

telecomegypt®



*Translation from Arabic*

**Telecom Egypt Company**  
**(An Egyptian Joint Stock Company)**  
**Condensed Separate Interim Financial Statements**  
**For The Three Months Ended March 31, 2026**  
**And Limited Review Report**

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**And Limited Review Report**

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## Hazem Hassan

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### **Limited Review Report on The Condensed Interim Separate Financial Statements To The Board of Directors of Telecom Egypt Company**

#### ***Introduction***

We have performed a limited review on the accompanying March 31, 2026, condensed interim separate financial statements of Telecom Egypt Company “an Egyptian joint stock company”, which comprises:

- The interim separate statement of financial position as of March 31, 2026;
- The interim separate statements of profit or loss for the three months periods ended March 31, 2026;
- The interim separate statements of comprehensive income for the three months periods ended March 31, 2026;
- The interim separate statements of changes in equity for three months periods ended March 31, 2026;
- The interim separate statements of cash flows for three months periods ended March 31, 2026;
- The notes to the condensed interim separate financial statements.

Management is responsible for the preparation and fair presentation of these condensed interim separate financial statements in accordance with Egyptian Accounting Standard number (30) “Interim Financial Reporting”. Our responsibility is to express a conclusion on these condensed interim separate financial statements based on our limited review.

#### ***Scope of Limited Review***

We conducted our limited review in accordance with Egyptian Standard on Review Engagements number (2410), "Limited Review of Interim Financial Statements Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Company and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these condensed interim separate financial statements.



**Hazem Hassan**

Translation from Arabic

***Conclusion***

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying for the three months ended March 31, 2026, condensed interim separate financial statements do not present fairly, in all material respects, in accordance with Egyptian Accounting Standard number (30) "Interim Financial Reporting".

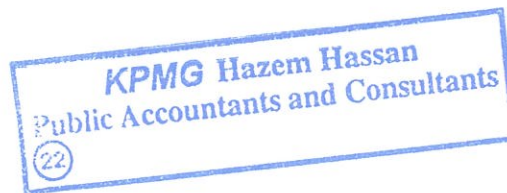
***Emphasis of Matter***

Without qualifying our conclusion expressed above, we draw attention to the details disclosed in Note (34) to the condensed interim separate financial statements, which describes the partial fire that broke out in one of the equipment rooms at the Ramses Central building on July 7, 2025. This incident resulted in partial damage to certain fixed assets and a temporary interruption of some telecommunication services in certain areas.

During 2025, the company's management recognized capital losses amounting to of EGP 1 483 million and received EGP 200 million from the insurance company as an interim payment against the final compensation. As of the date of this report, official investigations are still ongoing, and the final report has not yet been issued; accordingly, the ultimate financial impact remains subject to the final results of these investigations.

**KPMG Hazem Hassan  
Public Accountants & Consultants**

Cairo, May 21, 2026



**Telecom Egypt Company**  
**(An Egyptian Joint Stock Company)**  
**Separate Interim Statement of Financial Position as of:**

	Note No.	31/3/2026 L.E. (000)	31/12/2025 L.E. (000)
<b>Assets</b>			
<b>Non Current Assets</b>			
Fixed assets and projects under construction	(14)	116 141 954	115 628 535
Intangible assets ( licenses and frequencies)		17 575 687	18 060 816
Usufruct assets	(15)	8 924 030	9 011 209
Right of use assets ( lease contracts)	(16-1)	870 817	760 435
Investments in subsidiaries and associates	(17)	6 695 189	6 695 189
Financial assets at FVOCI		112 828	112 828
Deferred tax assets	(28-3)	2 873 994	2 555 541
<b>Non Current Assets</b>		<b>153 194 499</b>	<b>152 824 553</b>
<b>Current Assets</b>			
Inventories	(18)	6 378 091	6 459 501
Trade and notes receivables	(19)	17 493 122	14 470 060
Current income tax	(28-5)	999 483	1 520 805
Debtors and other debit balances	(20)	5 654 930	6 177 154
Debit balances with subsidiaries	(32-1)	672 436	370 798
Financial assets at amortized cost ( treasury bills)		2 746 708	2 584 576
Cash and cash equivalents	(21)	8 364 112	6 646 016
Assets held for sale	(22)	3 289 269	2 449 845
<b>Current Assets</b>		<b>45 598 151</b>	<b>40 678 755</b>
<b>Total Assets</b>		<b>198 792 650</b>	<b>193 503 308</b>
<b>Equity</b>			
Capital	(26)	17 070 716	17 070 716
Reserves	(27)	6 500 597	6 214 439
Retained earnings		6 708 939	6 745 014
<b>Total Equity</b>		<b>30 280 252</b>	<b>30 030 169</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
Long term loans and credit facilities	(23)	35 027 572	35 325 509
Creditors and other credit balances	(24)	32 185 322	31 766 004
Lease obligations	(16-2)	687 125	615 080
<b>Non Current Liabilities</b>		<b>67 900 019</b>	<b>67 706 593</b>
<b>Current Liabilities</b>			
Short term loans and credit facilities	(23)	41 085 984	38 433 287
Creditors and other credit balances	(24)	42 506 991	35 054 815
Lease obligations	(16-2)	408 797	346 477
Credit balances to subsidiaries and associates	(32-1)	15 784 494	21 180 674
Provisions	(25)	826 113	751 293
<b>Current Liabilities</b>		<b>100 612 379</b>	<b>95 766 546</b>
<b>Total Liabilities</b>		<b>168 512 398</b>	<b>163 473 139</b>
<b>Total Equity and Liabilities</b>		<b>198 792 650</b>	<b>193 503 308</b>

The accompanying notes on pages (6) to (24) are an integral part of these Condensed Separate Interim Financial Statements.

Director of Financial Affairs



"Ehab Abdo "

Chief Financial Officer



" Wael Hanafy "

Managing Director &  
Chief Executive Officer



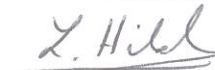
"Tamer Elmahdi"

Board of Directors approval

Chairman of The Board of  
Directors

Limited Review Report "attached"

"Lobna Hilal"



