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Translation from Arabic

Telecom Egypt Company
(An Egyptian Joint Stock Company)
Separate Financial Statements
For the Financial Year Ended December 31, 2024
And Auditor's Report

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(An Egyptian Joint Stock Company)
Separate Financial Statements
For the Financial Year Ended December 31, 2024
And Auditor's Report

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KPMG

Hazem Hassan
Public Accountants & Consultants

B (105) – Avenue (2) – Smart Village
Km 28 Cairo – Alex Desert Road
Giza – Cairo – Egypt
Postal Code : 12577

Telephone : (202) 35 37 5000 – 35 37 5005
E-mail : Egypt@kpmg.com.eg
Fax : (202) 35 37 3537
P.O. Box : (5) Smart Village

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AUDITOR'S REPORT
TO THE SHAREHOLDERS OF TELECOM EGYPT COMPANY

Report on the Separate Financial Statements

We have audited the accompanying separate financial statements of Telecom Egypt Company S.A.E, which comprise the separate statement of financial position as at December 31, 2024 and the related separate statements of income, comprehensive income, changes in equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Separate Financial Statements

These separate financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with the Egyptian Accounting Standards and in the light of the prevailing Egyptian laws, management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the separate financial statements.

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Opinion

In our opinion, the separate financial statements referred to above present fairly, in all material respects, the unconsolidated financial position of Telecom Egypt Company as of December 31, 2024, and of its unconsolidated financial performance and its unconsolidated cash flows for the financial year then ended in accordance with the Egyptian Accounting Standards and the Egyptian laws and regulations relating to the preparation of these separate financial statements.

Report on Other Legal and Regulatory Requirements

The Company maintains proper books of account, which include all that is required by law and by the statutes of the Company, the separate financial statements are in agreement thereto, the inventory was counted by management in accordance with methods in practice.

The financial information included in the Board of Directors' report, prepared in accordance with Law No. 159 of 1981 and its executive regulations, is in agreement with the Company's books of account.

KPMG Hazem Hassan

KPMG Hazem Hassan
Public Accountants & Consultants

Cairo, February 27, 2025

KPMG Hazem Hassan
Public Accountants and Consultants
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Telecom Egypt Company

(An Egyptian Joint Stock Company)

Separate Statement of Financial Position As of:

	Note No.	31/12/2024 L.E. (000)	31/12/2023 Restated L.E. (000)	1/1/2023 Restated L.E. (000)
Assets				
Non current Assets				
Fixed assets and projects under construction	(15)	99 768 001	76 401 317	58 334 640
Intangible assets (licenses and frequencies)	(16)	19 503 636	14 964 829	15 022 419
Usufruct assets	(17)	7 863 182	6 318 390	4 506 023
Right of use assets (lease contracts)	(18-1)	840 204	752 388	698 644
Investments in subsidiaries and associates	(19)	6 653 574	6 645 875	6 645 875
Financial assets at FVOCI	(20)	120 476	83 442	74 856
Deferred tax assets	(31-3)	5 087 595	561 022	23 390
Total Non Current Assets		**139 836 668**	**105 727 263**	**85 305 847**
Current Assets				
Inventories	(21)	7 239 832	3 623 500	2 170 859
Trade and notes receivable	(22)	14 217 585	7 752 132	6 586 273
Current income tax	(31-6)	1 413 670	801 556	397 864
Debtors and other debit balances	(23)	6 520 977	5 042 045	4 762 858
Debit balances with subsidiaries	(35-1)	257 897	1 139 091	2 512
Cash and cash equivalents	(24)	6 968 984	10 272 954	6 158 165
Total Current Assets		**36 618 945**	**28 631 278**	**20 078 531**
Total Assets		**176 455 613**	**134 358 541**	**105 384 378**
Equity				
Capital	(29)	17 070 716	17 070 716	17 070 716
Reserves	(30)	6 081 041	5 733 122	5 359 173
Retained earnings		4 874 875	15 771 990	14 847 544
Total Equity		**28 026 632**	**38 575 828**	**37 277 433**
Non Current Liabilities				
Long term loans	(25)	38 411 459	19 725 744	20 390 098
Creditors and other credit balances	(26)	22 578 825	13 567 712	6 259 706
Lease obligations	(18-2)	790 355	745 718	698 100
Total Non Current Liabilities		**61 780 639**	**34 039 174**	**27 347 904**
Current Liabilities				
Short term Loans and credit facilities	(25)	42 314 798	29 590 441	10 353 603
Creditors and other credit balances	(26)	33 645 412	25 538 574	24 535 926
Lease obligations	(18-2)	279 211	175 020	157 220
Accrued credit accounts to subsidiaries and associates	(35-1)	10 026 651	5 740 231	4 948 319
Provisions	(27)	382 270	699 273	763 973
Total Current Liabilities		**86 648 342**	**61 743 539**	**40 759 041**
Total liabilities		**148 428 981**	**95 782 713**	**68 106 945**
Total Equity and Liabilities		**176 455 613**	**134 358 541**	**105 384 378**

The attached notes on pages from (6) to (52) are an integral part of these separate financial statements.

Director of Financial Affairs	**Chief Financial Officer**	**Managing Director & Chief Executive Officer**
" Ehab Abdo"	" Wael Hanafy "	"Mohamed Nasr"

Board of Directors approval

Chairman

" Maged Osman "

Auditor's Report "attached"

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Telecom Egypt Company

(An Egyptian Joint Stock Company)

Separate Statement of Income

	Note No.	For the financial year ended: 31/12/2024 L.E. (000)	31/12/2023 Restated L.E. (000)
Operating revenues	(5)	60 934 196	43 697 048
Operating costs	(6)	(42 272 933)	(28 412 931)
Gross Profit		**18 661 263**	**15 284 117**
Other income	(7)	3 346 863	2 553 675
Selling and distribution expenses	(8)	(4 762 886)	(3 691 283)
General and administrative expenses	(9)	(6 142 241)	(4 678 247)
Expected credit loss		(289 670)	(258 294)
Other expenses	(10)	(317 062)	(187 072)
Operating profit		**10 496 267**	**9 022 896**
Finance income		481 070	628 366
Finance cost		(15 824 868)	(4 594 968)
Net finance cost	(11)	**(15 343 798)**	**(3 966 602)**
Income from investments in subsidiaries and associates	(12)	**6 639 709**	**2 430 397**
Net profit for the year before income tax		**1 792 178**	**7 486 691**
Income tax	(31-1)	**994 347**	**(502 873)**
Net profit for the year after income tax		**2 786 525**	**6 983 818**
Basic and diluted earning per share for the year (L.E. / Share)	(14)	**0.97**	**3.54**

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Telecom Egypt Company

(An Egyptian Joint Stock Company)

Separate Statement of Other Comprehensive Income

	Note No	For the financial year ended: 31/12/2024 L.E.(000)	31/12/2023 Restated L.E.(000)
Net profit for the year		**2 786 525**	**6 983 818**
Other Comprehensive Income Items			
Net change in fair value of financial assets at FVOCI		37 034	8 586
Income tax on net change in fair value of financial assets at FVOCI		(8 332)	(1 932)
Total other comprehensive income items		**28 702**	**6 654**
Translation differences of foreign currency balances		(12 719 296)	(3 550 620)
Income tax on translation differences of foreign currency balances	(31-2)	2 861 842	798 889
		(9 857 454)	**(2 751 731)**
Transferred to retained earnings during the year		**9 857 454**	**2 751 731**
		-	-
Total Comprehensive Income		**2 815 227**	**6 990 472**

The attached notes on pages from (6) to (52) are an integral part of these separate financial statements.

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Telecom Egypt Company
(An Egyptian Joint Stock Company)
Separate Statement of Changes In Equity
For The Financial Year Ended December 31, 2024

	Note No.	Capital L.E. (000)	Legal reserve L.E. (000)	Other reserves L.E. (000)	Retained earnings L.E. (000)	Total L.E. (000)
Balance as of January 1, 2023 (Before restatement)		17 070 716	2 571 623	2 787 550	13 024 149	35 454 038
Restatements	(38-1)	-	-	-	1 823 395	1 823 395
Balance as of January 1, 2023 (Restated)		17 070 716	2 571 623	2 787 550	14 847 544	37 277 433
Comprehensive income						
Net profit for the year (Restated)	(38-2)	-	-	-	6 983 818	6 983 818
Net change in fair value of financial assets at FVOCI		-	-	6 654	-	6 654
Total comprehensive income		-	-	6 654	6 983 818	6 990 472
Net impact of translation differences of foreign currency balances		-	-	-	(2 751 731)	(2 751 731)
Transferred to legal reserve		-	367 295	-	(367 295)	-
Transactions with shareholders						
Dividends for year 2022 (Shareholders)		-	-	-	(2 133 840)	(2 133 840)
Dividends for year 2022 (Employees & Board of Directors)		-	-	-	(806 506)	(806 506)
Total transactions with shareholders		-	-	-	(2 940 346)	(2 940 346)
Balance as of December 31, 2023 (Restated)		17 070 716	2 938 918	2 794 204	15 771 990	38 575 828
Balance as of January 1, 2024 (Restated)		17 070 716	2 938 918	2 794 204	15 771 990	38 575 828
Comprehensive income						
Net profit for the year		-	-	-	2 786 525	2 786 525
Net change in fair value of financial assets at FVOCI		-	-	28 702	-	28 702
Total comprehensive income		-	-	28 702	2 786 525	2 815 227
Net impact of translation differences of foreign currency balances	(37-2)	-	-	-	(9 857 454)	(9 857 454)
Transferred to legal reserve		-	319 217	-	(319 217)	-
Transactions with shareholders						
Dividends for year 2023 (Shareholders)		-	-	-	(2 560 607)	(2 560 607)
Dividends for year 2023 (Employees & Board of Directors)		-	-	-	(946 362)	(946 362)
Total transactions with shareholders		-	-	-	(3 506 969)	(3 506 969)
Balance as of December 31, 2024		17 070 716	3 258 135	2 822 906	4 874 875	28 026 632

The attached notes on pages from (6) to (52) are an integral part of these separate financial statements.

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Telecom Egypt Company
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Separate Statement of Cash Flows

	Note No.	For the financial year ended: 31/12/2024 L.E.(000)	31/12/2023 L.E.(000)
Cash flows from operating activities			
Cash receipts from customers and notes receivable		41 082 820	29 132 122
Cash receipts from related party		15 007 946	11 596 112
Stamp tax and fees collected (from third party)		31 100	88 019
Deposits collected from customers		54 042	59 171
Cash paid to suppliers		(11 093 254)	(7 229 777)
Payments for NTRA		(3 572 225)	(1 095 886)
Cash paid to Board of Directors		(18 550)	(15 250)
Cash paid to employees		(7 693 531)	(6 635 506)
Cash paid on behalf of employees to third party		(1 306 662)	(1 130 242)
Payments to Tax Authority - Taxes other than income tax (Advanced Payments)		(6 629 795)	(3 709 750)
Other Proceeds / (payments)		2 161 144	(331 758)
Cash provided by operating activities		**28 023 035**	**20 727 255**
Interest paid		(10 552 087)	(4 247 613)
Payments to Tax Authority - income tax		(590 155)	(344 912)
Net cash provided by operating activities		**16 880 793**	**16 134 730**
Cash flows from investing activities			
Payments for purchase of fixed assets and projects under construction		(27 769 414)	(23 209 455)
Payments for purchase of intangible assets		(6 186 350)	(2 812 797)
Payments for acquisition of investments		(7 699)	-
Interest received		345 492	431 295
Dividends collected from investments		5 981 222	2 192 729
Proceeds from financial assets at amortized cost - treasury bills income		70 679	91 370
Net cash used in investing activities		**(27 566 070)**	**(23 306 858)**
Cash flows from financing activities			
Payments of loans		(5 862 338)	(4 916 264)
Proceeds from loans		16 370 435	-
Payments of lease obligations		(314 173)	(263 905)
Net (Payments) / Proceeds of credit facilities		(445 255)	18 137 253
Dividends paid to shareholders		(2 560 607)	(2 133 840)
Net cash provided by financing activities		**7 188 062**	**10 823 244**
Net change in cash and cash equivalents during the year		**(3 497 215)**	**3 651 116**
Cash and cash equivalents at the beginning of the year	(24)	9 766 600	6 115 484
Cash and cash equivalents at the end of the year	(24)	**6 269 385**	**9 766 600**

The attached notes on pages from (6) to (52) are an integral part of these separate financial statements.

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Notes to the Separate Financial Statements

For the Financial Year Ended December 31, 2024

1. BACKGROUND

1-1 Legal Entity

- Arab Republic of Egypt National Telecommunication Organization (ARENTO) was established pursuant to Law No.153 of 1980. Effective from March 27, 1998 and pursuant to law No.19 of 1998, the legal form of (ARENTO) was amended after the revaluation of its assets on March 26, 1998 to become “Telecom Egypt Company” (TE).
- Telecom Egypt Company (the “Company”) is an Egyptian Joint Stock Company registered in the Arab Republic of Egypt and is engaged in the provision of public communications and associated products and services.
- The company is subject to the provisions of the Companies Law No. 159 of 1981 and Capital Market law No. 95 of 1992.
- The registered office of the company is 26 Ramses Street, Cairo, Egypt.
- 70% of the company stock share are owned to the Egyptian government, 30% of the company's nominal shares are traded on the Egyptian Stock Exchange, while GDRs are traded on the London Stock Exchange, each consisting of five ordinary shares.

