Telecom Egypt Announces It Will Not Proceed with the Proposed RDH Transaction with Helios Investments

16 July 2026: Telecom Egypt's Board of Directors, at its meeting held on 15 July 2026, resolved not to proceed with the transaction referenced in the disclosure published on 7 September 2025 regarding the proposed term sheets, which sets out the terms and conditions of the transaction, with Helios Investments for a 75% to 80% stake in a subsidiary that would own the Regional Data Center Hub (RDH), due to the non-satisfaction of certain terms stipulated in the executed term sheet, including conditions related to third parties, which are necessary for the completion and proper compliance of the transaction.

The Company affirms the continued implementation of its strategic plan to carve out the assets and operations of its data center services into a wholly owned (100%) subsidiary, as part of establishing a specialized entity fully focused on this activity. This entity will include a specialized team possessing the necessary technical and commercial expertise, enabling greater focus on developing this sector, expanding its operations, and accelerating the pace of growth to capitalize on the promising opportunities in the data center market, both locally and globally.

This direction stems from the Company's conviction that the global data center sector is among the fastest-growing sectors, while the Egyptian market is witnessing rising demand — a dynamic that requires a specialized operating model to keep pace and maximize the benefits.

The Company also continues to provide its data center services and expand the scope of its operations within the Arab Republic of Egypt, thereby strengthening its position in this strategic sector and contributing to maximizing the added value of this vital asset and achieving the best possible return for its shareholders, while safeguarding the interests of its customers and supporting its future direction.

This decision will not have any financial or operational impact on Telecom Egypt, and does not affect the rights of any existing parties.

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About Telecom Egypt

Telecom Egypt is a total telecom services provider in Egypt that provides a wide array of 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 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.

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