

**TELECOM EGYPT COMPANY
AND ITS SUBSIDIARIES**

INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION PREPARED
IN ACCORDANCE WITH IFRS ACCOUNTING
STANDARDS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Page(s)
Report on review of interim condensed consolidated financial information	1 - 2
Interim consolidated statement of financial position	3
Interim consolidated statement of profit or loss and other comprehensive income	4
Interim consolidated statement of changes in equity	5
Interim consolidated statement of cash flows	6
Notes to the interim condensed consolidated financial information	7 - 17

Report on Review of the Interim Condensed Consolidated Financial Information To the Shareholders of Telecom Egypt Company

Introduction

We have reviewed the accompanying interim consolidated statement of financial position of Telecom Egypt Company (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as at September 30, 2024, and the related interim consolidated statement of profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and the related interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the nine-month period then ended, and explanatory notes.

Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

Except as explained in the *Basis for Qualified Conclusion* section of our report, we conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International 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.

Basis for Qualified Conclusion

Investment in associate (Vodafone Egypt Telecommunications Company S.A.E.)

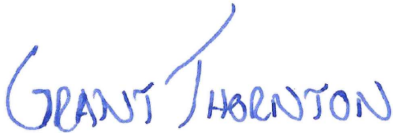
As disclosed in Note 7 to the interim condensed consolidated financial information, the Group’s investment in Vodafone Egypt Telecommunications Company S.A.E. (the “Associate”) is carried at EGP 14,884,411 thousand on the interim consolidated statement of financial position as at December 31, 2023 and EGP 16,322,411 thousand as at September 30, 2024. The Group’s share of profit of the Associate of EGP 3,183,057 thousand and EGP 4,910,323 thousand is also included in the net profit or loss for the nine-month periods ended September 30, 2023 and September 30, 2024, respectively, which was accounted for using the equity method in accordance with IAS 28 Investments in Associates and Joint Ventures. We were not granted access to the Associate, and accordingly, we were unable to perform any related review procedures. Consequently, we were not able to identify if any adjustments, related to the share of results of the associate were necessary to be made in the interim consolidated statement of comprehensive income and profit or loss and the related investment in associates included in the interim consolidated statement of financial position. Given the consolidated statement of comprehensive income and profit or loss included the share of profit from such associate therefore our review report for September 30, 2023 and audit report on the consolidated financial statements of the Group for the year ended December 31, 2023 was also modified in respect of this matter.

**Report on Review of the Interim Condensed Consolidated Financial Information
To the Shareholders of Telecom Egypt Company (continued)****Qualified Conclusion**

Except for the adjustments to the interim condensed consolidated financial information that we might have become aware of had it not been for the matter described in the *Basis for Qualified Conclusion* section of our report, based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34.

Other Matter

The Group has also prepared interim condensed consolidated financial information as at and for the nine-month period ended September 30, 2024 in accordance with Egyptian Accounting Standards, which was reviewed by another auditor who expressed a modified conclusion on those financial information on November 14, 2024 due to their inability to obtain reviewed or audited accounts of an investment in associate.

**GRANT THORNTON UAE****Dr. Osama El Bakry
Registration No. 935
Dubai, United Arab Emirates****February 12, 2025**

Telecom Egypt Company and its subsidiaries
Interim consolidated statement of financial position
As at September 30, 2024

(Amounts in thousands of Egyptian Pound)	Notes	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
ASSETS			
Non-current assets			
Property and equipment	5	84,718,260	72,740,380
Intangible assets	6	24,419,863	20,147,741
Investments in associates	7	16,381,009	14,938,030
Right-of-use-assets		1,234,012	766,704
Financial assets at FVOCI		83,442	83,442
Trade and other receivables	8	1,629,640	932,725
Total non-current assets		128,466,226	109,609,022
Current assets			
Trade and other receivables	8	26,578,630	15,818,435
Inventories		7,404,280	5,080,871
Current income tax		368,624	890,660
Cash and bank balances	10	10,055,251	10,977,982
Total current assets		44,406,785	32,767,948
TOTAL ASSETS		172,873,011	142,376,970
EQUITY AND LIABILITIES			
Equity			
Share capital		17,070,716	17,070,716
Reserves		7,879,564	6,719,676
Retained earnings		1,515,122	16,857,463
Equity attributable to Owners of the Parent		26,465,402	40,647,855
Non-controlling interests		19,079	16,439
Total equity		26,484,481	40,664,294
Non-current liabilities			
Loans and borrowings	12	34,022,753	19,725,744
Trade payables	13	12,818,550	9,975,035
Deferred income	14	6,659,298	3,918,587
Lease liabilities		1,069,802	809,090
Deferred tax liabilities		1,092,287	3,415,774
Total non-current liabilities		55,662,690	37,844,230
Current liabilities			
Loans and borrowings	12	47,502,545	29,616,014
Trade and other payables	13	35,653,236	29,835,275
Deferred income	14	4,662,753	1,733,723
Amount due to an associate	9	1,339,430	1,083,772
Provisions		1,143,166	1,426,365
Lease liabilities		424,710	173,297
Total current liabilities		90,725,840	63,868,446
Total liabilities		146,388,530	101,712,676
TOTAL EQUITY AND LIABILITIES		172,873,011	142,376,970