1-2 Purpose of the company

The main purpose of the company represents in the following:

- Owning, setting up, operating, maintenance and development of telecommunication networks and infrastructure necessary for communication services for using and / or managing and / or leasing to others and / or dealing on them.
- Providing voice, video and data transmission telecommunication services to subscribers and / or managing and / or leasing to others and / or dealing on them.
- Participating or contributing to global communication systems, such as: - submarine cables and satellites and obtaining capacities or circuits for using and / or managing and / or leasing to others and / or dealing on them.
- Dealing or contracting or Participating with authorities, agencies, companies, organizations or any entity exercising an activity similar to or identical to the company's activities or relates or assists the company to achieve its purposes either in Arab Republic of Egypt or abroad.
- Managing, selling, leasing, purchasing, possessing, renting and dealing on any property and rights or benefit or right in any property. Including the movable and immovable property which could be acquired or owned by the company.
- Selling, purchasing and distributing of fixed line sets, mobile phones and computers, its peripherals, accessories and supplies, complementary devices and necessary spare parts and related maintenance works.
- Setting up voice, video and written data transmission networks and providing value-added services, content services, marketing, electronic signature and online money transfer.
- Investment properties for serving its purposes and executing its projects.

1-3 Issuance of the separate financial statements

These separate financial statements as of December 31, 2024 were approved by the company's Board of Directors for issuance on February 26, 2025.

2. BASIS OF PREPERATION OF THE SEPARATE FINANCIAL STATEMENTS

2-1 Statement of compliance

- Separate financial statements as of December 31, 2024 have been prepared in accordance with Egyptian Accounting Standards and in the light of applicable Egyptian laws and regulations related to.

- The company has subsidiaries and associates and according to the Egyptian Accounting Standard No. (42) "the Separate financial statements" and the article by Law No.188 of executive regulation for Law No.159 of 1981 "the company prepares the Separate Financial Statements for the company which can referred to it to obtain a position reflect the financial position, business results, and cash flows for the company as a whole".
- The company's management has applied the accounting treatment for dealing with the effects of the liberalization of exchange rates contained in summary (h) in the Egyptian Accounting Standard No. (13) amended in 2024 "The effects of changes in foreign exchange rates" according to what is Details are given in Note No (37-2).

2-2 Basis of measurement

- These Condensed Separate Interim Financial Statements have been prepared according to the historical cost basis, except for :

(A) Financial instruments that are recorded at fair value through profit or loss.
(B) Financial instruments that are recorded at fair value through other comprehensive income.
(C) Financial instruments that are recorded at amortized cost.

- Investment in subsidiaries and associates in Condensed Separate Interim Financial Statements were presented on a cost basis which represent the company's direct share in equity, and not on the basis of results and net assets of the investee company. The Condensed Consolidated Interim Financial Statements provide a more comprehensive understanding of the Condensed Consolidated Interim Financial Position and results and Condensed Consolidated Interim of cash flows for the company and its subsidiaries (the Group).
- For presentational purposes, the current and non-current classification has been used for the condensed separate statement of Financial Position, while expenses are analysed in condensed separate statement of income using a classification based on their function. The direct method has been used in preparing the condensed separate statement of cash flows.

2-3 Functional and presentation currency

These separate financial statements are presented in Egyptian pound (L.E), which is the Company's functional currency. All financial information presented in "L.E" has been rounded to the nearest L.E Thousands unless otherwise stated.

2-4 Use of estimates and assumptions

The preparation of the separate financial statements in conformity with Egyptian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the separate financial statements is included in the following notes:

- Impairment of non-financial and financial assets
- Provisions and contingencies.
- Deferred tax assets and liabilities.
- Operational useful life of fixed assets.
- Measuring Expected credit loss
- Estimate the net realizable value of the inventory

2-5 Fair value measurement

- The fair value of financial instruments is determined based on the market value of the financial instrument or similar financial instruments at the date of the separate financial statements without deducting any estimated future selling costs. The financial assets values are determined with the current purchase prices; however, the financial liabilities values are determined with the current prices that could settle these liabilities.
- In case there is no active market to determine the fair value of the financial instruments, the fair value is estimated using different valuation techniques taking into consideration the prices of the latest transactions, and use the current fair value of the similar financial instruments as guideline – the discounted cash flows technique or any other valuation methods that results reliable values.
- When the discounted cash flows is used as a valuation technique, the future cash flows are estimated based on the management best estimate. The discount rate used is determined in line with the market rate at the date of the financial statements for the similar financial instruments in nature and conditions.

2-6 Segment reporting

Operating activities related to the company are managed by operating segments at the group activates level as integrated activity, based on the nature of product and the service provided and to be stated in the notes to the Separate financial statements. The segment reporting is prepared according to services provided by activities as a group as follows:

- Communications, marine cables and infrastructure services.
- Fixed Internet services.
- Outsourcing services.
- Other activities .

3. New Editions and Amendments to Egyptian Accounting Standards:

3-1 On March 3,2024, the prime ministers Decree No.(636) of 2024 was issued amending some other provisions of the Egyptian Accounting Standards, the following is a summary of the most significant amendments:

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
Egyptian Accounting Standard No. (50) "Insurance Contracts".	1-This standard determines the principles of recognition of insurance contracts falling within the scope of this standard, and determines their measurement, presentation, and disclosure. The objective of the standard is to ensure that the Company provides appropriate information that truthfully reflects those contracts. This information provides users of financial statements with the basis for assessing the impact of insurance contracts on the Company's financial position, financial performance, and cash flows. 2-Egyptian Accounting Standard No. (50) replaces and cancels Egyptian Accounting Standard No. 37 "Insurance Contracts". Any reference to Egyptian Accounting Standard No. (37) in other Egyptian Accounting Standards to be replaced by Egyptian Accounting Standard No. (50). 3-The following Egyptian Accounting Standards have been amended to comply with the requirements of the application of Egyptian Accounting Standard No. (50) "Insurance Contracts", as follows: - Egyptian Accounting Standard No. (10) "Fixed Assets ". - Egyptian Accounting Standard No. (23) "Intangible Assets". - Egyptian Accounting Standard No. (34) " Investment property ".	The change doesn't have an impact on the Separate financial statement of the Company.	Egyptian Accounting Standard No. (50) is effective for annual financial periods starting **on or after July 1, 2024**, and if the Egyptian Accounting Standard No. (50) shall be applied for an earlier period, the Company should disclose that fact.
Egyptian Accounting Standard No. (34) amended 2024 "Investment Property "	The Egyptian Accounting Standard No. (34) "Investment Property" was reissued in 2024, to amend the fair value application mechanism by the mandate of recognizing the gain or loss arising from the change in the fair value of the investment property in the statement of profit or loss for the period in which the change arises or	The Company doesn't have this type of asset. Accordingly, this change doesn't have an impact on the financial statement of the Company.	The amendments to the amendment of addition of the option to use the fair value model apply to financial periods commencing on or after **January 1, 2024** with early adaption allowed

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
	through the statement of other comprehensive income for one time in the life of the asset or investment, taking into account paragraphs (35a) and (35b) of the standard.		retrospectively by recognizing the cumulative impact of the application of the fair value model initially by adding it to the opening balance of retained earnings/losses as at the beginning of the financial period in which the Company applies this model for the first time.
Egyptian Accounting Standard No. (17) amended 2024 "Separate Financial Statements"	Egyptian Accounting Standard No. (17) "Separate Financial Statements" was reissued in 2024, adding the option to use the equity method as described in Egyptian Accounting Standard No. (18) "Investments in Sister Companies" when accounting for investments in associates, sister companies and jointly controlled companies.	The change doesn't have an impact on the Separate financial statement of the Company.	The amendments shall apply to financial periods commencing on or after **January 1, 2024** with early adaption allowed retrospectively by recognizing the cumulative impact of the application of the equity method by adding it to the opening balance of retained earnings/losses as at the beginning of the financial period in which the Company applies this method for the first time.
Egyptian Accounting Standard No. (13) amended 2024 "Effects of changes in foreign exchange rates"	This standard was reissued in 2024, to add how to determine the spot exchange rate when exchange between two currencies is difficult and what are the conditions that must be met for determining the spot exchange rate at the measurement date. An appendix to the application guidelines has been added, which includes guidelines for assessing whether a currency is exchangeable for another currency, and guidelines for applying the required treatments in case of non-exchangeability.	The change doesn't have an impact on the financial statement of the Company.	Amendments regarding the determination of spot exchange rate when it is difficult to exchange between two currencies is applicable to financial periods commencing on or after **January 1, 2024** with early adaption allowed. If the entity made an early application, this has to be disclosed. Entity shall not be modifying comparative

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
			information and instead should: • When the entity reports foreign currency transactions to its functional currency, any effect of the initial application is recognized as an adjustment to the opening balance retained earnings/losses on the date of initial application. • When an entity uses presentation currency different than its functional currency or translates the results and balances of foreign operation, the resulting differences and financial position of a foreign transaction, any effect of the initial application is recognized as an adjustment to the cumulative translation adjustment reserve - accumulated in equity section on the date of initial application.
Accounting Interpretation No. (2) "Carbon Reduction Certificates"	**1.1** Carbon Credits Certificates: Are financial instruments subject to trading that represent units for reducing greenhouse gas emissions. Each unit represents one ton of equivalent carbon dioxide emissions, and are issued in favor of the reduction project developer (owner/non-owner), after approval and verification in accordance with internationally recognized standards and methodologies for reducing carbon emissions, carried out by verification and certification bodies, whether local or international, registered in the list prepared by the Financial Regulatory Authority "FRA" for this purpose.	The management is currently studying the financial implications of applying the accounting interpretation to the Company's financial statements.	The application starts on or after the first of January 2025, early adaption is allowed.

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
	Companies can use Carbon Credits Certificates to meet voluntary emissions reduction targets to achieve carbon trading or other targets, which are traded on the Voluntary Carbon Market "VCM". The interpretation deals with the accounting treatment of different cases in terms of initial measurement, subsequent measurement, exclusion from the books, and necessary disclosures.		
The new Egyptian Accounting Standard No. (51) "Financial statements accessible to all"	1 -This standard should be applied to the financial statements, including The consolidated financial statements of any entity or facility that is a currency Its limitations in a hyperinflationary economy. 2 -This standard applies to the financial statements, including The independent and individual financial statements of any entity that is its own currency in a hyperinflationary economy as This standard applies to any group that has a foreign operation, including: This includes a branch, subsidiary, sister company, or project. Shared or otherwise in a hyperinflationary economy. 3- This standard requires amending the financial statements prepared in the currency of a hyperinflationary economy and with the aim of providing information Useful information about the organization's financial position, performance, and changes. in its financial situation for a wide range of users to take Economic decisions based on a fair presentation of the financial statements	The impact on the financial statements has not been determined until the implementation date is determined.	A decision shall be issued by the Prime Minister or his authorized representative to specify a start date The end of the financial period or periods during which this standard is to be applied when The registration currency shall be the local currency, taking into account the following: (a) This standard shall be applied to the entity's financial statements as of the beginning of the period Finance in which the economy is classified as hyperinflation, and the numbers must be adjusted The comparison presented in the financial statements because of applying the requirements of this standard. (b) An exception to the requirements of Paragraph "39" of Egyptian Accounting Standard No. (1) Personal judgment is used when applying this standard when accounting for A foreign operation such as a branch, subsidiary or sister company, or venture common), to determine whether the economy is hyperinflationary. (c) This standard must be applied to all entities whose currency of listing is

New or reissued standards	Summary of the most significant amendments	Potential impact on the financial statements	Effective date
			That currency in which the economy is classified as hyperinflationary.

(3-2) Evaluate the difficulty of exchanging foreign currencies

- The company applied the amendment to Paragraph No. 57 A of Egyptian Accounting Standard No. (13) amended 2024, "The effects of changes in foreign exchange rates against the Egyptian pound." The following is a summary of the results of this evaluation.

- The company evaluated that there is no difficulty in exchanging assets evaluated in foreign currencies as of January 1, 2024, which is the date of the application of the amended Egyptian Accounting Standard No. (13), and this evaluation was conducted on the basis that assets evaluated in foreign currencies can be exchanged at the bank at any time without difficulty.

- The company also assessed that there is no difficulty in exchanging liabilities evaluated in foreign currencies, to the extent that assets evaluated in foreign currencies can be used to settle these obligations, and that there are no liabilities evaluated in foreign currencies that will be settled from outside the banking system, and there is no estimate that there will be difficulty exchanging these balances in the near future.

4. SIGNIFICANT ACCOUNTING POLICIES

-Certain comparative figures have been restated and reclassified to conform to the current presentation of the Separate Financial Statements (note no.38).

4-1 CONSOLIDATED FINANCIAL STATEMENTS

- The company has subsidiaries and in accordance with Egyptian Accounting Standard No. (42) "Consolidated Financial Statements" and Article 188 of the Executive Regulations of Companies Law No. 159 of 1981, the company prepares consolidated financial statements for the company, where it is necessary to refer to them to obtain an understanding of the financial position, business results and cash flows for the company as a whole.

- Both the transferred consideration and the net value of the acquired assets that are identifiable at the time of acquisition are measured at fair value

- An annual impairment test is conducted for the goodwill resulting from the acquisition. Any profits from a negotiated purchase are immediately recognized in profit or loss (if any).