**Telecom Egypt Company**  
**(An Egyptian Joint Stock Company)**  
**Separate Interim Statement of Income**

	Note No.	<b><u>For the three months ended :</u></b>	
		<b><u>31/3/2026</u></b>	<b><u>31/3/2025</u></b>
		<b><u>L.E.(000)</u></b>	<b><u>Reclassified</u></b> <b><u>L.E.(000)</u></b>
<b><u>Continued Operations</u></b>			
Operating revenues	(3)	19 614 719	17 066 640
Operating costs	(4)	(12 696 852)	(11 116 204)
<b>Gross Profit</b>		<b>6 917 867</b>	<b>5 950 436</b>
Other incomes	(5)	1 345 328	966 377
Selling and distributing expenses	(6)	(1 487 895)	(1 370 449)
General and administrative expenses	(7)	(1 845 875)	(1 552 680)
Expected credit loss		159 214	( 177 499)
Other expenses	(8)	( 172 834)	( 62 511)
<b>Operating profit</b>		<b>4 915 805</b>	<b>3 753 674</b>
Finance income		270 391	191 812
Finance cost		(7 006 860)	(4 264 020)
<b>Net finance cost</b>	(9)	<b>(6 736 469)</b>	<b>(4 072 208)</b>
<b>Income from investments in subsidiaries</b>	(10)	<b>6 386 404</b>	<b>3 379 813</b>
<b>Net profit for the period before income tax</b>		<b>4 565 740</b>	<b>3 061 279</b>
<b>Income tax</b>	(28-1)	<b>( 560 980)</b>	<b>( 414 012)</b>
<b>Net profit for the period after income tax from continued operations</b>		<b>4 004 760</b>	<b>2 647 267</b>
<b><u>Discontinued Operations</u></b>			
<b>Net profit for the period after income tax from discontinued operations</b>	(11)	<b>38 757</b>	<b>28 624</b>
<b>Net profit for the period</b>		<b>4 043 517</b>	<b>2 675 891</b>
Basic and diluted earning per share for the period from continued operations (L.E. / Share)	(13)	<b>2.35</b>	<b>1.55</b>
Basic and diluted earning per share for the period from discontinued operations (L.E. / Share)	(13)	<b>0.02</b>	<b>0.02</b>
Basic and diluted earning per share for the period (L.E. / Share)	(13)	<b>2.37</b>	<b>1.57</b>

The accompanying notes on pages (6) to (24) are an integral part of these condensed separate interim financial statements.

**Telecom Egypt Company**  
**(An Egyptian Joint Stock Company)**  
**Separate Interim Statement of Comprehensive Income**

	Note <u>No.</u>	<u>For the three months ended :</u>	
		<u>31/3/2026</u> <u>L.E.(000)</u>	<u>31/3/2025</u> <u>L.E.(000)</u>
Net profit for the period after income tax		4 043 517	2 675 891
<b><u>Other Comprehensive Income Items:</u></b>			
Income tax on translation differences of foreign currency balances	(28-2)	-	-
<b>Total Comprehensive Income</b>		<b>4 043 517</b>	<b>2 675 891</b>

The accompanying notes on pages (6) to (24) are an integral part of these condensed separate interim financial statements.

**Telecom Egypt Company**  
(An Egyptian Joint Stock Company)  
**Separate Interim Statement of Changes In Equity**  
**For The Three Months Ended March 31, 2026**

	Capital	Legal reserve	Other reserves	Retained earnings	Total
	L..E.. (000)	L..E.. (000)	L..E.. (000)	L..E.. (000)	L..E.. (000)
<b>Balance as of January 1, 2025</b>	17 070 716	3 258 135	2 822 906	4 874 875	28 026 632
<b>Comprehensive income</b>					
<b>Net profit for the period</b>	-	-	-	2 675 891	2 675 891
Total comprehensive income	-	-	-	2 675 891	2 675 891
Transferred to legal reserve	-	139 325	-	( 139 325)	-
<b>Transactions with shareholders</b>					
Dividends for year 2024 (Shareholders)	-	-	-	(2 560 607)	(2 560 607)
Dividends for year 2024 (Employees & Board of Directors)	-	-	-	(1 153 088)	(1 153 088)
<b>Total transactions with shareholders</b>	-	-	-	(3 713 695)	(3 713 695)
<b>Balance as of March 31, 2025</b>	17 070 716	3 397 460	2 822 906	3 697 746	26 988 828
<b>Balance as of January 1, 2026</b>	17 070 716	3 397 460	2 816 979	6 745 014	30 030 169
<b>Comprehensive income</b>					
Net profit for the period	-	-	-	4 043 517	4 043 517
<b>Total comprehensive income</b>	-	-	-	4 043 517	4 043 517
Transferred to legal reserve	-	286 158	-	( 286 158)	-
<b>Transactions with shareholders</b>					
Dividends for year 2025 (Shareholders)	-	-	-	(2 560 607)	(2 560 607)
Dividends for year 2025 (Employees & Board of Directors)	-	-	-	(1 232 827)	(1 232 827)
<b>Total transactions with shareholders</b>	-	-	-	(3 793 434)	(3 793 434)
<b>Balance as of March 31, 2026</b>	17 070 716	3 683 618	2 816 979	6 708 939	30 280 252

The accompanying notes on pages (6) to (24) are an integral part of these condensed separate interim financial statements.

**Telecom Egypt Company**  
**(An Egyptian Joint Stock Company)**  
**Separate Interim Statement of Cash Flows**

	Note No.	<b>For the three months ended:</b>	
		<b>31/3/2026</b>	<b>31/3/2025</b>
		<b>L.E.(000)</b>	<b>L.E.(000)</b>
<b><u>Cash flows from operating activities :</u></b>			
Cash receipts from customers and notes receivables		15 102 699	13 509 601
Cash receipts from related party		8 605 952	5 469 150
Stamp tax and fees collected (from third party)		-	15 505
Deposits collected from customers		-	24 112
Cash paid to suppliers		(3 975 865)	(3 162 239)
Cash paid for NTRA		( 607 866)	( 251 610)
Cash paid to Board of Directors	(32-3)	( 20 405)	( 18 550)
Cash paid to employees		(3 241 132)	(2 988 681)
Cash paid on behalf of employees to third party		( 382 386)	( 376 282)
Payments to Tax Authority - taxes other than income tax		(1 084 119)	(1 828 244)
Other proceeds (payments)		687 619	( 143 455)
<b>Cash provided by operating activities</b>		<b>15 084 497</b>	<b>10 249 307</b>
Interest paid		(2 467 668)	(3 202 758)
<b>Net cash provided by operating activities</b>		<b>12 616 829</b>	<b>7 046 549</b>
<b><u>Cash flows from investing activities :</u></b>			
Payments for purchase of fixed assets and projects under construction		(7 984 578)	(5 749 032)
Payments for purchase of intangible assets		( 417 609)	( 592 980)
Payments for purchase of investments		-	( 25 115)
Credit interest		76 128	64 874
Dividends collected from investments		47 985	-
Proceeds from financial assets at amortized cost - treasury bills income		14 826	104 153
<b>Net cash used in investing activities</b>		<b>(8 263 248)</b>	<b>(6 198 100)</b>
<b><u>Cash flows from financing activities :</u></b>			
Payments of loans		(3 248 451)	(2 597 770)
Proceeds from loans		-	11 534 500
Net proceeds / (payments) of credit facilities		575 272	(5 324 680)
Payments of lease obligations	(16-2)	( 80 610)	( 51 886)
<b>Net cash ( used in ) provided by financing activities</b>		<b>(2 753 789)</b>	<b>3 560 164</b>
<b>Net change in cash and cash equivalents during the period</b>		<b>1 599 792</b>	<b>4 408 613</b>
Cash and cash equivalents at the beginning of the period	(21)	6 047 978	6 269 385
<b>Cash and cash equivalents at the end of the period</b>	<b>(21)</b>	<b>7 647 770</b>	<b>10 677 998</b>

The accompanying notes on pages (6) to (24) are an integral part of these condensed separate interim financial statements.