The attached notes on pages from 7 to 17 from an integral part of this interim condensed consolidated financial information.



Ehab Abdo
Director of Financial Affairs



Wael Hanafy
Chief Financial Officer



Mohamed Nasr
Managing Director and
Chief Executive Officer



Maged Osman
Chairman

Board of Directors' approval

Telecom Egypt Company and its subsidiaries
Interim consolidated statement of profit or loss and other comprehensive income
For the period ended September 30, 2024

(Amounts in thousands of Egyptian Pound)	Notes	Nine-month period ended		Three-month period ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	15	58,430,639	41,958,241	20,477,692	13,822,581
Cost of revenue	16	(35,431,957)	(24,592,307)	(12,708,269)	(8,246,932)
Gross profit		22,998,682	17,365,934	7,769,423	5,575,649
Selling and marketing expenses	17	(4,358,900)	(3,539,808)	(1,416,328)	(1,192,067)
Administrative expenses	18	(5,744,085)	(4,244,888)	(2,086,239)	(1,484,553)
Allowance for expected credit losses		(479,984)	(188,477)	(28,469)	(87,133)
Other operating income		503,191	377,865	200,830	167,500
Other operating (expenses)/ income, net	19	(7,638,814)	(3,784,826)	(1,016,226)	256,352
Operating profit		5,280,090	5,985,800	3,422,991	3,235,748
Finance income		462,607	524,175	136,452	153,103
Finance costs		(25,250,944)	(9,196,532)	(3,404,720)	(1,395,147)
Net finance cost		(24,788,337)	(8,672,357)	(3,268,268)	(1,242,044)
Other non-operating income		1,695,725	1,197,402	101,747	10,275
Share of profit of associates		4,936,551	3,211,183	2,229,123	1,383,588
(LOSS)/PROFIT BEFORE TAX		(12,875,971)	1,722,028	2,485,593	3,387,567
Income tax		396,718	(1,267,121)	(202,717)	(864,706)
NET (LOSS)/PROFIT FOR THE PERIOD		(12,479,253)	454,907	2,282,876	2,522,861
Other comprehensive income					
<i>Item that may be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of foreign operations		865,693	282,467	77,068	(18,203)
Total other comprehensive income/(loss)		865,693	282,467	77,068	(18,203)
Total comprehensive (loss)/income for the period		(11,613,560)	737,374	2,359,944	2,504,658
Net (loss)/profit attributable to:					
Owners of the Parent		(12,487,539)	450,592	2,277,819	2,522,000
Non-controlling interests		8,286	4,315	5,057	861
Net (loss)/profit for the period		(12,479,253)	454,907	2,282,876	2,522,861
Total comprehensive (loss)/income attributable to:					
Owners of the Parent		(11,621,846)	733,059	2,354,887	2,503,797
Non-controlling interests		8,286	4,315	5,057	861
Total comprehensive (loss)/income for the period		(11,613,560)	737,374	2,359,944	2,504,658
Earnings per share (EGP):					
Basic earnings per share (EGP)		(7.31)	0.26	1.34	1.48
Diluted earnings per share (EGP)		(7.31)	0.26	1.34	1.48

The attached notes on pages from 7 to 17 from an integral part of this interim condensed consolidated financial information.