- Acquisition-related costs are treated as an expense in the periods in which the costs are incurred and the services are received with one exception, which is the issuance of securities in return for debt or equity.

- The transferred consideration does not include amounts paid to settle pre-existing relationships between the owner and owned entity, these amounts are usually recognized in profit or loss.

- The potential consideration is measured at fair value at the acquisition date and if the obligation to pay the potential consideration is satisfied. The specific terms of the definition of an equity instrument are classified within equity and are not premeasured and the subsequent settlement is processed It has within equity, other than the foregoing, any other potential material consideration is re-measured at fair value on the date of preparation Financial statements, recognizing any changes in the fair value within the profits.

4-2 Foreign currencies translation

Transactions in foreign currencies are translated to functional currencies of the company entities using the exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the reporting date to the functional currencies using the exchange rate at that date. Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rate at that date of the transaction. Foreign currency differences arising from retranslation are recognized in the Separate statement of income, except for what was included in the statement of comprehensive income as a result of applying the accounting treatment of Annex (C) the amendment accompanying the Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates".

4-3 Fixed assets and depreciation

*(A) **Recognition and measurement***

- Items of property, plant and equipment are measured at historical cost less accumulated depreciation and accumulated impairment losses.
- The cost of fixed assets include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

  Where parts of an item of fixed assets have different useful lives, their depreciation is accounted for as separate items.

  Gains and losses on disposal of an item of fixed assets are determined by comparing the proceeds from disposal with the carrying amount of the assets and they are recognized in Separate statement of income.

*(B) **Subsequent costs***

The cost of replacing part of an item of property, fixed assets is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of fixed assets are recognized in Separate statement of income.

*(C) **Depreciation***

Depreciation is recognized in profit or loss according to a straight-line method over the estimated useful life of fixed assets. Land is not depreciated.

The current year estimated useful lives for the fixed are as follows:

	Estimated useful life /year
Buildings and Infrastructure	5 - 50
Technical equipment and information technologies	3 - 15
Vehicles	7 - 15
Furniture	5 - 10
Tools and supplies	2 - 8

4-4 Projects in Progress

The amounts incurred for construction or purchases of fixed assets are recorded at cost as projects in progress till being ready for the intended use in operations. Then, they are transferred to fixed assets with its cost.

4-5 Other assets (intangible assets, Usufruct assets and right of use assets)

Other assets are licenses, submarine cables, right-of-way, land-possession and usufruct that can be controlled and which it is expected that future economic benefits will flow to the company.

Other assets are measured at purchased cost including any expenses that are directly attributable to preparing the asset for its intended use, net of accumulated amortization and impairment losses. Amortization is recognized in profit and loss on a straight-line basis over the estimated useful lives of other assets from the date that they are available for use.

4-5-1 Licenses

Licenses are measured initially at cost. Amortization is charged to the statement of income on a straight-line basis over the period of its expected use or the term of the underlying agreement, whichever is shorter.

4-5-2 Right of way and right of use

The company recognizes an intangible asset arising from a right of way and right of use of other assets when it has the right for usage of the assets. An intangible asset is measured initially at cost upon initial recognition. Subsequent to initial recognition the intangible asset is measured at cost, less accumulated amortization and accumulated impairment losses. Amortization is charged on a straight-line basis over the shorter of the period of its expected use which ranges from 10 to 20 years and the term of the underlying agreement, starting from the date of the acquisition of the right.

4-6 Investments in associate companies and subsidiaries

4-6-1 Investments in subsidiaries

Investments in subsidiaries are accounted for in the company's separate financial statements using the cost method, where investments in subsidiaries are recorded at acquisition cost less impairment. Impairment is estimated for each investment separately and is recognized in the statement of profit and loss. Subsidiaries are companies that the company controls when the investor has all of the following:

- Power over the investee
- Exposure or right to variable returns through its participation in the investee.
- The ability to use its power over the investee to affect the amount of returns it receives from it.

The company must reassess control over the investee if the facts and circumstances indicate that there are variables to one or more of the three elements of control mentioned above.

For subsidiaries (structured entities), there is no cost recognized in the Company's separate financial statements, so the nature and risks of these subsidiaries (structured entities) are disclosed in the Company's separate financial statements as related parties.

4-6-2 Investments in Associate Companies

An associate company is an entity over which the Company has significant influence through participation in the financial and operating decisions of that entity, but it does not amount to control or joint control.

Investments in associate companies are accounted for at cost unless they are classified as non-current investments held for sale, in which case they are measured at book value or fair value less costs to sell, whichever is lower.

However, if some indications and indicators of the possibility of impairment losses in the value of investments in associate companies appear at the date of the separate financial statements, the book value of those investments is reduced to their recoverable value and the resulting impairment losses are included immediately in the separate income statement.

4-7 Financial Instruments

1) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized at their inception. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless they are trade receivables without a significant financing component) or a financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Trade receivables without a significant financing component are initially measured at the transaction price.

2) Subsequent classifications and measurement

Financial Assets

Upon initial recognition, the financial asset is classified and measured at amortized cost, at fair value through other comprehensive income - debt securities, at fair value through other comprehensive income - equity instruments, or fair value through profit or loss.

Financial assets are not reclassified after initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the initial reporting period following the change in business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and has not been designated at fair value through profit or loss:

- If the retention of these assets is within the management's business model for the purpose of collecting future cash flows.

- If the contractual terms of these financial assets specify a specific date for the cash flows (principal and interest on the remaining unpaid principal amount).

Debt instruments are also measured at fair value through other comprehensive income if they meet the following conditions and if they were not previously classified as financial assets at fair value through profit or loss statement:

- If the retention of these assets within the business model of management includes both the collection of future cash payments and the sale of financial assets.

- If the contractual terms of these financial assets specify a specific date for the cash flows (principal amount and interest on the remaining unpaid principal amount).

Upon initial recognition of equity instruments that are not held for trading, the company may choose in a non-adjustable manner to present the subsequent changes in the fair value of these investments in the statement of other comprehensive income so that this choice is made for each investment separately.

All financial assets that are not measured at amortized cost or at fair value through the statement of other comprehensive income mentioned above must be measured at fair value through profit or loss statement, and this includes all derivative financial assets. Upon initial recognition, the company has the option to irrevocably choose classification and measurement financial assets at fair value through the statement of profit or loss and other comprehensive income if this substantially reduces the accounting mismatch that may arise.

Financial Assets - Business Model Evaluation

The company makes an evaluation of the objective of the business model in which the financial asset is held at the portfolio level because this reflects the best way of managing the business and providing information to management. The information taken into account includes:

- The policies and objectives set for the portfolio and the operation of those policies in practice. This includes whether the management's strategy was to focus on generating contractual interest income, maintaining a certain interest rate, matching the term of financial assets to the term of any related liabilities or cash outflows or realizing cash flows through the sale of assets and

- How to evaluate the performance of the portfolio and report to the company's management about it and

- The risks that affect the performance of the business model (and the financial assets held within the business model) and how those risks are managed;

- How business managers are compensated - for example whether compensation is based on the fair value of the managed assets or contractual cash flows collected; and the

- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations of future sales activity.

- Transfers of financial assets to third parties in transactions that do not qualify for cancellation are not considered sales for this purpose, consistent with the Company's continued recognition of assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at fair value through profit or loss.

Financial assets - evaluation of whether the contractual cash flows are only payments of principal and interest

For the purposes of this assessment, 'Principal' is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as the consideration for the time value of money, the credit risk associated with the principal amount due within a specified period of time, and for other basic lending risks and costs (such as liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are payments of principal and interest only, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this evaluation, the Company considers the following:

- Emergency events that change the amount or timing of cash flows;
- Terms that may modify the contractual coupon rate, including the attributes of the variable rate;
- Advance payment and extension features.
- And the conditions that limit the company's claim to cash flows from specific assets (for example, attributes of a non-recourse right).

The description of a cash payment corresponds to payments of principal and interest only if the amount of the advanced payments is substantially representing the unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination. In addition, for a financial asset obtained at a discount or premium to its contractual amount, which permits or requires advanced payments by an amount substantially more than the nominal amount plus the contractual accrued interest (but not paid) (which may also include reasonable additional amounts Compensation for early termination) in accordance with this standard if the fair value of the prepayment is immaterial on initial recognition.

Financial liabilities - classification and subsequent measurement, gains and losses.

Financial liabilities are classified as being measured at amortized cost or at fair value through profit or loss. A financial liability is designated at fair value through profit or loss if it is classified as held for trading, or if it is a derivative financial liability or has been designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net profit and loss, including any interest expense, is recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

3) Derecognition

Financial assets

The company derecognizes the financial asset when the contractual right to receive cash flows from the financial asset expires, or it transfers the contractual right to receive cash flows from the financial asset in a transaction in which substantially all the risks and benefits of ownership of the financial asset have been transferred. Or if the company has not transferred or retained substantially all the risks and benefits of ownership of the financial asset and the company has not have a control. The Company

enters into transactions in which it transfers the assets recognized in its statement of financial position, but retains all or substantially all the risks and rewards of the transferred assets. In these cases, the identification of transferred assets is not eliminated.

Financial obligations

The company excludes the financial obligation when it ends either by getting rid of it or canceling it or the expiry of its period mentioned in the contract. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified obligations are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of the financial liability, the difference between the carrying amount repaid and the consideration paid (including any non-cash assets transferred or liabilities incurred) is recognized in profit or loss.

4) Offsetting

An offsetting between a financial asset and a financial liability is made and the net amount is presented in the statement of financial position when, and only when, binding legal rights are available, as well as when they are settled on a net basis, or the realization of assets and settlement of liabilities is at the same time.

4-8 Inventories

-Inventories are measure at the lower of cost or net realizable value at the date of financial position.
-Inventory cost of components, spare parts and merchandises for sale is determined using the weighted average principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location condition.

4-9 Trade receivables, debtors and other debit balances

Trade receivables, debtors and other debit balances are included as current assets unless they are contractually due over more than 12 months after the financial position date in which case they are classified as non-current assets. These assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method, less any impairment losses.

4-10 Impairment

1) Non-derivative financial assets

Financial instruments and assets arising from the contract

The Company recognizes loss allowances for expected credit losses for:
- financial assets that are measured at amortized cost;
- investments in debt instruments that are measured at fair value through other comprehensive income; And the Assets arising from the contract.

The Company measures the loss allowance at an amount equal to the lifetime ECL, except for the following, which are measured at an amount equal to the 12-month ECL:
- debt instruments that were identified as having low credit risk at the reporting date; And the
- Other debt instruments and bank balances in which the credit risk (the risk of default over the expected life of the financial instrument) has not increased significantly since initial recognition.
- Provisions for losses of commercial customers and assets arising from contracts are always measured at an amount equal to the expected credit losses over their life.

In determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportive information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and known credit assessment including forward-looking information.
The company assumes that the credit risk of a financial asset has increased significantly. If it had been due for collection for more then 30 days.

The Company considers a financial asset to be in default when:

- It is unlikely that the borrower will pay its credit obligations to the company in full, without resorting to the company by procedures such as liquidating the guarantee (if any); or

The Company considers debt instruments to have low credit risk when their credit risk rating equals the globally definition of "investment grade".
- The financial asset has been out for along time according to the nature of each asset.

Expected credit losses over the life of the asset are the expected credit losses that result from all possible failure events over the expected life of the financial instrument.
12-month ECL is the portion of ECL that results from failure events that are possible within a period of 12 months after the reporting date (or a shorter period if the instrument has an expected life of less than 12 months).
The maximum period considered in estimating ECL is the maximum contractual period over which the company is exposed to credit risk.

Measuring expected credit losses

It is a probability-weighted estimate of credit losses. The present value of all cash shortfalls is measured (that is, the difference between the cash flows due to the entity under the contract and the cash flows the company expects to receive).

Expected credit losses are discounted at the financial asset's effective interest rate.

Credit impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt instruments measured at FVOCI are credit-impaired. A financial asset is considered "credit impairment" when one or more events that have a detrimental effect on the estimated future cash flows of the financial asset occur.

Evidence that financial assets are credit impaired includes observable data:

- Significant financial difficulty for the lender or issuer and.
- Violation of the contract such as failure or being overdue
- the restructuring of a loan or an advance by the company on terms that the company will not take into account in one way or another; And the
- the borrower is likely to enter bankruptcy or other financial reorganization; or
- The disappearance of an active stock market due to financial difficulties.

Presenting the provision for expected credit losses in the statement of financial position

The loss allowance for financial assets measured at amortized cost is deducted from the total carrying amount of the assets.

For securities in debt securities that are measured at fair value through other comprehensive income, the loss allowance is charged to the profit or loss and is recognized in other comprehensive income.

Debt write-offs

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering all or part of the financial asset. For single clients, the Company has a policy of writing off the gross book value when the financial asset is past due more than two years based on previous experience of recovering similar assets. For corporate clients, the Company makes an independent assessment of the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The company does not expect any significant recovery of the amount written off. However, financial assets that have been written off may still be subject to liability activities in order to comply with the Company's procedures for recovering amounts due.

Non-financial assets

At the end of each financial year, the Company reviews the carrying amounts of the Company's non-financial assets other than inventories, work in progress and deferred tax assets to determine whether there is an indication of impairment. If so, the Company makes an estimate of the asset's recoverable amount.