**Telecom Egypt Company**  
**(An Egyptian Joint Stock Company)**

**Notes to the Condensed Separate Interim Financial Statements**  
**For The Three Months Ended March 31, 2026**

**1. BACKGROUND & ACTIVITIES**

**1-1 Legal Entity**

- Arab Republic of Egypt National Telecommunication Organization (ARENTO) was established according to Law No.153 of 1980. Effective from March 27, 1998 and according 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 address of the company is 26 Ramses Street, Cairo, Egypt.
- 70% of the company's shares are owned by the Egyptian government, 30% of the company's registered shares are traded on the Egyptian Exchange, while global depository receipts (GDR) are traded on the London stock exchange, each representing 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 condensed separate interim financial statements**

These Condensed Separate Interim Financial Statements were approved by the company's Board of Directors for issuance on May 20, 2026.

## **2. BASIS OF PREPERATION OF THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS**

### **2-1 Statement of compliance**

- These Condensed Separate Interim Financial Statements as of March 31, 2026, have been prepared according to Egyptian Accounting Standard No.30 requirements "Interim Financial Reporting" and in the light of applicable laws and regulations accordingly it was prepared as a Condensed Separate Interim Financial Statements comparative view to the annual separate financial statements for the company for the financial year ended December 31, 2025 and this statements must be read with the financial statements for the company on the financial year in December 31, 2025.
- These Condensed Separate Interim Financial Statements don't include all the required information needed for preparing the full annual financial statements according to Egyptian Accounting Standard however It may include selected disclosures to explain important events and transactions to understand the change in the company's financial position and performance since the last annual financial statements.

### **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 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.
- The financial statements have been prepared on a going concern basis.

### **2-3 Functional and presentation currency**

These Condensed Separate Interim Financial Statements are presented in Egyptian pound (LE), which is the Company's functional currency. All financial information presented in "L.E." has been rounded to the nearest thousands unless otherwise stated.

### **2-4 Use of estimates and judgments**

- The preparation of the condensed separate interim financial statements in conformity with Egyptian Accounting Standards that requires the 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 supposed to be reasonable under the circumstances, the results of these assumption represent the judgmental basis for the value of assets and liabilities that may not be apparently available from other sources. The actual results may differ from these estimates.

- The estimates and underlying assumptions are reviewed on ongoing basis. Accounting recognition 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.

Information about the most significant accounts used the estimation and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the condensed separate interim financial statements is included in the following notes:

- Measuring Expected credit losses.
- Deferred tax assets and liabilities.
- Impairment of non-financial assets.
- Provisions and contingencies.
- Operational useful life of fixed and other assets.
- 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 condensed separate interim 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 in reliable values.

- When the discounted cash flows are 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 is managed by operating segments at the group level as integrated activity, based on the nature of product and the service provided. The segment reporting is prepared according to services provided by activities as a group as follows:

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

#### **2-7 Significant accounting policies**

The accounting policies applied in the preparation of the condensed separate interim financial statements as of March 31, 2026 is the same as the accounting policies applied in the preparation of the annual separate financial statements as of December 31, 2025 and approved in February 26, 2026 These policies have been followed over all periods presented in these condensed separate interim financial statements as of March 31, 2026

**3- OPERATING REVENUES**

	<b>For the three months ended:</b>	
	<b>31/3/2026</b>	<b>31/3/2025</b>
	<b>L.E. (000)</b>	<b>Reclassified L.E. (000)</b>
Home and personal communications	3 466 205	2 926 229
Enterprise	916 152	789 786
Domestic wholesale	8 031 561	6 275 015
International carriers	5 417 644	4 372 674
International cables and networks	1 783 157	2 702 936
	<b>19 614 719</b>	<b>17 066 640</b>

**3-1 By timing of recognition**

	<b>For the three months ended:</b>	
	<b>31/3/2026</b>	<b>31/3/2025</b>
	<b>L.E. (000)</b>	<b>L.E. (000)</b>
Goods and services transferred at a point in time	15 081 799	13 161 151
Goods and services transferred over time	4 532 920	3 905 489
	<b>19 614 719</b>	<b>17 066 640</b>

**3-2 By geographical location**

	<b>For the three months ended:</b>	
	<b>31/3/2026</b>	<b>31/3/2025</b>
	<b>L.E. (000)</b>	<b>L.E. (000)</b>
Local - within Egypt	12 413 918	9 991 030
Foreign - outside Egypt	7 200 801	7 075 610
	<b>19 614 719</b>	<b>17 066 640</b>

**3-3 Contract balances**

	<b>31/3/2026</b>	<b>31/12/2025</b>
	<b>L.E. (000)</b>	<b>L.E. (000)</b>
Trade receivables	17 217 175	14 196 068
Notes receivable	275 947	273 992
<b>Total contract receivables</b>	<b>17 493 122</b>	<b>14 470 060</b>
Advances from customers	1 898 876	1 798 567
Contract liabilities deferred income	9 929 821	4 733 148
<b>Total contract liabilities</b>	<b>11 828 697</b>	<b>6 531 715</b>
<b>Contract Balances</b>	<b>5 664 425</b>	<b>7 938 345</b>

Total operating revenues have increased by an amount of L.E. 2 548 079 K due to the increase in domestic wholesale revenues by an amount of L.E. 1 756 546 K and international carriers revenues by an amount of L.E. 1 044 970 K and home and personal communications revenues by an amount of L.E. 539 976 K due to the increase in revenues resulting from fixed line and rendering mobile phone service and enterprise revenues by an amount of L.E. 126 366 K however the decrease in international cables and networks revenues by an amount of L.E. 919 779 K led to the limitation of this increase.