Telecom Egypt Company and its subsidiaries
Interim consolidated statement of changes in equity
For the period ended September 30, 2024

(Amounts in thousands of Egyptian Pound)

	Attributable to Owners of the Parent					Total	Non-controlling interests	Total equity
	Share capital	Legal reserve	Translation reserve	Other reserve	Retained earnings			
Balances as at January 1, 2023 (Audited)	17,070,716	2,938,918	402,277	2,747,525	16,930,126	40,089,562	14,064	40,103,626
Net profit for the period	-	-	-	-	450,592	450,592	4,315	454,907
Other comprehensive income	-	-	282,467	-	-	282,467	-	282,467
Total comprehensive income for the period	-	-	282,467	-	450,592	733,059	4,315	737,374
Transfer to legal reserve	-	307,076	-	-	(307,076)	-	-	-
Dividends (Note 11)	-	-	-	-	(2,133,840)	(2,133,840)	(3,792)	(2,137,632)
Balance as at September 30, 2023 (Unaudited)	17,070,716	3,245,994	684,744	2,747,525	14,939,802	38,688,781	14,587	38,703,368
Balance as at January 1, 2024 (Audited)	17,070,716	3,258,135	707,362	2,754,179	16,857,463	40,647,855	16,439	40,664,294
Net loss for the period	-	-	-	-	(12,487,539)	(12,487,539)	8,286	(12,479,253)
Other comprehensive income	-	-	865,693	-	-	865,693	-	865,693
Total comprehensive loss for the period	-	-	865,693	-	(12,487,539)	(11,621,846)	8,286	(11,613,560)
Transfer to legal reserve	-	294,195	-	-	(294,195)	-	-	-
Dividends (Note 11)	-	-	-	-	(2,560,607)	(2,560,607)	(5,646)	(2,566,253)
Balance as at September 30, 2024 (Unaudited)	17,070,716	3,552,330	1,573,055	2,754,179	1,515,122	26,465,402	19,079	26,484,481

The attached notes on pages from 7 to 17 from an integral part of this interim condensed consolidated financial information.

Telecom Egypt Company and its subsidiaries
Interim consolidated statement of cash flows
For the period ended September 30, 2024

(Amounts in thousands of Egyptian Pound)		Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
	Notes	(Unaudited)	(Unaudited)
Operating activities			
(Loss)/profit for the period before tax		(12,875,971)	1,722,028
<i>Adjustments for:</i>			
Depreciation of property and equipment	5	7,686,511	5,383,871
Depreciation of right-of-use assets		284,980	220,881
Amortisation of intangible assets	6	1,362,543	1,269,030
Share of profit of associates		(4,936,551)	(3,211,183)
Allowance for expected credit losses		479,984	188,477
Provision for inventories		(120)	(126,848)
Provisions		143,578	182,915
Loss on disposal of property and equipment		-	13,325
Net foreign exchange differences		278,202	339,738
Dividend income		(16,523)	(5,899)
Finance costs		25,250,944	9,196,532
Finance income		(462,607)	(524,175)
		17,194,970	14,648,692
<i>Working capital changes:</i>			
Trade and other receivables		(6,734,124)	(2,946,435)
Inventories		(2,323,289)	(567,336)
Trade and other payables		8,969,867	2,712,531
Provisions		(426,777)	(159,714)
Amount due to an associate		255,658	(472,890)
Deferred income		5,669,741	1,597,839
Restricted bank balances		(153,087)	(12,917)
Cash from operations		22,452,959	14,799,770
Income tax paid		(411,764)	(494,480)
Net cash flows from operating activities		22,041,195	14,305,290
Investing activities			
Purchase of property and equipment		(23,923,123)	(15,572,343)
Purchase of intangible assets		(6,186,350)	(2,812,797)
Proceeds from disposal of property and equipment and intangible assets		113	295
Proceeds from disposal of treasury bills		70,679	96,623
Interest received		261,543	299,269
Payment for investment in associate		(3,750)	-
Dividends received from associate		3,129,320	1,901,523
Net cash flows used in investing activities		(26,651,568)	(16,087,430)
Financing activities			
Proceeds of loans and borrowings		11,314,435	-
Payments of loans and borrowings		(3,659,158)	(3,322,444)
Net proceeds from credit facilities		5,605,013	14,065,955
Interest paid		(7,022,182)	(2,937,148)
Payments of lease liabilities		(385,537)	(297,807)
Dividends paid to Owners of the Parent		(2,560,607)	(2,133,840)
Dividends paid to non-controlling interests		(5,646)	(3,792)
Net cash flows from financing activities		3,286,318	5,370,924
Net change in cash and cash equivalents		(1,324,055)	3,588,784
Cash and cash equivalents at January 1,		10,442,683	6,751,791
Net foreign exchange difference		248,237	98,298
Cash and cash equivalents at September 30,	10	9,366,865	10,438,873

The attached notes on pages from 7 to 17 from an integral part of this interim condensed consolidated financial information.