To test for impairment, assets are grouped together into the smallest group of assets that includes the asset and that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets - cash-generating units

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. The value in use of an asset is the present value of estimated future cash flows discounted at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit

An impairment loss is recognized if the carrying amount of an asset or cash-generating unit is greater than its recoverable amount. An impairment loss is recognized in profit or loss. It is allocated first to reduce the carrying amount of goodwill allocated to the cash-generating unit, and then to reduce the other assets of the unit proportionately on the basis of the carrying amount of each asset in the unit. An impairment loss for goodwill is not reversed in a subsequent period for other assets. Impairment losses are reversed to the extent that the carrying amount that would have been determined, net of depreciation and amortization, unless impairment loss had been recognized for the asset in prior years

4-11 Provisions

The provisions are recognized as a result of a past event where the company has a legal or constructive obligation and it is probable that an outflow of economic benefits will be required to settle the obligation, and the obligation can be reasonably estimated. Provisions are reviewed at the reporting date and amended when necessary to reflect the best current estimate.

4-12 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, banks current accounts, time deposits, market money fund bills and treasury bills which do not exceed three months and banks overdrafts that are repayable on demand and form an integral part of the company's cash management preparing are included as a component of cash equivalents for the purpose of preparing the statement of cash flows. The Separate statement of cash flows is prepared and presented according to direct method.

4-13 Cost of Borrowing

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that require an extended period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. Other borrowing costs are charged as an expense in the period in which they are incurred, and the borrowing costs are the interests and other costs as an expense in the period in which they are incurred, and the borrowing costs are the interests and other costs that the company spends to borrow money.

4-14 Borrowing with interest

Interest-bearing loans are initially recognized at fair value less transaction cost, and after initial recognition, interest-bearing loans are stated at amortized cost with any difference between cost and redemption value being included in the statement of profit or loss during the borrowing period based on the effective interest rate.

4-15 Grants

Grants are recognized initially as deferred income at fair value when there is reasonable assurance that they will be received and the company will comply with the conditions associated with the grant and are then recognized in statement of income as other income on a systematic basis over the useful life of the asset.

4-16 Creditors and other credit balances

Creditors and other credit balances are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, creditors and credit accounts are stated at amortized cost using the effective interest rate.

4-17 Expenses

All operating expenses, including general and administrative expenses and selling and distribution expenses are recognized the Separate statement of income in accordance with the accrual basis in the financial period when incurred.

4-18 Net financing income / (cost)

The company's revenues and financing costs include the following:
- Credit interest
- Debit benefits
- Dividend income
- Gains or losses from currency differences resulting from financial assets and liabilities

The effective interest rate is the rate that discounts estimated future cash payments or receipts over the expected life of the financial instrument to: the gross carrying amount of the financial asset or

-The amortized cost of the financial obligation.

-When calculating interest income and expenses, the effective interest rate is applied to the total book value of the asset (when the asset is not credit-deficient) or to the amortized cost of the liability. However, for financial assets that become credit depreciated after initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the higher asset. If the principal is no longer credit-impaired, the interest income calculation reverts to the gross basis.

4-19 Employees benefits

The company contributes inside Egypt the social insurance under the Authority for the benefit of its personnel in pursuance to the Social Insurance Authority law No. 79 of 1975 and its amendments. These contributions are recorded in the "Wages and Salaries account" in addition to the early retirement scheme applied from September 1, 2001 and end of service benefits (Note no. 13).

4-20 lease contracts

4-20-1 As lessee

Recognition

When the contract is established, the company evaluates whether the contract is a leasing contract or includes a leasing contract. The contract is a leasing contract if the contract transfers the right to control the use of a specific asset for a period of time in exchange for a consideration.

Measuring usufruct assets

On the start date of the lease contract, the company measures the right-of-use asset at cost, and the right-of-use asset is subsequently measured at cost, minus any accumulated depreciation and any accumulated impairment losses.

The cost of the right-of-use asset consists of:

(a) The amount of the initial measure of the liability upon leasing

and (b) any lease payments made on or before the lease start date less any lease incentives received.

and (c) any initial direct costs incurred by the Lessee

(d) An estimate of the costs that the lessee will incur in dismantling and removing the asset subject of the contract, and returning the site where the asset is located to its original condition or returning the asset itself to the required condition in accordance with the terms and conditions of the leasing contract.

Measuring the lease commitment

At the commencement date of the lease contract, the Company measures the lease liability at the present value of the unpaid lease payments on that date, discounting the lease payments using the interest rate implicit in the lease contract if that rate can be easily determined. If that rate cannot be easily determined, the company uses the interest rate on the tenant's additional borrowing, and the lease contract obligation is measured later by increasing the book amount. To reflect interest on the lease liability and reduce the carrying amount to reflect the lease payments.

The leasing payments at the start date of the lease contract, which are included in measuring the leasing liability, consist of the following payments for the right to use the asset subject of the contract during the term of the lease contract, which were not paid at the start date of the lease contract:

(A) Fixed payments include substantially fixed payments less than any rental incentives accrued.

(b) variable lease payments based on an index or rate, initially measured using the index or rate at the commencement date of the lease

and (c) amounts expected to be paid by the Company under residual value guarantees

and (d) the exercise price of the purchase option if the lessee is certain to exercise such an option in a titled and valued form, and the lease payments for the renewal period. Optional if the tenant is certain of exercising the extension option and penalty payments for terminating the rental contract if the term upon rental reflects the tenant exercising the option to terminate the rental contract.

Short-term leases and lease contracts in which the underlying asset has a small value

The company chose not to recognize the usufruct asset and liabilities of short-term lease contracts and lease contracts in which the underlying asset has a small value, as the company recognizes the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

4-20-2 As a lessor

When starting or amending a contract that contains a rental component, the company allocates the consideration in the contract to each rental component on the basis of their independent relative prices.

When a company becomes a lessor, it determines at the inception of the lease whether each lease is a finance lease or an operating lease.

To classify each lease contract, the Company conducts a comprehensive assessment of whether the lease transfers substantially all of the risks and rewards of ownership of the asset. If this is the case, the leasing contract is a financial leasing contract! If not, it is an operating lease, and as part of this evaluation the company looks at some indicators such as whether the lease maximizes the life of the economic asset.

When the company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease must be classified by reference to the usufruct asset resulting from the head lease and not by reference to the underlying asset. If the main lease is a short-term lease to which the company applies the exemption described above, then the sublease is classified as an operating lease. If the agreement contains a rental and non-rental component, The company applies Egyptian Accounting Standard No. 48 to allocate the consideration in the contract. The Company applies the derecognition and impairment requirements in Egyptian Accounting Standard No. 47 to the net investment in the lease contract. The company then periodically reviews the estimated remaining unguaranteed values used to calculate the total investment in the lease contract On a regular basis. The Company recognizes lease payments received under operating leases as revenue on a straight-line basis over the lease term as part of other income.

4-21 Revenue from contracts with customers

The company recognizes revenue from contracts with customers on the basis of a five-step model as defined in Egyptian Accounting Standard 48:

Step 1: Define the contract(s) with the customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and defines the criteria that must be met for each contract.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration that the company expects to receive in exchange for the transfer of promised goods or services to the customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that includes more than one performance obligation, the company will allocate the transaction price to each performance obligation in an amount that

specifies the amount in exchange for the contract that the company expects to receive in exchange for fulfilling each performance obligation.

Step 5: Revenue is recognized when (or whenever) the entity fulfills the performance obligation.

The company fulfills the performance obligation and records the revenues over a period of time, if one of the following criteria is met.

(a) The Company's performance does not create any asset that has an alternative use to the Company, and the Company has an enforceable right to pay it for performance completed to date.

(b) The company's creation or improvement of an asset that the customer controls when the asset is created or improved.

(c) The customer simultaneously receives and consumes the benefits provided by the company's performance as soon as the company performs.

- For performance obligations, in the event that one of the conditions mentioned above is fulfilled, revenue is recognized over a time period that represents the time in which the performance obligation is fulfilled.

- When the company fulfills a performance obligation by providing the promised services, it is created originally based on the contract on the amount of the contract corresponding to the performance obligation, when the amount of the contract consideration received from the customer exceeds the amount of revenue achieved, which results in advance payments from the customer (contract obligation).

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue and costs can be measured reliably, where appropriate.

The application of IFRS 48 requires management to use the following provisions:

Fulfillment of performance obligations

The company must conduct an assessment of all its contracts with customers to determine whether performance obligations are being met over time or at a point in time in order to determine the appropriate method for revenue recognition. Alternative use of the Company and usually has an enforceable right to pay for performance completed to date.

In these circumstances, the company recognizes revenue over a period of time. If this is not the case, then revenue is recognized at a point in time. For the sale of goods, revenue is usually recognized at a point in time.

Set transaction prices

- The company must determine the transaction price related to in its agreement with customers, and when using this provision, the company estimates the impact of any variable consideration in the contract due to discounts, penalties, the presence of any significant financing component in the contract, or any non-cash consideration in the contract.

Transfer of control in contracts with customers

- If the company determines that the performance obligations will be satisfied at a point in time, revenue is recognized when control of the assets subject to the contract has been transferred to the customer.

- In addition, the application of the Egyptian Accounting Standard 48 led to the following:

Distribution of the transaction price for the performance obligation in contracts with customers

- The company has chosen to apply the input method in distributing the transaction price to the performance obligations so that the revenues are recognized over time. Input method. The company estimates the efforts or inputs to satisfy the performance obligation. In addition to the cost of fulfilling the contractual obligation with customers, these estimates include the time elapsed for service contracts.

Other things to take into consideration

Variable consideration: If the consideration promised in a contract includes a variable amount, then the company must estimate the amount of consideration that it is entitled to in exchange for transferring the promised goods or services to the customer. The company estimates the transaction price on contracts with variable consideration using the expected value or Most likely amount method. The method is applied consistently throughout the contract and for similar types of contracts.

Important Financing Component

The company must adjust an amount against the promised contract against the time value of money if the contract includes a significant financing component.

revenue recognition

Revenue represents the value of services performed, including sales value and customer balances from combined sales. Revenue is recognized according to the following:

Services revenue:

- Revenue from services is recognized when they are provided to customers, and no revenue is recognized in the event that there is no certainty of recovering the consideration for this revenue or the costs associated with it.

Interest income

- Interest is recognized on an accrual basis, taking into account the period of time and the effective interest rate.

The income from interest on deposits and securities is proven on an accrual basis, taking into account the target rate of return on the asset.

Dividend income

- Dividend income is recognized in the standalone profit or loss statement on the date on which the company's right to collect those distributions is established.

Investment income

Dividend income from investments in corporate equity is recognized within the limits of what the company is entitled to receive from the dividends for invested companies realized after the date of acquisition, as of the date of the issuance of the decisions of the assemblies of the investee companies regarding dividends.

The value of revenue is measured at the fair value of the consideration received or owed to the entity, and the revenue is realized when there is a sufficient expectation that there will be future economic benefits that will flow to the entity, and that the value of this revenue can be measured accurately, and no revenue is recognized in the event that there is no certainty of recovering the consideration for this revenue or costs associated with it.

4-22 Earnings per share

The company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the net profit or loss for the year attributable to ordinary shareholders of the company excluding the share of both the employees and the Board of Directors in profits by the weighted average number of ordinary shares outstanding during the year.

4-23 Reserves

- Legal Reserve: According to the company's Article of Associations requirements, 5% of the net profit is set aside to form a legal reserve. The transfer to legal reserve ceases once the reserve reaches 50% of the company's paid up capital.
- Other reserves: the General Assembly may form other reserves based on the Board of Directors' recommendation.

4-24 Income tax

Taxes

Income tax expense includes the amount of current tax payable and deferred tax.

Current tax

The current tax payable depends on the general tax profit, and the tax profit differs from the accounting profit shown in the independent income statement because of the presence of items of income or expenses that are subject to tax or tax deductible in other years, and because of other requests that will always and forever not be subject to tax or allowed to be tax deducted. The company's current tax obligation is calculated using the tax rates that have been officially or implicitly approved until the end of the fiscal period.

Deferred tax

Deferred tax is recognized on temporary differences resulting from the difference between the book values of assets and liabilities in accordance with the accounting method used in preparing the independent financial statements and the tax bases for those assets and liabilities used in calculating tax profit and is accounted for using the position liabilities method.

In general, deferred tax liabilities are recognized on all taxable temporary differences, while deferred tax assets are usually recognized on all tax-deductible temporary differences, but only to the extent that it is likely that sufficient taxable profits will be achieved through which those deductible temporary differences can be used.

Deferred tax assets or liabilities are not recognized on temporary differences resulting from the initial recognition of other assets and liabilities in a transaction (other than a business combination transaction) that does not affect tax profit or accounting profit.

The book value of deferred tax assets is reviewed at the end of each financial period and the book value is determined for you when there is no probable possibility that sufficient tax profits will be achieved to allow the deferred tax asset to be recovered in full or part of it.

Deferred tax assets and liabilities are measured using the tax rates expected to be applicable in the period in which the liability is settled or the asset is used, and according to the tax rates and tax laws that have been officially affected or extended until the end of the financial period, and reflect the process of measuring deferred tax liabilities and assets. The tax implications that would result from the way the company expects - at the end of the financial period - to recover or settle the book value of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a binding legal right to offset current tax assets and current tax liabilities and when the deferred tax assets and liabilities relate to income taxes. presented by the same tax authority, and the company's intention is to settle those assets and tax liabilities net of deferred tax assets and liabilities with income taxes.