\* Reclassification was made to comparative figure as shown in note No.33

**4- OPERATING COSTS**

	<b>For the three months ended :</b>	
	<b>31/3/2026</b>	<b>31/3/2025</b>
	<b><u>L.E. (000)</u></b>	<b><u>Reclassified</u> <u>L.E. (000)</u></b>
Call cost	4 289 641	3 678 832
Depreciation and amortization	3 672 530	3 214 935
Salaries and wages	1 329 467	1 119 600
Company's social insurance contribution	110 691	100 846
Organizations services costs	401 211	322 478
Right of use (IRU) outside Egypt - leased circuits	459 407	528 707
Fuel	352 294	365 374
Maintenance	348 961	321 668
Frequencies and licenses charges (NTRA)	1 033 282	855 100
Other operating cost	699 368	608 664
	<b><u>12 696 852</u></b>	<b><u>11 116 204</u></b>

Operating costs have increased by an amount of L.E. 1 580 648 K mainly due to the following: -

- The increase in Call cost by an amount of L.E. 610 809 K which is mainly due to the increase in cost of international fees by an amount of L.E. 472 267 K.
- The increase in the depreciation and amortization by an amount of L.E 457 595 K due to the additions of the first quarter and the current period.
- The increase in the salaries and wages item by an amount of L.E 209 867 K as a result of the annual increase during the period and frequencies and licenses charges (NTRA) item by an amount of L.E. 178 182 K.

\* Reclassification was made to comparative figure as shown in note No.33

**5- OTHER INCOME**

	<b>For the three months ended :</b>	
	<b>31/3/2026</b>	<b>31/3/2025</b>
	<b><u>L.E. (000)</u></b>	<b><u>L.E. (000)</u></b>
Shared service revenues	516 706	429 938
Right of use the trade mark	373 919	309 736
Unoperational assets incomes	103 454	73 101
Sundry incomes	351 249	153 602
	<b><u>1 345 328</u></b>	<b><u>966 377</u></b>

The increase in other income by an amount of L.E 378 951 K due to the increase in sundry incomes item by an amount of L.E. 197 647 K and shared service revenues item by an amount of L.E. 86 768 K and right of use the trade mark item by an amount of L.E. 64 183 K.

**6- SELLING AND DISTRIBUTING EXPENSES**

	For the three months ended :	
	31/3/2026	31/3/2025
	L.E. (000)	L.E. (000)
Salaries and wages	577 749	501 182
Company's social insurance contribution	44 391	41 940
Advertising and marketing	166 844	247 840
Organizations services costs	405 360	331 822
Commissions of agent and collection organizations	194 235	180 780
Depreciation and Amortization	14 987	15 542
Other selling and distribution expenses	84 329	51 343
	<b>1 487 895</b>	<b>1 370 449</b>

The increase in selling and distribution expenses by an amount of L.E 117 446 K mainly due to the increase in salaries and wages item by an amount of L.E 76 567 K as a result of the annual increase during the period and organizations services costs item by an amount of L.E 73 538 K, however the decrease in advertising and marketing item by an amount of L.E 80 996 K led to the limitation of this increase .

**7- GENERAL AND ADMINISTRATIVE EXPENSES**

	Note No.	For the three months ended	
		31/3/2026	31/3/2025
		L.E. (000)	Reclassified L.E. (000)
Salaries and wages		1 149 755	917 827
Company's social insurance contribution		74 978	65 965
The company's contribution in loyalty and belonging fund	( 12)	62 500	65 000
Takaful contribution expense		52 916	45 554
Information technology industry development authority expense		83 865	73 450
Depreciation and Amortization		31 418	19 165
Tax and duties		35 562	50 197
Organizations services costs and consultants		272 536	144 566
Other general and administrative expenses		82 345	170 956
		<b>1 845 875</b>	<b>1 552 680</b>

- The increase in general and administrative expenses by an amount of L.E 293 195 K mainly due to the increase of salaries and wages item by an amount of L.E 231 928 K due to the annual increase during the period and organizations services costs and consultants item by an amount of L.E. 127 970 K.

\* Reclassification was made to comparative figure as shown in note No.33

**8- OTHER EXPENSES**

	<b>For the three months ended</b>	
	<b>31/3/2026</b>	<b>31/3/2025</b>
	<b>L.E. (000)</b>	<b>L.E. (000)</b>
Provisions	76 906	10 000
Capital losses	5 694	1 998
Donations	90 234	50 513
	<b>172 834</b>	<b>62 511</b>

The increase in other expenses by an amount of L.E. 110 323 K mainly due to the increase of provisions item by an amount of L.E. 66 906 K and donations item by an amount of L.E. 39 721 K.

**9- NET FINANCE COST**

The increase in net finance cost by an amount of L.E. 2 664 261 K during the period is mainly due to the increase in net loss of translation of foreign currencies transactions and balances during the period by an amount of L.E. 3 605 397 K, due to exchange rate fluctuations during March 2026, however the decrease in the debit interest by an amount of L.E. 862 557 K led to the limitation of this increase.

**10- INCOME FROM INVESTMENT IN SUBSIDIARIES AND ASSOCIATES**

	<b>For the three months ended:</b>	
	<b>31/3/2026</b>	<b>31/3/2025</b>
	<b>L.E. (000)</b>	<b>L.E. (000)</b>
WE-Data	5 999 999	3 000 000
Middle East Radio Communication (Merc)	12 206	5 614
The Egyptian Telecommunication Company for information system (Xceed)	312 500	312 500
Centra for Technology company ( Centra )	61 699	61 699
	<b>6 386 404</b>	<b>3 379 813</b>

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

**11- DISCONTINUED OPERATIONS**

On September 30, 2025, the Company's Board of Directors decided to partially dispose of its Regional Data Center (RDH) by transferring the relevant assets to a subsidiary of the Data Center (RDH) as part of the group's restructuring, to achieve this purpose the separate interim statement of income was re-presented to show the discontinued operations in detail as follows:-

**11-1 Results of discontinued operations**

	<u>For the three months ended:</u>	
	<u>31/3/2026</u>	<u>31/3/2025</u>
Revenues	58 727	51 188
Expenses	( 8 718)	( 14 254)
Net profit for the period before tax from discontinued operations	50 009	36 934
Income tax	( 11 252)	( 8 310)
<b>Net profit for the period after tax from discontinued operations</b>	<b>38 757</b>	<b>28 624</b>

**11-2 Cash flows from discontinued operations**

	<u>For the three months ended:</u>	
	<u>31/3/2026</u>	<u>31/3/2025</u>
Net cash provided by operating activities	15 069	44 954
Net cash used in investing activities	( 516 690)	( 116 418)
<b>Cash and cash equivalents at the end of the period</b>	<b>( 501 621)</b>	<b>( 71 464)</b>

The company management excluded the results of discontinued operations that took place before the completion of the restructuring of the assets related to the regional data center hub (RDH)

**12- EMPLOYEE'S BENEFITS**

**End of service benefits (Company's Contribution in Loyalty & Belonging Fund)**

- The employees are granted an end of service benefits through a Loyalty & belonging Fund established in January 2004 which is based on the employees' basic monthly salary in the company.
- 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 62.5 M for the period ended in March 31, 2026 (against an amount of L.E.65 M for the same period of 2025) Note No.7.

