crucial in today’s digital landscape. These services also include high-speed internet, smart solutions, data center facilities, and cloud computing solutions tailored for businesses. With a rich heritage of about 170 years, Telecom Egypt continues to lead the Egyptian telecom market by providing cutting-edge technology, robust infrastructure, and an extensive network of subsea cables to meet the needs of its enterprise and consumer clientele. The company's pivotal role in Egypt's telecommunications landscape is underscored by its expansive network coverage, broad service range, and dedication to fostering innovation. Aside from its mobile operation "WE", Telecom Egypt holds a significant 45% ownership 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 disclosures on ir.te.eg

For more information, contact:

The investor relations team

Email: investor.relations@te.eg



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About Banque Misr, UAE

Banque Misr, UAE is an overseas arm of Banque Misr SAE, Egypt, the second largest bank by balance sheet size and Net Profit in Egypt.

Banque Misr, UAE operates through five branches, spread across the different Emirates, offering a comprehensive suite of products and services to its ever-growing customer base.

Awarded the fastest growing international bank in the UAE in 2023 by MEA financing. Banque Misr has transformed its business model and is now offering its distinctive services and expertise to all business lines including Corporate/Retail banking, International Wealth Management, Treasury, Global Markets, Syndication, and financial institutions, to ensure a sustainable strong growth and a world class customer experience.

For more information, visit: www.banquemisr.ae/#