Current and deferred tax for the year

Current and deferred tax are recognized as an expense or revenue in the income statement - unless they are related to items recognized directly in equity - when both current and deferred tax are also recognized directly in equity.

4-25 Financial risk management

The company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the company's exposure to each of the above risks, the company objectives, policies and processes for measuring and managing risks, and the company management of capital. Further quantitative disclosures are included throughout these Separate Financial Statements.

The Board of Directors has overall responsibility for the establishment and oversight of the company risk management framework. Also identify and analyze the risks faced by the company, to set appropriate risk levels and controls Monitoring those risks and their compliance with these levels.

The company, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

4-25-1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur financial loss.

This risk is mainly resulting from the company's trade and other debtors.

Trade receivable & other debtors

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the company's customer base, including the default risk has less of an influence on credit risk.

Most of company's revenue is represented in sales transaction with many customers with close values for each customer, hence, there is no concentration of credit risk on specific customers.

Cash and cash equivalents

Credit risk relating to cash and cash equivalents - except cash on hand - and financial deposits arises from the risk that the counterparty becomes insolvent and accordingly is unable to return the deposited funds. To mitigate this risk, whenever possible, the company conducts transactions and deposits funds with financial institutions with high investment grade.

4-25-2 Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The company ensures that the sufficient cash on demand to meet expected operational expenses for a suitable period, including the service of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

4-25-3 Market risk

Market risk is the risk that changes in market prices, such as foreign currency exchange rates, interest rates and equity prices will affect the company's income or the value of its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The company is exposed to currency risk on transactions that are denominated in a currency other than the respective functional currencies of the company, primarily the U.S. Dollars (USD) and Euro.In respect of monetary assets and liabilities denominated in foreign currencies, the company ensures that its net exposure is kept to an acceptable level through purchase or sale of the foreign currencies with current prices when that is necessary to face un-balanced short term.

Interest rate risk

The company is exposed to market risks as a result of changes in interest rates particularly in relation to borrowings. Borrowings issued at floating rates expose the company to cash flow interest rate risk. Borrowings issued at fixed rates expose the company to fair value interest rate risk.

The basic strategy of interest rate risk management is to balance the debt structure with an appropriate mix of fixed and floating interest rate borrowings based on the company's perception of future interest rate movements.

Other market prices risk

This risk arises from changes in the price of available-for-sale investments held by the company, the company's management monitors the equity instruments in the investments' portfolio according to the market and objective valuation of the financial statements related to these shares. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors. The primary goal of the company's investment strategy is to maximize investment returns and the management consults external advisors in this regard.

4-25-4 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the company defines as net operating income divided by total shareholders' equity, the Board also monitors the level of dividends paid to shareholders. There were no changes in the company's approach to capital management during the year. The company is not subject to externally imposed capital requirements.

5. OPERATING REVENUES

	For the financial year ended: 31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Home and personal communications	9 309 227	6 949 374
Enterprise	3 550 262	2 980 553
Domestic wholesale	22 362 430	17 629 804
International carriers	14 105 392	8 121 654
International cables and networks	11 606 885	8 015 663
	60 934 196	**43 697 048**

6. OPERATING COSTS

	Note No.	For the financial year ended: 31/12/2024 L.E (000)	31/12/2023 L.E (000)
Call cost		12 974 138	8 347 972
Depreciation	(15)	11 207 263	7 153 232
Amortization of intangible assets (licenses and frequencies)	(16)	1 557 010	1 402 008
Amortization of usufruct assets	(17)	604 723	274 699
Amortization of right of use assets (lease contracts)	(18-1)	139 197	116 034
Salaries and wages		4 127 797	3 431 157
Company's social insurance contribution		345 945	306 481
Employees vacations allowance		15 206	12 280
Frequencies and licences charges (NTRA)		2 944 146	1 825 454
Fuel		1 533 644	940 716
Right of use (IRU) outside Egypt		717 105	397 909
Leased circuits		1 014 957	580 335
Cost of merchandise available for sale		231 409	179 659
Spare parts		688 890	387 886
Maintenance		1 508 292	1 033 205
Organiztions services costs		1 356 266	1 209 588
Company's call costs		191 575	87 288
Electricity and water		83 640	72 539
Transportation cost		201 539	167 988
Materials, supplies and miscellaneous printed		106 847	98 066
Other operating costs		723 344	388 435
		42 272 933	**28 412 931**

7. OTHER INCOME

	For the financial year ended: 31/12/2024 L.E. (000)	31/12/2023 Restated L.E. (000)
Shared revenues (SSC)	1 548 968	1 413 346
Right of use trademark*	940 435	639 003
Fines and earned delay interest	175 466	133 370
Unoperational assets revenues	223 106	92 121
Sundry revenues	458 888	275 835
	3 346 863	**2 553 675**

*Restatement was made to the comparative figures are shown in (Note no. 38-2)

8. SELLING AND DISTRIBUTION EXPENSES

	Note No	For the financial year ended: 31/12/2024 L.E. (000)	31/12/2023 Restated L.E. (000)
Salaries and wages		1 890 292	1 443 587
Company's social insurance contribution		144 936	140 150
Employees vacations allowance		7 047	5 640
Depreciation	15	17 370	9 603
Amortization of right of use assets (lease contracts)	(18-1)	29 598	27 564
Tax and duties		28 185	19 569
Advertising and Marketing*		682 841	590 411
Organizations services cost		1 063 279	791 198
Agent's commissions and collection contracts		733 871	555 266
Other selling and distribution expenses		165 467	108 295
		4 762 886	**3 691 283**

*Restatement was made to the comparative figures are shown in (Note no. 38-2)

9. GENERAL AND ADMINISTRATIVE EXPENSES

	Note No.	For the financial year ended: 31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Salaries and wages		3 187 178	2 649 396
Company's social insurance contribution		220 017	201 832
Employees vacations allowance		14 835	11 260
End of service compensation	(13-1)	573 718	-
Takaful contribution expense		161 864	115 586
The company's contribution in loyalty and belonging fund	(13-2)	260 000	200 000
Depreciation	(15)	29 234	33 653
Amortization of right of use assets (lease contracts)	(18-1)	60 903	29 183
Tax and duties		491 321	382 537
Organizations services cost and consultants		804 990	785 705
Bank charges		69 900	47 806
Other general and administrative expenses		268 281	221 289
		6 142 241	**4 678 247**

10. OTHER EXPENSES

	Note No.	For the financial year ended: 31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Provisions	(27)	108 827	83 344
Capital losses		13 034	25 827
Sale of slow moving		1 946	-
Donations		193 255	77 901
		317 062	**187 072**

11. NET FINANCE COST

	For the financial year ended: 31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Finance income		
Interest income	364 729	515 739
Treasury bills income	70 679	91 369
Income from prepaid income tax	29 139	15 401
Income from financial assets at FVOCI		
Civil Information Technology Co.	1 395	-
Egyptian Company for tracking & information technology	4 698	3 504
Technology Developing fund Co.	-	1 682
Egyptian Company for Ideavelopers	-	671
Arabsat	10 430	-
Total finance income	**481 070**	**628 366**
Finance costs		
Interest expense	(10 867 968)	(4 336 111)
Finance cost for credit contracts	(572 761)	(258 857)
Net translation loss of foreign currencies balances and transactions	(4 384 139)	-
Total finance cost	**(15 824 868)**	**(4 594 968)**
Net finance cost	**(15 343 798)**	**(3 966 602)**

12. INCOME FROM INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

	For the financial year ended: 31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
12-1 Income from investment in subsidiaries		
WE Data	3 002 000	218 500
The Egyptian Telecommunication Company for information systems (Xceed)	125 000	62 500
Centra Technology Company (Centra)	8 814	38 195
Middle East Radio Communications (Merc)	5 646	3 792
12-2 Income from investment in associates		
Vodafone Egypt Telecommuniacations Company (VFE)	3 472 323	2 107 410
Egypt trust	25 926	-
	6 639 709	**2 430 397**

This income is represented in the company's share in the cash dividends from investment in associates and subsidiaries according to the resolutions of the General Assembly of investees.

13. EMPLOYEE'S BENEFITS

13.1 End of service compensation

The Company applies an end of service compensation scheme under which a compensation is paid to employees who desired and meet the requirements to end their service before the legal age of retirement, therefore the company's Board of Directors decided in its meeting which have been held on February 14, 2024 to approve the application of the end of service scheme for the employees of the company before the legal age of retirement. Also on April 29, 2024, internal instructions were issued under no. (16) to determine the mechanism of applying the end of service compensation scheme by specifying the conditions of enrollment in the scheme and the benefits offered to the employees of the company according to the following:

First: The important conditions of end of service compensation

- The actual service duration in the company not less than Nine teen years.
- The employee's signature on the end of service agreement concluded between him and the company.
- Approval of the company's manpower planning committee of the company according to the requirement of work and the company has the right to reject any application.
- The subscription application submitted by the employee is final and not repealed at the expiration of seven days from the date of its submission and if the application is withdrawn, it is not allowed to apply again

Second: The most important benefits of end of service compensation

- Payment of compensation for the remaining period, which represents the total of the remaining salaries including periodic increment (%10) up to the age 60 years calculated at present value by a specified discount rate.
- Payment of compensation instead of the loyalty and belonging grant of 100 months on the basic of the calculation approved by the General Assembly of the Loyalty and Belonging Fund (salary on 1/1/2021 with an increase of 5% per annum compounded after the approval of the General Assembly of the Loyalty and Belonging Fund).
- Payment of compensation for unused leaves in accordance with the regulations in force.
- Payment of an amount of 5000 per month for three years or until the age of sixty whichever is the earliest and distributed to heirs in case of death.
- Enjoying medical insurance system for employees and their families for three years or until the age of sixty whichever is the earliest.
- Enjoying the benefit of telecommunication services for employees for three years or until the age of sixty whichever is the earliest.

The company's manpower planning committee has considered the applications for end of service compensation submitted by employees to enroll in the system to determine the extent to which those applications meet the conditions and whether the company needs the applicant employee or not, the said committee has completed the study of all the applications submitted by the employees of the company, and based on its recommendations and after obtaining all the necessary approvals, an administrative orders have been issued for the end of the service of employees whose meet the requirements of the above scheme Currently, the said committee has prepared the study of all the applications submitted to it by the employees of the company, issuing its recommendations and preparing the final reports of the results of its works in order to determine all the liabilities that the company will bear as a result of the application of the end of service compensation scheme, the company's liabilities as a result of implementation of this scheme amounted to L.E. 573 718 K for the year ended in 31 December 2024 (Note no. 9).

13.2 END OF SERVICE BENEFITS (THE COMPANY'S CONTRIBUTION IN LOYALITY AND BELONGING FUND)

- The employees are granted an end of service benefits through a Loyalty & belonging Fund established in January 2004. Employees' benefit is based on the employees' basic salary in January 1, 2021 increasing annually at a compound rate of 5%. The subscription for employees hired after January 1, 2021 is calculated according to a subscription schedule for new hires and increase annually at a compound rate of 5% starting from the next year of the hiring date with the same conditions of periodical raise of employees.
- The employees share in loyalty & belonging fund according to constant subscription are based on the same employees' basic salary where the end of service benefit calculated. The company's share represents annual defined contribution and the company had contributed by an amount of L.E 260 M for the year ended in December 31, 2024 (against an amount of L.E.200 M for the same year of 2023) stated in the general and administrative expenses as shown in (Note no.9)

14. BASIC AND DILUTED EARNING PER SHARE FOR THE YEAR

	For the financial year ended :	
	31/12/2024	**31/12/2023**
		Restated
Net profit for the year (L.E. in thousand)**	2 786 525	6 983 818
Less:		
Employees' share in dividends (L.E. in thousand)*	1 134 537	927 812
Board of Directors share in profit (L.E. in thousand)*	18 550	18 550
Net profit for the year available for distribution (L.E. in thousand)	**1 633 438**	**6 037 456**
Number of shares available during the year (share)	1 707 071 600	1 707 071 600
Basic and diluted earning per share for the year (L.E. / share)	**0.96**	**3.54**

* According to Board of Directors proposal to be presented in the General Assembly for approval.
**Restatement was made to the comparative figures is shown in (Note no.38-2)