**13- BASIC AND DILUTED EARNING PER SHARE FOR THE PERIOD:**

	<u>For the three months ended:</u>	
	<u>31/3/2026</u>	<u>31/3/2025</u>
Net profit for the period from continued operations (LE in thousand)	4 004 760	2 647 267
Net profit for the period from discontinued operations (LE in thousand)	38 757	28 624
<b>Net profit for the period</b>	<b>4 043 517</b>	<b>2 675 891</b>
Number of shares available during the period (share)	1707 071 600	1707 071 600
Basic and diluted earnings per share for the period from continued operations (LE / share)	2.35	1.55
Basic and diluted earnings per share for the period from discontinued operations (LE / share)	0.02	0.02
<b>Basic and diluted earnings per share for the period (LE / share)</b>	<b>2.37</b>	<b>1.57</b>

**14- FIXED ASSETS AND PROJECTS UNDER CONSTRUCTION**

Description	31/3/2026	31/3/2025	31/3/2026	31/3/2025	31/3/2026	31/3/2025	31/12/2025
	Cost	Cost	Accumulated depreciation	Accumulated depreciation	Net	Net	Net
	<u>L.E.(000)</u>	<u>L.E.(000)</u>	<u>L.E.(000)</u>	<u>L.E.(000)</u>	<u>L.E.(000)</u>	<u>L.E.(000)</u>	<u>L.E.(000)</u>
Land	2 397 556	2 397 556	-	-	2 397 556	2 397 556	2 397 556
Buildings & Infrastructure	79 097 378	66 032 697	29 269 245	26 098 646	49 828 133	39 934 051	49 361 883
Centrals & information technologies equipment	72 959 865	62 308 644	33 002 981	27 819 992	39 956 884	34 488 652	38 671 030
Vehicles	630 116	374 985	215 565	172 088	414 551	202 897	426 688
Furniture	741 442	719 209	499 118	472 475	242 324	246 734	233 859
Tools & supplies	348 047	315 324	237 216	219 571	110 831	95 753	144 686
Projects under construction	23 191 675	21 246 917	-	-	23 191 675	21 246 917	24 422 833
<b>Total</b>	<b>179 366 079</b>	<b>153 395 332</b>	<b>63 224 125</b>	<b>54 782 772</b>	<b>116 141 954</b>	<b>98 612 560</b>	<b>115 658 535</b>

- The increase in net carrying value of fixed assets and projects under construction mainly due to the additions during the period by an amount of L.E. 3 587 948 K, however the depreciation of the period by an amount of L.E. 3 065 004 K led to the limitation of this increase.
- The cost of fixed assets as of March 31, 2026 includes an amount of L.E. 16 491 Million fully depreciated fixed assets and still in use. ( against an amount of L.E. 14 086 Million for the same period of 2025).
- Some items of fixed assets and projects under construction have been transferred to assets held for sale Note No. (22)

**15- USUFRUCT ASSETS**

	<u>31/3/2026</u>	<u>31/12/2025</u>
	<u>L.E. (000)</u>	<u>L.E. (000)</u>
<b>Cost</b>		
Usufruct (projects)	3 172 467	3 158 549
Submarine cables (rights of way)	4 437 177	4 437 177
Right of way (local)	757 002	757 003
Land (possession-usufruct)	624 974	624 973
Projects under construction	2 451 910	2 451 273
	<b>11 443 530</b>	<b>11 428 975</b>
<b>Less:</b>		
Accumulated amortization	2 519 500	2 417 766
<b>Net carrying amount of usufruct assets</b>	<b>8 924 030</b>	<b>9 011 209</b>

- The decrease in net carrying value of usufruct assets by an amount of L.E. 87 179 K mainly due to the amortization of the period by an amount of L.E.101 734 K, however the additions during the period by an amount of L.E. 14 555 K which led to the limitation of this decrease.
- Usufruct assets cost includes an amount of L.E 370 Million at March 31, 2026 (against an amount of L.E. 429 Million for the same period of 2025) usufruct assets fully amortized and still in use in operating.

**16- RIGHT OF USE ASSETS AND LIABILITIES (LEASE CONTRACTS)**

**16-1- Right of use assets (lease contracts)**

	<b>31/3/2026</b>	<b>31/12/2025</b>
	<b><u>L.E. (000)</u></b>	<b><u>L.E. (000)</u></b>
<b>Cost of beginning balance</b>	1 847 293	1 711 181
Additions during the period / year	177 450	191 039
Disposals during the period / year	-	( 54 927)
<b>Cost of ending balance</b>	<b><u>2 024 743</u></b>	<b><u>1 847 293</u></b>
<b>Accumulated amortization of beginning balance</b>	1 086 858	870 977
Amortization for the period / year	67 068	235 717
Disposals during the period / year	-	( 19 836)
<b>Accumulated amortization of Ending balance</b>	<b><u>1 153 926</u></b>	<b><u>1 086 858</u></b>
<b>Net carrying amount for right of use assets</b>	<b><u>870 817</u></b>	<b><u>760 435</u></b>

**16-2 Lease Obligations**

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

	<b>31/3/2026</b>	<b>31/12/2025</b>
	<b><u>L.E. (000)</u></b>	<b><u>L.E. (000)</u></b>
Beginning balance of Present value for lease contracts	961 557	1 069 566
Additions	177 450	191 039
Disposals	-	( 48 882)
Payments	( 80 610)	( 391 465)
interest	37 525	141 299
<b>Net present value for lease obligations resulting from lease contracts</b>	<b><u>1 095 922</u></b>	<b><u>961 557</u></b>

**Presented as follows :**

Current Lease obligations	408 797	346 477
<b>Non Current Lease obligations</b>	<b><u>687 125</u></b>	<b><u>615 080</u></b>

- Represented in the assets and liabilities resulting from operating lease contracts.

**17- INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES**

	<u>31/3/2026</u>		<u>31/12/2025</u>	
	<u>Ownership</u> <u>%</u>	<u>Amount</u> <u>L.E. (000)</u>	<u>Ownership</u> <u>%</u>	<u>Amount</u> <u>L.E. (000)</u>
<b>17-1 Investments in subsidiaries</b>				
- Telecom Egypt France (TE France)	100.00	69 220	100.00	69 220
- TE Infraco Limited***	100.00	25 115	100.00	25 115
- WE Data	99.99	252 461	99.99	252 461
- TE Investment Holding	99.99	39 998	99.99	39 998
- Middle East and North Africa Cables	99.00	275 277	99.00	275 277
- TE for sports investments****	98.00	9 996	98.00	9 996
- Egyptian Telecommunication for Information System (Xceed)	97.66	31 250	97.66	31 250
- Centra Technology ( centra )	58.76	14 737	58.76	14 737
- Middle East Radio Communication ( Merc)**	49.00	7 350	49.00	7 350
<b>17-2 Investments in associates</b>				
- Wataneya for Telecommunications	50.00	125	50.00	125
- Vodafone Egypt Telecommunications Company	44.95	5 960 054	44.95	5 960 054
- Egypt Trust	35.71	10 000	35.71	10 000
		<b>6 695 583</b>		<b>6 695 583</b>
<b>Less:</b>				
Impairment loss on investments of subsidiaries and associates*		394		394
		<b>6 695 189</b>		<b>6 695 189</b>

\*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 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 March 31, 2026, is 51%.