Telecom Egypt Company and its subsidiaries

Notes to the interim condensed consolidated financial information

For the period ended September 30, 2024

1 General Information

Telecom Egypt Company (the “Company” or the “Parent”) 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 and is registered in the Commercial Register under number 3930, Cairo, Egypt.

The registered office of the Company is 26 Ramses Street, Cairo, Egypt.

As at September 30, 2024, 70% of the Company’s shares are held by the Government of Egypt (2023: 70%) and the remaining 30% are listed on the Egypt Stock Exchange (“Egyptian Exchange”) (2023: 30%). In addition, the Company’s global depository receipts are listed on the London Stock Exchange (each consisting of five ordinary shares).

The main business operations of the Company in accordance with its trade license include the following:

- Owning, setting up, operating, maintaining and developing telecommunication networks and infrastructure necessary for communication services for the purpose of using, managing, and leasing them to others as part of the Company’s operations.
- Providing, managing, and leasing to others voice, video and data transmission telecommunication as part of the Company’s operations.
- Participating and contributing to global communication systems, such as submarine cables and satellites, and obtaining capacities or circuits for using, managing and leasing them to others as part of the Company’s operations.
- Dealing, contracting and participating with authorities, agencies, companies, organisations or any other entity exercising activities similar or identical to those of the Company or assists the Company to achieve its purpose either in the Arab Republic of Egypt or abroad.
- Managing, selling, leasing, purchasing, possessing, and trading in any property and rights to or benefit in any property, including property that could be acquired or owned by the Company.
- Selling, purchasing and distributing fixed line sets, mobile phones and computers, and their peripherals, accessories and supplies, and complementary devices and necessary spare parts and providing related maintenance works.
- Setting up voice, video and written data transmission networks and providing value-added, content, marketing, electronic signature, and online money transfer services.
- Engaging in real estate investment for serving the Company’s purpose and executing its projects.

The interim condensed consolidated financial information of the Group for the nine-month period ended September 30, 2024 comprise the financial information of the Company and its subsidiaries (together referred to as the “Group”). The Group also holds interests in associates. Information on the Group’s structure is provided in the annual consolidated financial statements of the Group as at and for the year ended December 31, 2023, which remains unchanged.

The Group has also prepared interim condensed consolidated financial information in accordance with Egyptian Accounting Standards for the nine-month period ended September 30, 2024, which do not constitute part of this interim condensed consolidated financial information and were issued on November 13, 2024 and published on the Egyptian Exchange.

Telecom Egypt Company and its subsidiaries
Notes to the interim condensed consolidated financial information (continued)
For the period ended September 30, 2024

2 Basis of preparation and changes to material accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial information for the nine-month period ended September 30, 2024 has been prepared in accordance with International Accounting Standard 34: *Interim Financial Reporting* (IAS 34).

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2023. In addition, the results for the nine-month period ended September 30, 2024 are not indicative of the results that may be expected for the financial year ended December 31, 2024.

2.2 Functional and presentation currency

This interim condensed consolidated financial information is presented in Egyptian Pounds ("EGP"), which is also the Parent's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

2.3 Significant accounting estimates and judgments

The preparation of the interim condensed consolidated financial information in conformity with IAS 34, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the preparation of the consolidated financial statements of the Group as at and for the year ended December 31, 2023.

2.4 Fair value measurement

All financial assets and liabilities are stated at amortized cost in this interim condensed consolidated financial information, except for financial assets at FVOCI, which have been carried at fair value using Level 3 category of fair value measurement.

3 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2023, except for the adoption of new standards effective as of January 1, 2024, where appropriate. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments listed below apply for the first time in 2024, but do not have a significant on the interim condensed consolidated financial information of the Group.