15- FIXED ASSETS AND PROJECTS UNDER CONSTRUCTION

	Land	Buildings & Infrastructure	Technical equipment &information technologies	Vehicles	Furniture	Tools & supplies	Projects under construction	Total
	L.E. (000)	L.E. (000)	L.E. (000)	L.E. (000)	L.E. (000)	L.E. (000)	L.E. (000)	L.E. (000)
Cost as at January 1, 2023 (Reclassified)	2 386 374	46 119 269	37 949 389	284 869	530 227	260 500	8 965 558	96 496 186
Additions during the year	-	-	-	-	-	-	22 579 211	22 579 211
Transfer to assets during the year	-	6 571 067	8 623 311	17 577	50 208	13 501	(15 275 664)	-
The effect of currency differences resulting from balances in foreign currencies	-	509 490	1 750 258	-	-	-	537 027	2 796 775
Disposals during the year	-	(236 896)	(2 518 574)	(3 175)	(4 549)	(4 891)	-	(2 768 085)
Cost as at December 31, 2023 (Reclassified)	**2 386 374**	**52 962 930**	**45 804 384**	**299 271**	**575 886**	**269 110**	**16 806 132**	**119 104 087**
Additions during the year	-	-	-	-	-	-	29 130 880	29 130 880
Transfer to assets during the year	11 182	10 769 465	13 392 961	76 886	134 797	50 311	(24 435 602)	-
The effect of currency differences resulting from balances in foreign currencies	-	972 541	3 491 635	-	-	-	1 058 837	5 523 013
Disposals during the year	-	(161 866)	(867 623)	(1 172)	(7 860)	(4 868)	-	(1 043 389)
Cost as at December 31, 2024	**2 397 556**	**64 543 070**	**61 821 357**	**374 985**	**702 823**	**314 553**	**22 560 247**	**152 714 591**
Accumulated depreciation as at January 1, 2023 (Reclassified)	-	20 266 918	17 233 991	114 766	372 271	173 600	-	38 161 546
Depreciation for the year	-	2 373 403	4 734 682	24 089	42 882	21 432	-	7 196 488
Accumulated depreciation for disposals	-	(133 883)	(2 509 262)	(2 682)	(4 549)	(4 888)	-	(2 655 264)
Accumulated depreciation as at December 31, 2023 (Reclassified)	-	**22 506 438**	**19 459 411**	**136 173**	**410 604**	**190 144**	-	**42 702 770**
Depreciation for the year	-	2 929 045	8 220 636	28 288	52 678	23 220	-	11 253 867
Accumulated depreciation for disposals	-	(130 008)	(866 151)	(1 167)	(7 855)	(4 866)	-	(1 010 047)
Accumulated depreciation as at December 31, 2024	-	**25 305 475**	**26 813 896**	**163 294**	**455 427**	**208 498**	-	**52 946 590**
Net carrying amounts as at December 31, 2024	**2 397 556**	**39 237 595**	**35 007 461**	**211 691**	**247 396**	**106 055**	**22 560 247**	**99 768 001**
Net carrying amounts as at December 31, 2023 (Reclassified)	**2 386 374**	**30 456 492**	**26 344 973**	**163 098**	**165 282**	**78 966**	**16 806 132**	**76 401 317**

- Cost of fixed assets and Projects under construction on December 31, 2024 includes an amount of L.E. 13 956 Million fully depreciated assets
- Cost of fixed assets and Projects under construction includes an amount of L.E. 5 523 Million (against an amount of L.E. 2 797 million for year 2023) which is represented in the currency differences resulting from the translation of obligations in foreign currencies existing on the date of the exchange rate liberation the and related to the acquisition of these assets. (Note no. 37-2)
- Reclassification was made to the comparative figures are shown in (Note no. 38-1).

Depreciation for the year is the charged to income statement as follows:

	Note No.	2024 L.E. (000)	2023 L.E. (000)
Operating costs	(6)	11 207 263	7 153 232
Selling and distribution expenses	(8)	17 370	9 603
General and administrative expenses	(9)	29 234	33 653
		11 253 867	**7 196 488**

16. Intangible assets (licenses and frequencies)

	Licenses granted for mobile services	Data centers and cloud computing license	Projects under construction	Total
	L.E. (000)	L.E. (000)	L.E. (000)	L.E. (000)
Cost as at January 1, 2023	**14 995 652**	-	**3 065 625**	**18 061 277**
Additions during the year	-	-	575 247	575 247
The effect of currency differences resulting from balances in foreign currencies	769 171	-	-	769 171
Transferred during the year	3 640 872	-	(3 640 872)	-
Cost at December 31, 2023	**19 405 695**	-	-	**19 405 695**
Additions during the year	-	-	4 756 863	4 756 863
Disposal during the year	(205 744)	-	-	(205 744)
The effect of currency differences resulting from balances in foreign currencies	1 531 906	-	-	1 531 906
Transferred during the year	133 001	3 862	(136 863)	-
Cost at December 31, 2024	**20 864 858**	**3 862**	**4 620 000**	**25 488 720**
Accumulated amortization as at January 1, 2023	3 038 858	-	-	3 038 858
Amortization for the year	1 402 008	-	-	1 402 008
Accumulated amortization as at December 31, 2023	**4 440 866**	-	-	**4 440 866**
Amortization for the year	1 556 819	258	-	1 557 077
Accumulated amortization for disposals	(12 859)	-	-	(12 859)
Accumulated amortization as at December 31, 2024	**5 984 826**	**258**	-	**5 985 084**
Net carrying amounts as at December 31, 2024	**14 880 032**	**3 604**	**4 620 000**	**19 503 636**
Net carrying amounts as at December 31, 2023	**14 964 829**	-	-	**14 964 829**

- Amortization expenses, charges to operating costs (Note no. 6)
- Intangible assets (licenses and frequencies) cost includes an amount of L.E 1 531 906 (against an amount of L.E. 769 171 for the year 2023) which is represented in the currency differences resulting from the translation of obligations in foreign currencies existing on the date of the exchange rate liberation the and related to the acquisition of these assets. (Note no. 37-2)

17- USUFRUCT ASSETS

	Usefruct Projects	Submarine cables	Land (Possession)	Right Of Way National	Projects Under construction	Total
	L.E. (000)	L.E. (000)	L.E. (000)	L.E. (000)	L.E. (000)	L.E. (000)
Cost as at January 1, 2023 (Reclassified)	**604 218**	**2 214 270**	**440 684**	**658 741**	**1 881 313**	**5 799 226**
Additions during the year	1 241 547	579 290	-	117 461	104 290	2 042 588
The effect of currency differences resulting from balances in foreign currencies	42 474	-	-	-	28 890	71 364
Disposals during the year	-	(30 539)	-	(17 470)	-	(48 009)
Cost at December 31, 2023 (Reclassified)	**1 888 239**	**2 763 021**	**440 684**	**758 732**	**2 014 493**	**7 865 169**
Additions during the year	661 958	1 254 780	115 653	-	(36 015)	1 996 376
The effect of currency differences resulting from balances in foreign currencies	48 911	227 853	-	-	45 846	322 610
Disposals during the year	-	(188 860)	-	(1 729)	-	(190 589)
Cost at December 31, 2024	**2 599 108**	**4 056 794**	**556 337**	**757 003**	**2 024 324**	**9 993 566**
Accumulated amortization as at January 1, 2023 (Reclassified)	25 556	1 008 977	-	258 670	-	1 293 203
Amortization for the year	60 857	165 023	-	48 819	-	274 699
Accumulated amortization for disposals	-	(3 653)	-	(17 470)	-	(21 123)
Accumulated amortization as at December 31, 2023 (Reclassified)	**86 413**	**1 170 347**	-	**290 019**	-	**1 546 779**
Amortization for the year	285 820	248 245	8 374	62 217	-	604 656
Accumulated amortization for disposals	-	(20 822)	-	(229)	-	(21 051)
Accumulated amortization as at December 31, 2024	**372 233**	**1 397 770**	**8 374**	**352 007**	-	**2 130 384**
Net carrying amounts as at December 31, 2024	**2 226 875**	**2 659 024**	**547 963**	**404 996**	**2 024 324**	**7 863 182**
Net carrying amounts as at December 31, 2023 (Reclassified)	**1 801 826**	**1 592 674**	**440 684**	**468 713**	**2 014 493**	**6 318 390**

- Cost of usufruct assets on December 31, 2024 includes an amount of L.E. 429 Million (against an amount of L.E. 195 million for the year 2023) fully depreciated assets and still in use.
- Amortisation charged in operating costs (Not no.6)
- Usufruct assets cost includes an amount of L.E 322 610 (against an amount of L.E. 71 364 for the year 2023) which is represented in the currency differences resulting from the translation of obligations in foreign currencies existing on the date of the exchange rate liberation the and related to the acquisition of these assets. (Note no. 37-2)
- Reclassification was made to the comparative figures are shown in (Note no. 38.2).

18. Right OF USE ASSETS AND LIABILITIES (LEASE CONTRACTS)

18-1. Right of use assets (lease contracts)

	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Cost at beginning balance	1 393 667	1 167 142
Additions	317 514	226 525
Cost at ending balance	**1 711 181**	**1 393 667**
Accumulated amortization at beginning balance	641 279	468 498
Amortization for the year	229 698	172 781
Accumulated amortization at ending balance	**870 977**	**641 279**
Net carrying amount for right of use assets	**840 204**	**752 388**

Amortization expense is distributed as follows:	Note no	31/12/2024 L.E (000)	31/12/2023 L.E (000)
Operating Costs	(6)	139 197	116 034
Selling and distribution expenses	(8)	29 598	27 564
General and administrative expenses	(9)	60 903	29 183
		229 698	**172 781**

18-2. Lease Obligations

The Present Value of the total obligations from the ROU as follow:

	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Beginning balance of Present value for lease obligations	920 738	855 320
Additions	317 514	226 525
Payments	(314 173)	(263 905)
interest	145 487	102 798
Net present value for lease obligations resulting from right of use	**1 069 566**	**920 738**
Less:		
Current Lease obligations	**279 211**	**175 020**
Non Current Lease obligations	**790 355**	**745 718**

19. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

	Note No.	31/12/2024 Ownership %	31/12/2024 LE (000)	31/12/2023 Ownership %	31/12/2023 LE (000)
19-1 Investments in subsidiaries					
- Telecom Egypt France (TE France)		100.00	69 220	100.00	69 220
- WE Data		99.99	252 461	99.99	252 461
- TE Investment Holding		99.99	39 998	99.99	39 998
- Egyptian international submarine cables company (Eiscc)***		-	-	99.00	267 578
- Middle East and North Africa Cables ***		99.00	275 277	-	-
- TE for sports investments*		98.00	996	98.00	996
- Egyptian Telecommunication for Information System (Xceed)		97.66	31 250	97.66	31 250
- Centra Technology		58.76	14 737	58.76	14 737
Middle East Radio Communication (Merc)**		49.00	7 350	49.00	7 350
19-2 Investments in associates					
- Wataneya for Telecommunications		50.00	125	50.00	125
- Vodafone Egypt Telecommunications Company (VFE)		44.95	5 960 054	44.95	5 960 054
- Egypt Trust		35.71	10 000	35.71	10 000
			6 661 468		**6 653 769**
Less:					
Impairment loss on investments of subsidiaries and associates*	(28)		7 894		7 894
			6 653 574		**6 645 875**

* Impairment loss on investments of subsidiaries and associates is formed for Telecom Egypt France (TE France) by an amount of L.E 269 K and Egypt Trust by an amount of L.E 7 500 K and Wataneya for Telecommunications by an amount of L.E. 125 K.

**The company's direct and indirect share in Middle East Radio Communication (Merc) on December 31, 2024 is 51%.

***The Egyptian International Submarine Cables Company (Eiscc) was merged into the Middle East and North Africa Submarine Cables Company on December 2, 2024.

20- Financial assets at FVOCI

	31/12/2024 LE (000)	31/12/2023 LE (000)
Participations in foreign satellite companies and organizations	11 856	11 856
Investments in other companies	63 000	63 000
	74 856	74 856
Add:		
Cumulative change in fair value	45 620	8 586
	120 476	**83 442**

21. INVENTORIES

	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Spare parts	1 459 372	1 023 898
Material supplies, Merchandise for sale	5 757 085	2 574 972
Others	23 375	24 630
	7 239 832	**3 623 500**

Inventory's value was written down by L.E. 97 151 K (against L.E. 79 645 K at December 31, 2023) for obsolete and slow-moving items deducted directly from the cost of each type of inventory (Note no. 28)

22. TRADE AND NOTES RECEIVABLES

	Note No.	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Trade Receivables - National		5 609 491	3 524 277
Trade Receivables - International		11 153 944	6 612 802
		16 763 435	**10 137 079**
Less:			
Expected credit loss provision	(28)	2 933 536	2 565 172
Add:			
Notes receivables		387 686	180 225
		14 217 585	**7 752 132**

23. DEBTORS AND OTHER DEBIT BALANCES

	Note No.	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Suppliers – debit balances		1 113 834	461 665
Deposits with others		322 354	303 012
Accrued revenues		31 686	30 598
Tax Authority – value added tax		1 362 015	1 223 157
Due from external collection agencies		227 648	155 631
Due from Ministries, organizations and companies		1 384 501	1 377 556
Temporary debts due from employees		1 134 537	927 812
Other debit balances		956 562	653 468
		6 533 137	**5 132 899**
Less:			
Expected credit loss provision	(28)	12 160	90 854
		6 520 977	**5 042 045**

24. CASH AND CASH EQUIVALENTS

	Note No.	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Banks - time deposits (less than 3 months)		2 028 366	8 274 182
Banks - current accounts		4 938 224	1 997 056
Cash on hand		2 394	1 716
Cash and cash equivalents		**6 968 984**	**10 272 954**
Less:			
Restricted cash and cash equivalents	(33)	699 599	506 354
Cash and cash equivalents as per cash flows statement		**6 269 385**	**9 766 600**