**18- INVENTORIES**

	<u>31/3/2026</u> <u>L.E. (000)</u>	<u>31/12/2025</u> <u>L.E. (000)</u>
Spare parts	1 755 907	1 805 748
Material supplies, Merchandise for sale	4 606 818	4 635 468
Others	15 366	18 285
	<b>6 378 091</b>	<b>6 459 501</b>

The value of inventories was written down by an amount of L.E. 152 861 K (against L.E. 152 861 K as at December 31, 2025) for obsolete and slow-moving items directly from the cost of each type of related inventory.

**19- TRADE AND NOTE RECEIVABLES**

	<b>31/3/2026</b>	<b>31/12/2025</b>
	<b><u>L.E. (000)</u></b>	<b><u>L.E. (000)</u></b>
Trade Receivables - Local	6 294 358	5 220 850
Trade Receivables - International	13 858 867	12 070 482
	<b>20 153 225</b>	<b>17 291 332</b>
<b><u>Less:</u></b>		
Expected credit loss	2 936 050	3 095 264
<b><u>Add:</u></b>		
Notes receivables	275 947	273 992
	<b>17 493 122</b>	<b>14 470 060</b>

Trade and note receivables balance has increased by an amount of L.E 3 023 062 K mainly due to the increase in domestic wholesale by an amount of L.E 983 667 K, international cables and networks by an amount of L.E. 1 095 014 K and increase in international carriers by an amount of L.E 693 371 K.

**20- DEBTORS AND OTHER DEBIT BALANCES**

	<b>31/3/2026</b>	<b>31/12/2025</b>
	<b><u>L.E. (000)</u></b>	<b><u>L.E. (000)</u></b>
Suppliers – advanced payments	1 258 103	633 964
Deposites with others	334 100	331 298
Accrued revenues	140 777	136 397
Tax Authority - value added tax	-	795 527
Due from external collection agencies	367 784	283 259
Due from ministries, organizations and companies	2 254 215	1 922 724
Temporary debts due from employees	335 992	1 212 421
Other debit balances	1 057 296	954 901
	<b>5 748 267</b>	<b>6 270 491</b>
<b><u>Less:</u></b>		
Expected credit loss	93 337	93 337
	<b>5 654 930</b>	<b>6 177 154</b>

Debtors and other debit net balances have decreased by an amount of L.E. 522 224 K mainly due to temporary debts due from employees item by an amount of L.E. 876 429 K as a result of employee dividends for the year 2025 and tax authority- value added tax item by an amount of L.E. 795 527 K, however the increase in suppliers-advanced payments item by an amount of L.E. 624 139 K and due from ministries, organizations and companies item by an amount of L.E. 331 491 K, led to the limitation of this decrease.

**21- CASH AND CASH EQUIVALENTS**

	Note	31/3/2026	31/12/2025	31/3/2025
	No.	L.E. (000)	L.E. (000)	L.E. (000)
Banks - time deposits (less than 3 months)		1 994 895	2 291 721	4 489 123
Banks - current accounts		6 355 541	3 837 160	4 646 519
Cash on hand		13 676	1 961	17 469
Financial assets at amortized cost - Treasury bills (less than 3 months)		-	515 174	2 220 138
<b>Cash and cash equivalents</b>		<b>8 364 112</b>	<b>6 646 016</b>	<b>11 373 249</b>
<b>Less:</b>				
Restricted cash and cash equivalents	(30)	716 342	598 038	695 251
<b>Cash and cash equivalents as per statement of cash flows</b>		<b>7 647 770</b>	<b>6 047 978</b>	<b>10 677 998</b>

**22- ASSETS HELD FOR SALE**

	31/3/2026	31/12/2025
	L.E. (000)	L.E. (000)
Net book value of fixed assets and projects under construction	3 289 269	2 449 845

On September,3 2025, the company's Board of Directors decided to partially dispose of its Regional Data Center (RDH) by transferring the relevant assets to the data center subsidiary (RDH) as part of the group's restructuring Accordingly, this part of assets is presented as assets held for sale.

**23- LOANS AND CREDIT FACILITIES**

-The increase in the balance of loans and credit facilities by an amount of L.E 2 354 760 K mainly resulted from fluctuations in foreign currency during March 2026 where loans and credit facilities with local and foreign currencies on March 31, 2026 amounted to L.E. 76 113 556 K (against LE 73 758 796 K at December 31, 2025) with an amount of L.E . 41 085 984 K due within a year.

**24- CREDITORS AND OTHER CREDIT BALANCES**

	<b>31/3/2026</b>	<b>31/12/2025</b>
	<b><u>L.E. (000)</u></b>	<b><u>L.E. (000)</u></b>
Suppliers	4 433 133	5 805 532
Tax Authority (taxes other than income tax)	1 808 212	454 773
Deposits from others	1 269 789	1 239 044
Assets creditors	34 314 804	35 262 006
Dividends creditors	2 560 607	-
Accrued expenses	1 603 747	2 048 022
Public Authority for Social Insurance	105 514	91 351
Trade receivables - credit balances	1 898 876	1 798 567
Credit balances- organizations and companies	1 246 385	970 884
Contract liabilities	19 340 685	13 822 914
National Telecommunication Regulatory Authority (NTRA)	4 315 117	3 612 197
Other credit balances	1 795 444	1 715 529
	<b><u>74 692 313</u></b>	<b><u>66 820 819</u></b>
<b><u>Balances due within more than one year:</u></b>		
Assets creditors	22 871 477	22 768 788
Contract liabilities	9 313 845	8 997 216
<b>Non current creditors and other credit balances</b>	<b><u>32 185 322</u></b>	<b><u>31 766 004</u></b>
<b>Current creditors and other credit balances</b>	<b><u>42 506 991</u></b>	<b><u>35 054 815</u></b>
<b>Total creditors and other credit balances</b>	<b><u>74 692 313</u></b>	<b><u>66 820 819</u></b>

Creditors and other credit balances have increased by an amount of L.E. 7 871 494 K mainly due to the increase in Contract liabilities item by an amount of L.E. 5 517 771 K, Tax authority (taxes other than income tax) item by an amount of L.E. 1 353 439 K and dividends creditors item by an amount of L.E. 2 560 607 K and national telecommunication regulatory authority (NTRA) by an amount of L.E. 702 920 K, however the decrease in suppliers item by an amount of L.E. 1 372 399 K, Asset creditors item by an amount of L.E. 947 202 K and Accrued expenses item by an amount of L.E. 444 275 K let to the limitation of this increase.