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1);
- Non-current Liabilities with Covenants (Amendments to IAS 1);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7); and
- Lack of Exchangeability (Amendments to IAS 21).

Telecom Egypt Company and its subsidiaries
Notes to the interim condensed consolidated financial information (continued)
For the period ended September 30, 2024

(Amounts in thousands of Egyptian Pound)

4 Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements of the Group as at and for the year ended December 31, 2023.

5 Property and equipment

During the period ended September 30, 2024, the Group acquired property and equipment amounting to EGP 19,293,365 (2023: EGP 12,329,369).

Depreciation charge on property and equipment for the period ended September 30, 2024 amounted to EGP 7,686,511 (2023: EGP 5,383,872).

6 Intangible assets

During the period ended September 30, 2024, the Group acquired intangible assets amounting to EGP 5,974,038 (2023: EGP 1,618,821).

Amortisation charge on intangible assets for the period ended September 30, 2024 amounted to EGP 1,362,543 (2023: EGP 1,269,030).

7 Investments in associates

The Group has the following investments in associates:

	Ownership		Carrying amount	
	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Vodafone Egypt Telecommunication Company S.A.E	44.95%	44.95%	16,322,411	14,884,411
Egypt Trust	35.71%	35.71%	53,598	52,369
New matrix for technology	25.50%	25.50%	5,000	1,250
Wataneya for Telecommunication*	50.00%	50.00%	-	-
			16,381,009	14,938,030

*Investment in Wataneya for Telecommunication amounting to EGP 0.125 million is fully reduced against the Group's share in the losses of the associate.

Vodafone Egypt Telecommunications Company S.A.E.

The investment in Vodafone Egypt represents the ownership of 107,869,799 shares as at September 30, 2024 and December 31, 2023. The movement in the investment for the period/year is as follows:

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
As at January 1,	14,884,411	12,181,727
Share of net profit and total comprehensive income	4,910,323	4,810,094
Dividends received	(3,472,323)	(2,107,410)
	16,322,411	14,884,411

Vodafone Egypt Telecommunications Company S.A.E. is engaged in the telecommunication and related activities in Egypt and is a subsidiary of Vodafone Group PLC listed on London stock Exchange.

Telecom Egypt Company and its subsidiaries
Notes to the interim condensed consolidated financial information (continued)
For the period ended September 30, 2024

(Amounts in thousands of Egyptian Pound)

8 Trade and other receivables

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Trade receivables – local, net	5,104,613	3,548,109
Trade receivables – foreign, net	11,202,472	6,408,692
Notes receivable	384,144	260,918
Trade and notes receivable, net	16,691,229	10,217,719
Due from ministries, organisations, companies and franchises	2,940,029	1,393,255
Advance payments to suppliers	2,639,012	1,337,152
Value added taxes	1,210,341	1,414,405
Deposits with others	346,847	324,409
Other receivables	4,380,812	2,064,220
Other receivables	11,517,041	6,533,441
	28,208,270	16,751,160
Non-current (advances to suppliers)	1,629,640	932,725
Current	26,578,630	15,818,435
	28,208,270	16,751,160

9 Related parties

Identity of related parties

The Group's related parties include its associate, Vodafone Egypt Telecommunications Company S.A.E. the Government of Egypt, and key management personnel.

Transactions and balances with Vodafone Egypt Telecommunications Company S.A.E.

During the period ended September 30, 2024, the Group incurred cost of revenue of EGP 3,993 million (2023: EGP 2,500 million) in relation to receipt of telecommunications and related services from the associate.

The Group earned revenue of EGP 4,056 million from telecommunication and related services provided to the associate during the period ended September 30, 2024 (2023: EGP 3,589 million).

The balance due to Vodafone Egypt Telecommunications Company S.A.E. at September 30, 2024 is EGP 1,339 million (2023: EGP 1,084 million).

The related party balance is unsecured, and settlement occurs in cash. There are no guarantees given or received for such balance. Transactions with the associate are made no terms agreed between the Group and the associate based on contractual agreements.

Dividends received from the associate is disclosed in Note 7.

Transactions and balances with the Government of Egypt

As disclosed in Note 1, the Company is 70% owned by the Government of Egypt (2023: 70%). The Group, in the normal course of business, provides goods and services to Governmental bodies and earns revenue from such transactions.