25- LOANS AND CREDIT FACILITIES

Description	Loan Currency	Long term loan installments due within one year L.E. (000)	Long term loan installments due within more than one year L.E. (000)	Balance as of 31/12/2024 L.E. (000)	Balance as of 31/12/2024 currency (000)	Balance as of 31/12/2023 L.E. (000)	Annual interest rate %	Payment schedule
Foreign Loans	U.S.$	10 927 920	27 347 380	38 275 300	753 006	20 090 114	Variable interest rate	Quarter installments ending on Nov, 2029
Foreign loans	EURO	103 899	804 138	908 037	17 159	651 371	Variable interest rate	Quarter installments ending on June, 2036
Local loans	LE	-	6 000 000	6 000 000	6 000 000	-	Variable interest rate	Quarter installments ending on Nov, 2031
Foreign suppliers' facilities	EURO	4 183	-	4 183	79	2 693	Variable interest rate	multiple dates
Bank facilities	LE	26 016 808	-	26 016 808	26 016 808	16 699 549	Variable interest rate	multiple dates
Bank facilities	U.S.$	5 261 988	4 259 941	9 521 929	187 329	11 728 608	Variable interest rate	Ending on Dec, 2026
Bank facilities	EURO	-	-	-		143 850	Variable interest rate	Ending on Oct, 2024
		42 314 798	**38 411 459**	**80 726 257**		**49 316 185**		

26. CREDITORS AND OTHER CREDIT BALANCES

	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Suppliers	4 120 704	4 867 916
Tax Authority (taxes other than income tax)	1 263 552	2 129 433
Deposits from others	1 047 358	793 602
Assets creditors	30 091 620	20 101 632
Accrued expenses	1 738 150	909 520
Trade receivables - credit balances	1 409 813	1 194 337
Credit balances - organizations and companies	992 998	477 836
Contract liabilities*	9 809 803	4 596 906
National Telecommunication Regulatory Authority (NTRA)	2 674 088	2 486 418
Public authority for social Insurance	84 196	77 746
Accrued interest	749 806	422 217
Other credit balances	2 242 149	1 048 723
	56 224 237	**39 106 286**
Balances due within more than one year:		
Assets creditors	16 181 381	9 975 035
Contract liabilities*	6 397 444	3 592 677
Non current creditors and other credit balances	**22 578 825**	**13 567 712**
Current creditors and other credit balances	**33 645 412**	**25 538 574**
Total creditors and other credit balances	**56 224 237**	**39 106 286**

***Contract liabilities**

	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Transmission systems for mobile and internet companies	746 924	292 951
Circuits lease	486 680	144 147
Mobile services	1 128 239	557 639
Cabels operating and maintenance services	918 338	61 359
Contract liabilities	6 523 487	3 538 842
customers compensations	6 135	1 968
	9 809 803	**4 596 906**

27. PROVISIONS

Claims and liabilities provision Others	Note No.	Balance as of 1/1/2024 L.E. (000)	Charged to income statement during the year L.E. (000)	Used during the year L.E. (000)	Balance as of 31/12/2024 L.E. (000)
Claims and liabilities provision*	(10)	699 273	108 827	(425 830)	382 270
		699 273	**108 827**	**(425 830)**	**382 270**

* Claims provision is related to contingent tax liabilities, lawsuits and compensation in respect of contracts with other.

28. IMPAIRMENT LOSS ON ASSETS

	Note No.	Balance as of 1/1/2024 L.E. (000)	Charged to income ststement during the year L.E. (000)	Balance as of 31/12/2024 L.E. (000)
Impairment loss on investments in subsidiaries and associates	(19)	7 894	-	7 894
Write-down of Inventories	(21)	79 645	17 506	97 151
Impairment loss on trade receivables*	(22)	2 565 172	368 364	2 933 536
Impairment loss on debtors and other debit balances*	(23)	90 854	(78 694)	12 160
		2 743 565	**307 176**	**3 050 741**

*Impairment of Trade receivables, debtors and other debit balances was made according to expected credit loss and to verify the expected credit loss value, some factors like current aging and Liquidity are taken into consideration

29. CAPITAL

- The company's issued and fully paid-up capital is L.E. 17 070 716 K, represented in 1 707 071 600 shares at a par value of L.E. 10 each
- The Egyptian Government owns 70% after offering 20% of company's shares in public offering during December 2005 and 10% during the year 2023.

30. RESERVES

	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Legal reserve	3 258 135	2 938 918
General reserve*	2 822 906	2 794 204
	6 081 041	**5 733 122**

* General reserve amounting to L.E. 2 762 626 K as at December 31, 2024 represents the dividends transferred to the general reserve for years 1999/2000 till 2006 after deducting L.E. 1 278 797 K which represents the net adjustments on the fixed assets for land and building items during the years from 2005 to 2020 and transfer an amount of L.E. 2 000 000 K from general reserve to retained earnings according to Ordinary General Assembly decree which was held on March 20, 2016.

31. Income tax

31-1 Recognized items in statement of income

	For the financial year ended:	
	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Current income tax	(1 319 270)	(380 561)
Deferred tax	2 313 617	(122 312)
	994 347	**(502 873)**

31-2 Recognized items statement of Comprehensive Income

	L.E. (000)	L.E. (000)
Current income tax	640 554	137 013
Income tax on translation differences of foreign currency balances	2 221 288	661 876
Income tax on net change in fair value of financial assets at FVOCI	(8 332)	(1 932)
	2 853 510	**796 957**

31-3 Recognized deferred tax assets and liabilities

	31/12/2024		31/12/2023	
	Assets L.E. (000)	(Liabilities) L.E. (000)	Assets L.E. (000)	(Liabilities) L.E. (000)
Fixed assets and projects under construction	-	(1 544 614)	-	(1 633 638)
Intangible assets and usufruct assets	-	(661 605)	-	(611 842)
Foreign currency differences	7 230 186	-	2 662 087	-
Impairment loss on investments of financial assets at FVOCI	1 776	(8 332)	1 881	-
Write-down of inventories	21 859	-	17 920	-
Impairment loss on trade receivables and debtors and other debit balances	22 643	-	94 229	-
Provisions	3 111	-	3 986	-
Accrued liabilities	22 571	-	26 399	-
Total deferred tax asset \ (liability)	**7 302 146**	**(2 214 551)**	**2 806 502**	**(2 245 480)**
Net deferred tax asset	**5 087 595**	-	**561 022**	-
Deferred tax charged to the income statement for the year	**4 526 573**		**537 632**	
Deferred tax in the statement of incom of the year	**2 313 617**		-	**(122 312)**
Deferred tax in the statement of comprehensive income for the year	**2 212 956**		**659 944**	

31-4 Unrecognized deferred tax assets

	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Impairment loss on trade recivables	655 179	517 944
Impairment loss on debtors and other debit balances	2 736	29 448
Impairment loss on Investments in financial assets at fair value through OCI	9 006	-
	666 921	**547 392**

Deferred tax assets have not been recognized in respect of the above items due to uncertainty of the utilization of their benefits in the foreseeable future.

31-5 Reconciliation of effective income tax rate

	For the financial year ended: 31/12/2024 L.E. (000)	31/12/2023 Restated L.E. (000)
Net profit for the year before income tax	1 792 178	7 486 691
Income tax according to the current tax law (22.5%)	403 240	1 684 505
Tax on dividends from subsidiaries and associates	678 716	243 548
Add / (Less):		
Exempted investments income	(1 302 184)	(548 157)
Provisions and Impairment on financial assets and inventory	(3 806)	19 082
Adjustments on retained earnings		40 531
Foreign currencies	(1 563 969)	(803 155)
Adjustments on other items	793 656	(133 481)
	(1 397 587)	**(1 181 632)**
Income tax	**(994 347)**	**502 873**
Effective tax rate	**(55.48%)**	**6.72%**

31-6 Current income tax

	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Tax Authority - income tax	-	-
Less:		
Advanced payments	935 067	344 912
Tax Authority - Debit Balances	258 172	238 497
Tax Authority - Withholding Tax	220 431	218 147
	1 413 670	**801 556**

32. CAPITAL COMMITMENTS

The company's capital commitments for the unexecuted parts of contracts until December 31, 2024 L.E 2 026 million (against L.E. 1 544 million as at December 31, 2023).

33. CONTINGENT LIABILITIES

In addition to the amounts included in the separate statement of financial position, the company has the following contingent liabilities at December 31, 2024:

	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
- Letters of guarantee issued by banks on behalf of the company*	3 103 401	2 877 711
- Letters of credit	2 026 325	1 543 882

*Letters of guarantee which were issued by banks on behalf of the company and for others on December 31,2024 including letters of guarantee issued in exchange for a cash cover (restricted cash and equivalent) (Note No.22)

34. TAX POSITION

34-1 Corporate tax

- Tax inspection was performed for the years till December 31, 2018 and all due taxes and fines were settled for those years.
- Tax inspection for the years from January 1, 2019 until December 31, 2023 have not been done to date.
- Tax return are submitted according to the income tax law No. 206 of 2020, its amendments and its executive regulations, also the due taxes are paid on legal dates.

34- 2 Value Added Tax \ Sales Tax

- Tax inspection for the years till December 31, 2020 was performed and the tax differences were settled for those years except the additional tax for years from 2018 till 2020.
- Tax returns are submitted according to the value added tax law and according to the law No. 206 of 2020 issuing the Unified Tax Procedures Law, and the due taxes, if any, are paid on the legal dates.

34- 3 Salary & wages Tax

- Tax inspection was performed for the years till December 31 ,2014 and the Company was notified with tax differences and all due taxes.
- Tax inspection for the year 2015 till 2022 has been performed and all due taxes were settled except fines.
- Years from 2023 till the date, the company is regular in deducting and remitting taxes on legal dates according to the law No. 206 of 2020, its amendments and its executive regulations also, the tax settlement are submitted according to the provisions of law No. 206 of 2020 issuing the Unified Tax Procedures Law.

34- 4 Stamp Tax

- Tax inspection for the period starting from March 27, 1998 to December 31, 2000 was performed for certain sectors of the company, and the company was notified of the tax assessment elements, and the company filed remedies and appears against legal deadlines.
- Tax inspection for the period starting from January 1, 2001 till July 31, 2006 was performed for certain sectors of the company and tax due were settled. Tax inspection for the remaining sectors is currently being undertaken for the same period.
- Tax inspection for the period starting from August 1, 2006 to December 31, 2020 was performed and all the due taxes were settled.
- Development drawing for the years 2020 / 2021 was inspected and the inspection did not reveal any differences.

34- 5 Real Estate Tax

- All due taxes are being paid according to the tax claim forms received by the company. The company's Legal Department follows up the disputes according to the real estate tax law.
- Tax returns were submitted according to the new real estate tax law No. 196 for the year 2008 also, the due taxes are settled on thise due dates.

35-1 **RELATED PARTY TRANSACTIONS**

There are transactions between Telecom Egypt and its subsidiaries and associates and such transactions are approved by the company's management, the following statement contain the most important transactions during the financial year and the balances shown in the separate financial statements date.

Transactions with subsidiaries & associates

	Nature of transaction during the year	Amount of transactions during the year stated in the income statement L.E. 000	Movement during the year Debit L.E. 000	Movement during the year Credit L.E. 000	Balance as of 31/12/2024 Debit/(Credit) L.E. 000	Balance as of 31/12/2023 Debit/(Credit) L.E. 000
Debit balances due from subsidiaries						
- Middle East Radio Communication (MERC)	Leased of information circuits	4 139	4 712	3 669	1 043	-
- TE Sport	Leased sites for subsidiary company	63 018	261 769	4 915	256 854	-
			266 481	**8 584**	**257 897**	**1 139 091**
Credit balances due to subsidiaries and associates						
- WE Data	Participation contract and Purchasing of fixed assets and services rendered from subsidiaries company	360 958	34 532 739	34 035 186	(832 032)	(1 329 585)
- WE Data	Leased circuits and information transfer network and renderd services	14 313 654	27 545 467	25 756 535	(3 480 200)	(5 269 132)
- WE Data	Royalties and shared services	2 489 403	3 249 084	6 319 617	-	3 070 533
			65 327 290	**66 111 338**	**(4 312 232)**	**(3 528 184)**
- TE Data Jordan	Participation contract	186 599	191 907	212 265	(28 815)	(8 457)
TE Data Jordan	Leased international circuits	9 860	15 847	14 479	6 153	4 785
			207 754	**226 744**	**(22 662)**	**(3 672)**
- Egyptian Telecommunication Company for Information Systems	Services rendered from subsidiary company	1 120 097	2 031 356	4 724 339	(3 617 426)	(924 443)
- Egyptian Telecommunication Company for Information Systems	Lease of subsidiary company premises, electricity claims, maintenance and leased circuits and selling fixed assets	105 979	4 042 150	2 831 126	3 248 939	2 037 915
			6 073 506	**7 555 465**	**(368 487)**	**1 113 472**
- Centra for Technologies	Maintenance and devices supply	2 994 488	**4 585 279**	**6 109 661**	**(1 498 763)**	**25 619**
- Centra for Electronic Industries	Maintenance & supplying devices	11 832	**10 441**	**13 712**	**(6 695)**	**(3 424)**
- T E investment Holding	Rendered services from subsidiary company	157 912	293 891	300 842	(77 951)	(71 000)
- T E investment Holding	Leased sites for subsidiary company	26	26	26	(6)	(6)
			293 917	**300 868**	**(77 957)**	**(71 006)**
- TE France	Participation contract	110 715	**105 367**	**199 565**	**(239 535)**	**(145 337)**
- TE Globe	Participation contract	20 944	**110 517**	**130 444**	**(20 241)**	**(314)**
- TE Globe	cost of telecommunications	92 506				
- Mena Cable	Maintainance - Rendered services from subsidiary company	20 958	146 991	227 077	(221 991)	(141 905)
- Mena Cable	Paid of expenses on behalf of parent company	-	-	-	978	978
- Mena Cable	Maintainance - Rendered services to subsidiary company	12 940	30 273	55 780	-	25 507
- Mena Cable	Capital increase	-		7,699.00		7 699
- Mena Cable	Leased sites for subsidiary company	8	8	-	8	-
- Mena Cable	Purchasing other assets from subsidairy company	-	-	-	(2 671)	(2 671)
- Mena Cable	fees of services provided to parent company	8 493	10 047	12 993	(11 748)	(8 802)
Mena Cable	Transferring the company's debt to Telecom Egypt	-	659 147	649 817	(775 998)	(785 328)
			846 466	**953 366**	**(1 011 422)**	**(904 522)**
- Vodafone Egypt Telecommuniacations Company	Outgoing calls and voice services for associate company	5 698 495	**18 089 997**	**19 474 882**	**(2 468 657)**	**(1 083 772)**
- Vodafone Egypt Telecommuniacations Company	Incoming international calls, claims, transmissions,lease of locations and towers for the associate company	5 321 754				
			95 650 534	**101 076 045**	**(10 026 651)**	**(5 740 231)**

*The amount of the transation during the year which recorded in income statement dosen't include VAT

35-2 Transactions with the Egyptian government

The Egyptian government contributes 70% of the capital represented by the Ministry of Finance which results in existence of mutual services between the company and the governmental entities, including revenues, costs, and other expenses, transactions related to taxes, social insurance and customs.