**25- PROVISIONS**

	<b>31/3/2026</b>	<b>31/12/2025</b>
	<b><u>L.E. (000)</u></b>	<b><u>L.E. (000)</u></b>
Balance at the beginning of the period / year	751 293	382 270
Charged to statement of income for the period / year	76 906	442 829
Used during the period / year	( 2 086)	( 73 806)
<b>Balance at the end of the period / year</b>	<b><u>826 113</u></b>	<b><u>751 293</u></b>

**26- 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 LE 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.

**27- RESERVES**

	<b>31/3/2026</b>	<b>31/12/2025</b>
	<b>L.E. (000)</b>	<b>L.E. (000)</b>
Legal reserve*	3 683 618	3 397 460
Other reserves	2 816 979	2 816 979
	<b>6 500 597</b>	<b>6 214 439</b>

\*The balance of legal reserve has increased as a result of retaining an amount of L.E. 286 158 K from the profit of 2025 in accordance with the company's articles of association.

**28- INCOME TAX**

**28-1 Items recognized in statement of income**

	<b>For the three months ended:</b>	
	<b>31/3/2026</b>	<b>31/3/2025</b>
	<b>L.E. (000)</b>	<b>L.E. (000)</b>
Current income tax	(1 162 987)	( 330 005)
Deferred tax	602 007	( 84 007)
	<b>( 560 980)</b>	<b>( 414 012)</b>

**28-2 Items recognized in statement of comprehensive income**

	<b>For the three months ended :</b>	
	<b>31/3/2026</b>	<b>31/3/2025</b>
	<b>L.E. (000)</b>	<b>L.E. (000)</b>
Income tax	283 554	-
Deferred tax	( 283 554)	-
	<b>-</b>	<b>-</b>

**28-3 Recognized deferred tax assets and liabilities.**

	<b>31/3/2026</b>		<b>31/12/2025</b>	
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
	<b>L.E.(000)</b>	<b>L.E.(000)</b>	<b>L.E.(000)</b>	<b>L.E.(000)</b>
Total deferred tax asset / (liability)	5 263 912	(2 389 918)	4 955 376	(2 399 835)
Net deferred tax assets	2 873 994	-	2 555 541	-
Deferred tax charged to the statement of income for the period / year	602 007	-	-	(1 271 731)
Deferred tax charged to the statement of comprehensive income for the period / year	-	( 283 554)	-	(1 260 323)

**28-4 Unrecognized deferred tax assets**

	<b>31/3/2026</b>	<b>31/12/2025</b>
	<b><u>L.E. (000)</u></b>	<b><u>L.E. (000)</u></b>
Unrecognized deferred tax assets	<b><u>687 165</u></b>	<b><u>722 376</u></b>

Deferred tax assets have not been recognized for temporary differences due to uncertainty of utilization of their benefits in the foreseeable future.

**28-5 Current income tax**

	<b>31/3/2026</b>	<b>31/12/2025</b>
	<b><u>L.E. (000)</u></b>	<b><u>L.E. (000)</u></b>
Tax Authority - income tax	( 205 438)	-
<b>Less:</b>		
Advanced payments	1 197 947	1 514 030
Withholding tax	6 974	6 775
	<b><u>999 483</u></b>	<b><u>1 520 805</u></b>

Represented in the balance due from/to the Egyptian Tax Authority for income taxes on the profits of corporate companies.

**29- CAPITAL COMMITMENTS**

The company's capital commitments for the unexecuted parts of contracts until March 31, 2026, amounted to L.E. 2 379 million (against L.E. 3 738 million at the year ended December 31, 2025).

**30- CONTINGENT LIABILITIES**

In addition to the amounts included in the condensed separate interim statement of financial position, the company has the following contingent liabilities as at March 31, 2026:

	<b>31/3/2026</b>	<b>31/12/2025</b>
	<b><u>LE (000)</u></b>	<b><u>LE (000)</u></b>
- Letters of guarantee issued by banks on behalf of the company	3 414 830	3 417 871

-  
\*Letters of guarantee which were issued by banks on behalf of the company and for others on March 31, 2026 including letters of guarantee issued in exchange for cash cover (restricted cash and equivalent held by banks) (Note No.21).

### **31-TAX POSITION**

#### **31-1 Corporate tax**

- Tax inspection was performed for the years till December 31, 2018 and all due taxes and fines were settled for those years and Fines according to law No. 153 of 2022 were settled to avoid the fine which accrued for those years
- Tax inspection was performed for the years from January 1, 2019 till December 31, 2023 and all due taxes and fines were settled for those years and Fines are being settled.
- Tax inspection for year 2024 is performing.
- Tax inspection for year 2025 have not been done to date.
- Tax returns 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.

#### **31- 2 Value Added Tax \ Sales Tax**

- Tax inspection for the years till December 31, 2023 was performed and the tax differences were settled for those years except the additional tax for the years from 2018 till 2023.
- Tax inspection for year 2024/2025 have not been done to date.
- 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.

#### **31- 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 were settled.
- Tax inspection for the year 2015 till 2022 has been performed and all due taxes were settled and Fines are being settled.
- Years from 2023 till 2025, 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.

#### **31- 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.
- Stamp duty development was inspected for year 2020/2021 and the inspection didn't reveal any due differences.
- Tax inspection for years 2022 till 2025 have not been done to date.

#### **31- 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 these due dates.

Notes to the Condensed Separate Interim Financial Statements  
For The Three Months Ended March 31, 2026 (continued)

Translation from Arabic

32- 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 period and the balances shown in the separate financial statements date:  
32-1 Transactions with subsidiaries:

Debit balances due from subsidiaries	Nature of transaction during the period	Amount of transactions during the period stated in the income statement		Movement during the period		Balance as of	
		Debit	Credit	Debit	Credit	31/3/2026	31/12/2025
		L.E. 000	L.E. 000	L.E. 000	L.E. 000	(Credit) / Debit	(Credit) / Debit
						L.E. 000	L.E. 000
- TE Infnico Limited	Payments on behalf of the company	-	900	-	-	7 117	6 217
- Middle East Radio Communication (MERC)	Participation circuits contract	1 326	-	1 513	1 510	1 046	1 043
- Middle East Radio Communication (MERC)	Participation circuits contract	-	10 985	-	-	10 985	-
- RDH Egypt	Payments on behalf of the company	15	-	-	-	45	30
- TE Sport	lease of club land	22 470	-	22 470	-	173 880	151 410
- TE Sport	Payments on behalf of the company	-	139	-	-	198 600	198 461
- TE Sport	Leased sites for subsidiary company	5	-	5	-	97	92
- Egyptian Telecommunication Company for Information Systems	Services rendered from subsidiary company	427 979	-	22 614	-	372 577	349 963
- Egyptian Telecommunication Company for Information Systems	Lease of subsidiary company premises, electricity claims, maintenance and leased circuits and sale of fixed assets	43 775	-	1 945 227	1 980 742	( 3 869)	( 3 354)
- Egyptian Telecommunication Company for Information Systems	Rendered services to subsidiary company	-	5 783 674	44 129	40 511	5 667	2 049
- Egyptian Telecommunication Company for Information Systems	The company share of 2025 dividends	-	281 250	281 250	-	32 618	( 30 220)
- Egyptian Telecommunication Company for Information Systems		-	8 054 280	8 054 280	7 743 809	280 666	( 31 525)
<b>Total of debit balances due from subsidiaries</b>			<b>8 090 307</b>	<b>7 743 809</b>	<b>672 436</b>	<b>370 798</b>	<b>370 798</b>
<b>Credit balances due to subsidiaries and associates</b>							
- WE Data	Participation contract and Purchasing of fixed assets and services rendered from subsidiaries company	163 701	65 965	11 441 089	13 621 146	( 1 666 070)	( 59 098)
- WE Data	Leased circuits and information transfer network rendered to subsidiaries.	5 167 058	2 246 155	890 626	2 784 073	1 609 641	3 784 778
- WE Data	Royalties and shared services	-	18 251 928	-	18 214 682	( 18 272 123)	47 279
- WE Data	Payments on behalf of the company	-	3 309 999	-	37 385 734	34 792 028	( 18 289 373)
- WE Data	The company share of 2025 dividends	-	37 385 734	-	-	( 11 923 518)	( 14 517 224)
- Centra for Technologies	Maintenance & supplying devices	46 790	-	338 911	53 415	( 688 297)	( 973 793)
- Centra for Technologies	The company share of 2025 dividends	-	55 570	-	-	55 570	-
- Centra for Technologies		-	394 441	-	53 415	( 632 767)	( 973 793)
- Centra for Electronic Industries	Maintenance & supplying devices	6 869	-	17 446	7 840	( 14 636)	( 24 252)
- TE investment Holding	Rendered services from subsidiary company	44 141	100 714	100 714	105 829	( 116 270)	( 111 155)
- TE investment Holding	Leased sites for subsidiary company	7	10	-	-	24	14
- TE investment Holding		-	100 724	-	-	( 116 246)	( 111 141)
- TE Data Jordan	Participation contract	167 252	170 986	170 986	175 227	( 24 695)	( 20 454)
- TE Data Jordan	Leased international circuits	295	50	-	-	224	174
- TE Data Jordan		-	171 036	-	-	( 24 471)	( 20 280)
- TE Globe	Maintenance & supplying devices	8 683	83 672	83 672	110 621	( 13 404)	13 545
- TE Globe	Telecommunications cost	73 738	-	-	-	-	-
- TE France	Participation contract	34 488	26 113	26 113	68 052	( 309 891)	( 267 952)
- Mena Cable	Leased sites for subsidiary company	-	-	-	-	8	8
- Mena Cable	Purchasing of intangible assets from subsidiary company	-	-	-	-	( 2 671)	( 2 671)
- Mena Cable	Payments on behalf of the company	-	-	-	-	978	978
- Mena Cable	Maintenance - Rendered services from subsidiary company	5 156	9 385	9 385	24 687	( 158 647)	( 143 345)
- Mena Cable	Paid of expenses on behalf of parent company	4 032	-	-	5 508	( 15 866)	( 10 358)
- Mena Cable	Maintenance - Rendered services to subsidiary company	3 934	6 759	6 759	-	21 852	15 093
- Mena Cable	Transfer of EISCC debt to the company	-	56 781	-	136 613	( 630 048)	( 550 216)
- Mena Cable		-	72 925	-	166 808	( 784 394)	( 690 511)
- Vodafone Egypt Telecommunications Company	Outgoing calls and voice services for associate company	1 912 979	10 165 975	10 165 975	7 587 146	( 1 965 167)	( 4 543 996)
- Vodafone Egypt Telecommunications Company	Incoming international calls, claims, transmissions, lease of locations and towers for the associate company	2 694 030	48 418 066	48 418 066	43 066 956	( 15 784 494)	( 21 180 674)

\*The amount of the transactions during the period which recorded in income statement doesn't include VAT.

### **32-2 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 different governmental entities, including revenues, costs, and other expenses, transactions related to taxes, social insurance and customs.

### **32-3 Transactions with the Board of directors**

On March 26, 2026, The Company's ordinary general assembly decided to approve the disbursement of an amount of L.E 20 405 K to the members of the board of directors as a reward for the fiscal year ended in December 31, 2025, in addition to attending board sessions allowances stipulated in the ordinary general assembly of the company (against L.E. 18 550 K at the year ended December 31, 2025).

### **33- COMPARATIVE FIGURES**

- Reclassification was made to some of the comparative figures of the separate statement of statement of profit or loss, to conform to the current presentation of the separate financial statements.

#### **Effect on the separate Statement of profit or loss**

	<u>31/3/2025</u>		<u>31/3/2025</u>
	<u>as previously</u>	<u>Reclassification</u>	<u>Reclassified</u>
	<u>reported</u>		
	<u>debit / (credit)</u>	<u>debit / (credit)</u>	<u>debit / (credit)</u>
	<u>L.E.(000)</u>	<u>L.E.(000)</u>	<u>L.E.(000)</u>
Operating revenues	(17 117 828)	51 188	(17 066 640)
Operating costs	11 130 330	( 14 126)	11 116 204
General and administrative expenses	1 552 808	( 128)	1 552 680
Income tax	422 322	( 8 310)	414 012
Net profit for the period from continued operations	(2 675 891)	28 624	(2 647 267)
Net profit for the period from discontinued operations	-	( 28 624)	( 28 624)

### **34- SIGNIFICANT EVENTS**

#### **Ramses Central Fire Accident**

On July 7, 2025, a fire broke out in an equipment room of the company's Ramses Central building, The building is one of the main hubs of Egypt's telecommunications infrastructure, connecting several ground fiber optic cables to provide internet, landline, and mobile phone services locally and internationally.

The fire resulted in partial damage to a number of fixed assets on site, including part of the building, some equipment, and furniture. Which led to disruption of telecommunications services in some areas.

The cost of the disposed assets amounted to L.E. 2 343 107 K and the capital losses amounted to L.E. 1 483 568 K, and an amount of L.E. 200 million was received from the compensation account by the company Insurance on year 2025 and The claim procedures for the remaining compensation are being completed in accordance with the available insurance coverage, pending the completion of the investigations.