Telecom Egypt Company and its subsidiaries
Notes to the interim condensed consolidated financial information (continued)
For the period ended September 30, 2024

(Amounts in thousands of Egyptian Pound)

9 Related parties (continued)

Transactions and balances with the Government of Egypt (continued)

Other transactions and balances with the Governmental bodies, including but not limited to those related to taxes, are disclosed in the relevant notes in this interim condensed consolidated financial information.

Key management compensation

During the nine-month periods ended September 30, 2024 and September 30, 2023, the Group incurred salaries, allowances and other benefits to its key management personal, and included these expenses within salaries and wages in the interim consolidated statement of profit or loss and other comprehensive income.

10 Cash and cash equivalents

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Bank balances - current accounts	6,225,621	2,364,485
Bank balances - time deposits	3,665,455	8,465,974
Money market funds	148,154	142,885
Cash in hand	16,021	4,638
Cash and cash balances	10,055,251	10,977,982
Less: restricted bank balances*	(688,386)	(535,299)
Cash and cash equivalents	9,366,865	10,442,683

Treasury Bills, time deposits and Money Market Funds have an initial maturity of less than 3 months and carry interest rates as follows:

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
EGP	4.5% to 24%	7% to 20.3%
USD	SOFR plus 1%	LIBOR plus (1.5 to 2.0%)

*Restricted bank balances are withheld with the Group's bankers under the specific instructions of multiple government departments and agencies, against claimed taxes, duties, fees and other charges payable by the Group in the normal course of business. These bank balances would be released for subsequent use after settlement of the respective outstanding dues by the Group.

11 Dividends

Dividends of EGP 1.50 per share amounting to EGP 2,560,607 thousand were declared by the Company during the period ended September 30, 2024 (2023: EGP 1.25 per share amounting to EGP 2,133,840 thousand).

Telecom Egypt Company and its subsidiaries
Notes to the interim condensed consolidated financial information (continued)
For the period ended September 30, 2024

(Amounts in thousands of Egyptian Pound)

12 Loans and borrowings

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Non-current liabilities		
Foreign loans	29,944,765	17,029,314
Local facilities – foreign currencies	4,077,988	2,696,430
	34,022,753	19,725,744
Current liabilities		
Local facilities – local currencies	30,672,083	16,725,122
Foreign loans	10,469,519	3,712,171
Local facilities – foreign currencies	6,356,675	9,176,028
Supplier facilities	4,268	2,693
	47,502,545	29,616,014

13 Trade and other payables

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Trade payables	34,098,795	28,178,862
Notes payable	45,416	36,507
Trade payables and notes payables	34,144,211	28,215,369
Due to National Telecommunication Regulatory Authority (NTRA)	3,911,598	3,241,808
Advances from customers	2,180,487	1,727,029
Other taxes payable	1,569,429	2,224,566
Accrued finance cost	990,753	422,217
Deposits from others	970,015	816,853
Accrued expenses	783,524	1,122,920
Other credit balances	3,921,769	2,039,548
Other payables	14,327,575	11,594,941
Total trade and other payables	48,471,786	39,810,310
Non-current portion (trade payables)	12,818,550	9,975,035
Current portion	35,653,236	29,835,275
Total trade and other payables	48,471,786	39,810,310

Telecom Egypt Company and its subsidiaries
Notes to the interim condensed consolidated financial information (continued)
For the period ended September 30, 2024

(Amounts in thousands of Egyptian Pound)

14 Deferred income

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Contract liabilities – access services	5,904,001	3,538,842
Transmission services	1,901,391	292,951
Operating services and maintenance	1,543,502	438,902
Internet and telecommunications services	1,106,426	769,502
Mobile services	812,258	557,639
Customers compensations	54,473	54,474
Total deferred income	11,322,051	5,652,310
Non-current portion	6,659,298	3,918,587
Current portion	4,662,753	1,733,723
Total deferred income	11,322,051	5,652,310

15 Revenue

	Nine-month period ended September 30, 2024 (Unaudited)	2023 (Unaudited)
Home and personal communications	26,528,044	18,536,202
International carrier	9,753,301	5,594,500
International cables and networks	9,379,320	7,064,245
Enterprise	6,423,218	4,618,798
Domestic wholesale	6,346,756	6,144,496
	58,430,639	41,958,241