35-3 Transactions with the Board of directors

On March 26, 2024, The Company's ordinary general assembly decided to approve the disbursement of an amount of L.E 18 550 K to the members of the board of directors as the board's share in the profits for the fiscal year ended in December 31, 2023, in addition to attending board sessions allowances stipulated in the ordinary general assembly of the company.

36. FINANCIAL INSTRUMENTS

36 –1 Credit risk

The carrying amount of financial assets represents the maximum credit risk exposure. The maximum exposure to credit risk at the separate financial statements date as follows:

Description	Note No.	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Investments in financial assets at FVOCI	(20)	120 476	83 442
Trade receivables	(22)	14 217 585	7 752 132
Debtors and other debit balances	(23)	6 520 977	5 081 497
Cash and cash equivalents	(24)	6 966 590	10 271 238
		27 825 628	**23 188 309**

36 -2 Liquidity risk

The following are the expected maturities of financial liabilities that have not been deducted at the reporting date:

Description	Carrying Amount L.E. (000)	One year or less L.E. (000)	From 1-2 years L.E. (000)	From 3-5 years L.E. (000)	More than 5 years L.E. (000)
December 31, 2024					
Creditors and other credit balances	58 124 915	34 131 857	22 506 558	734 372	752 127
Loans and credit facilities	96 428 368	51 092 352	16 945 127	27 343 227	1 047 662
Lease liabilities	1 507 052	393 418	348 189	301 683	463 763
	156 060 335	**85 617 627**	**39 799 874**	**28 379 282**	**2 263 552**
December 31, 2023					
Creditors and other credit balances	40 428 286	29 361 416	9 432 161	734 372	900 337
Loans and credit facilities	58 908 705	36 025 400	6 251 054	15 584 589	1 047 662
Lease liabilities	1 297 349	246 609	285 294	301 683	463 763
	100 634 340	**65 633 425**	**15 968 509**	**16 620 644**	**2 411 762**

36-3 Currency risk

Description	U.S. Dollar (000)	Euro (000)	yuan (000)	Total LE (000)
December 31, 2024				
Trade receivables	232 976	-	-	11 842 170
Banks-current accounts and time deposits	103 165	7 115	-	5 620 397
Total assets in currency	**336 141**	**7 115**	-	**17 462 567**
Creditors and other credit balances	135 991	171 689	621 177	20 325 115
Foreign loans and facilities	753 006	17 238	-	39 187 515
Total liabilities in currency	**888 997**	**188 927**	**621 177**	**59 512 630**
Risk surplus (deficit)	**(552 856)**	**(181 812)**	**(621 177)**	**(42 050 063)**
Equivalent in Egyptian Pound	**(28 101 670)**	**(9 621 336)**	**(4 327 057)**	**(42 050 063)**
December 31, 2023				
Trade receivables	105 958	-	-	3 263 506
Banks-current accounts and time deposits	298 332	17 234	-	9 775 673
Total assets in currency	**404 290**	**17 234**	-	**13 039 179**
Creditors and other credit balances	139 711	300 975	-	14 555 316
Foreign loans and facilities	926 372	23 424	-	29 330 158
Total liabilities in currency	**1 066 083**	**324 399**	-	**43 885 474**
Risk surplus (deficit)	**(661 793)**	**(307 165)**	-	**(30 846 295)**
Equivalent in Egyptian Pound	**(20 874 426)**	**(10 463 069)**	-	**(30 846 295)**

Exchange rates for currencies against Egyptian pound:

	Average exchange rate during:		Closing exchange rate as at:	
	2024 L.E.	2023 L.E.	31/12/2024 L.E.	31/12/2023 L.E.
U.S. Dollar	44.3946	30.2435	50.8300	30.8000
yuan	5.5081	0.0000	6.9659	0.0000
Euro	47.9781	32.7165	52.9192	34.0634

36–4 Sensitivity analysis

A 10% power of the foreign currencies against the EGP as of December 31, 2024, may lead to losses increase by an amount of L.E. 4 795 916 K (against L.E. 3 084 630 K as of December 31, 2023). This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis was performed on the same basis on 2023.

36–5 Interest rate risk

At the reporting date, the interest rate profile of the company's financial instruments is:

Description	Note No.	31/12/2024 L.E. (000)	31/12/2023 L.E. (000)
Financial instruments with fixed interest rate			
Financial assets – deposits	(24)	2 028 366	8 274 182
Lease liabilities (loans-credit facilities)	(25)	80 726 257	49 316 185
		82 754 623	**57 590 367**

36–6 Fair values for financial instruments

The financial instruments are represented in the balance of cash on hand and at banks, loans and credit facilities, trade receivables, investments, debtors and creditors.

The fair value of these financial instruments does not materially differ from its book value.

37- SIGNIFICANT EVENTS

37-1 The effect of the liberalization of the exchange rate

On March 6, 2024, the Central Bank of Egypt decided to raise the overnight deposit and lending rates by 600 basis points to reach 27.25% and 28.25%, respectively. Also, the credit and discount rates were raised also by 600 points to reach 27.75 % while allowing the use of a flexible exchange rate driven by market mechanisms, which led to an increase in the average official exchange rate of US dollars during the first week of the Central Bank's decision date, to reach between 49 to 50 EGP/USD.

37-2 The issuance of Annex (E) the amendment accompanying the Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Exchange Rates":

- On May 23, 2024, prime minister's Decision No. 1711 of 2024 was issued to replace some of the provisions of the Egyptian accounting standards No. 13 "the effects of changes in foreign currency exchange rates "added to appendix (E) of the Egyptian accounting standard mentioned above This is to establish special, optional accounting treatments through which the implications can be dealt with Extraordinary decisions of the Central Bank, especially amending the foreign exchange rate on the financial statements of the facility whose statements were affected negatively after amending foreign exchange rate. This optional special accounting treatment issued in this appendix is not considered an amendment to the current Egyptian accounting standards, hereafter the period for the effectiveness of this Appendix. The company's management has implemented the temporary option mentioned in Paragraph (3B) of this Appendix, and these treatments are as follow:

1. An establishment that, prior to the date of edit the exchange rate, may acquire fixed assets and/or real estate investments and/or exploration and evaluation assets and/or intangible assets (other than goodwill) and/or right of use assets for lease contracts, funded by existing obligations in that date in foreign currencies, to recognize within the cost of those assets on the debit currency differences resulting from the settled due parts of these obligations during the financial period to apply this special accounting treatment In addition to the currency difference resulting from translating the remaining balance of these obligations at the end of March 6, 2024 or on the end of the closing date of the financial statements for the fiscal period to apply this accounting treatment using the exchange rate used on that date. The facility can apply this option for each asset separately.

2. When editing the cost of assets by applying paragraph"6" of this appendix the net adjusted cost shall not be more than the realizable value of asset which is measured in accordance with the amended Egyptian accounting standard No. 31 "impairment of assets".

3. as an exception to the requirements of Paragraph No. 28 of the amended Egyptian Accounting Standard No. (13) "The Effects of Changes in Foreign Currency Exchange Rates" amended in 2024 regarding the recognition of currency differences, an enterprise whose business results were affected by net profits or losses of currency differences as a result of moving the currency exchange rate, Whether the currency of its entry is the Egyptian pound or any other foreign currency, resulting from the retranslation of the balances of items of monetary nature existing at the end of March 6, 2024 or at the end of the closing date of the financial statements for the fiscal period to apply this special accounting treatment using the exchange rate used on that date , deducted from it any currency translation differences that have been recognized as cost of assets in accordance with paragraph No. 6 of this Appendix. Considering that these differences were mainly caused by the unusual movements of the exchange rate.

4. The amount of currency differences resulting from the translation of items of monetary nature which are presented in other comprehensive income items in accordance with paragraph No. 8 of this appendix is included in retained profits or losses at the end of same financial period to apply the accounting treatment contained in this appendix.

The application of those treatments has affected the condensed Separate interim financial statements for the current period as follows:

Item	Before applying the accounting treatment	The impact of applying the accounting treatment	After applying the accounting treatment
	Debit / (Credit)	Debit / (Credit)	Debit / (Credit)
	L.E(000)	L.E(000)	L.E(000)
	31/12/2024		31/12/2024
1-Statement of financial position			
Fixed assets and projects under construction	94 244 988	5 523 013	99 768 001
Intangible assets (licenses and frequencies)	17 971 730	1 531 906	19 503 636
Usufruct assets	7 540 572	322 610	7 863 182
Retained earnings	(14 732 329)	9 857 454	(4 874 875)
2- Statement of income			
Finance cost	(35 921 693)	20 096 825	(15 824 868)
Depreciations and amortizations	(12 520 338)	(1 124 769)	(13 645 107)
Income tax	(1 867 495)	2 861 842	994 347
Basic and diluted (loss) earnings per share	(11.82)	12.79	.97
3-Statement of other comprehesive income			
Translation differences of foreign currency balances	-	(12 719 296)	(12 719 296)
Income tax on translation differences of foreign currency balances	-	2 861 842	2 861 842

38- Comparative figures

- On September 2016, Telecom Egypt announced changing the company's brand to We as part of the company's endeavor to integrate its services provided.To customers in line with their requirements and the technology they depend on.

Accordingly, Telecom Egypt and the Egyptian Data Transfer Company agreed to use the Telecom Egypt trademark in contracting for services.Communications with customers since October 2017, and using one contract with trademarks owned by Telecom Egypt to contract all telecommunications services in All points of sale owned by both parties in order to achieve comprehensiveness in providing communications services provided to customers from both parties using the brand as aresult of that Telecom Egypt changed the brand of its subsidiary, the Egyptian Company for Data Transfer, from TE DATA to WE DATA In line with the company's policy of transforming into an integrated telecommunications operator.

On October 2024, a trademark licensing contract was signed between the Egyptian Telecom Company and the Egyptian Data Transfer Company WE DATA.acording to this contract, Telecom Egypt granted to the Egyptian Data Transfer Company A non-exclusive license to use its trademark starting from. October 2017 and ends in December 2026

- Restatement and Reclassification were made to some of the comparative figures of the separate statement of financial position and statement of income to reflect the financial impact in the previous periods to the current presentation of the separate financial statements.

-The following is the effect of restatements and reclassification on the separate financial statements:

38-1 Statement of financial position

	1/1/2023 as previuosly reported	Restatements / Reclassifications	1/1/2023 Restated
	Debit / (Credit) LE(000)	Debit / (Credit) LE(000)	Debit / (Credit) LE(000)
Fixed assets and projects under construction	58 178 277	156 363	58 334 640
usufruct assets	4 662 386	(156 363)	4 506 023
Retained earnings	(13 024 149)	(1 823 395)	(14 847 544)
Credit balances due to subsidiaries and associates	(6 771 714)	1 823 395	(4 948 319)

	31/12/2023 as previuosly reported	Restatements	31/12/2023 Restated
	Debit / (Credit) LE(000)	Debit / (Credit) LE(000)	Debit / (Credit) LE(000)
Fixed assets and projects under construction	76 244 954	156 363	76 401 317
usufruct assets	6 474 753	(156 363)	6 318 390
Retained earnings	(13 349 113)	(2 422 877)	(15 771 990)
Credit balances due to subsidiaries and associates	(8 163 108)	2 422 877	(5 740 231)

38-2 Statement of income

	For the financial year ended 31/12/2023 as previously reported	Restatement	For the financial year ended 31/12/2023 Restated
	debit / (credit) LE(000)	debit / (credit) LE(000)	debit / (credit) LE(000)
Other Income	1 914 672	639 003	2 553 675
Selling and distribution expenses	(3 651 762)	(39 521)	(3 691 283)
Net Profit for the year	6 384 336	599 482	6 983 818
Basic and diluted earning per share for the	3.19	0.35	3.54