16 Cost of revenue

	Nine-month period ended September 30, 2024 (Unaudited)	2023 (Unaudited)
Call costs	9,295,913	6,291,938
Depreciation of property and equipment	7,582,977	5,298,439
Salaries and other employee benefits	5,036,780	4,098,939
Organisation service costs	3,136,768	2,055,537
Frequencies and licenses	2,919,367	1,888,411
Cost of goods sold	1,398,290	690,712
Amortisation of intangible assets	1,362,543	1,269,030
Fuel	948,928	649,673
Maintenance	845,523	645,922
Leased circuits and satellite subscriptions	593,313	362,663
Depreciation of right-of-use assets	144,489	131,887
Others	2,167,066	1,209,156
	35,431,957	24,592,307

Telecom Egypt Company and its subsidiaries
Notes to the interim condensed consolidated financial information (continued)
For the period ended September 30, 2024

(Amounts in thousands of Egyptian Pound)

17 Selling and distribution expenses

	Nine-month period ended September 30,	
	2024 (Unaudited)	2023 (Unaudited)
Salaries and other employee benefits	2,270,387	1,875,192
Advertisements	1,194,719	939,666
Sales and collection commissions	691,254	496,955
Depreciation of right-of-use assets	49,529	43,964
Tax and fees	20,964	14,913
Organisation service costs	16,310	44,292
Depreciation of property and equipment	11,726	7,500
Others	104,011	117,326
Total selling and distribution expenses	4,358,900	3,539,808

18 Administrative expenses

	Nine-month period ended September 30,	
	2024 (Unaudited)	2023 (Unaudited)
Salaries and other employee benefits	4,215,445	3,074,629
Organisation service costs	504,132	352,132
Tax and duties	357,803	254,353
Takaful contribution expense	190,462	134,862
Depreciation of property and equipment	91,808	77,933
Depreciation of right-of-use assets	90,962	45,030
Bank charges	58,220	36,495
Others	235,253	269,454
Total administrative expenses	5,744,085	4,244,888

19 Other operating expenses

	Nine-month period ended September 30,	
	2024 (Unaudited)	2023 (Unaudited)
Translation loss on foreign currencies balances and transactions	7,367,964	3,535,357
Provisions	142,141	174,056
Donations	114,525	62,088
Loss on disposal of property and equipment	-	13,325
Others	14,184	-
	7,638,814	3,784,826

20 Commitments

The Group's capital commitments for the unexecuted parts as at September 30, 2024 amounted to EGP 2,215 million (2023: EGP 1,771 million).

Capital commitments, other than the commitments disclosed above, are not considered significant.

Telecom Egypt Company and its subsidiaries
Notes to the interim condensed consolidated financial information (continued)
For the period ended September 30, 2024

(Amounts in thousands of Egyptian Pound)

21 Contingencies

The Group has the following contingent liabilities:

	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Contingencies - Group		
Letters of guarantee issued by banks on behalf of the Group	4,158,602	3,475,500
Contingencies – Group’s share		
Letters of guarantee issued by banks on behalf of an associate	263,832	231,942

Letters of guarantee, which were issued by banks on behalf of the Group and for the benefits of others include letters of guarantee issued against restricted cash and bank balances (Note 10). Management does not expect that any significant liability will result from these contingencies.

22 Segment information

For management purposes, the Group is organised into business units based on its products and services and has four reportable segments, as follows:

- The marine cables and infrastructure segment, which provides goods and services (such as mobile) to home and personal and enterprise, interconnect services to other operators and internal cables and networks services to various customers.
- The internet segment, which provides all internet services to home and personal and enterprise.
- The outsourcing segment, which mainly provides customer relationship services to enterprise.
- All other segments include various services to enterprise that do not fall in any of the above segments and do not meet the quantitative thresholds of segment reporting of IFRS 8.

No operating segments have been aggregated to form the above reportable operating segments. Inter-segment transactions arise in the normal course of business.

The Group's Chief Executive Officer is the chief operating decision maker and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the interim condensed consolidated financial information.

Telecom Egypt Company and its subsidiaries
Notes to the interim condensed consolidated financial information (continued)
For the period ended September 30, 2024

(Amounts in thousands of Egyptian Pound)

22 Segment information (continued)

As at / or for the period ended September 30, 2024 - unaudited	Communication , marine cables and infrastructure	Internet	Outsourcing	Others	Total
Revenue					
External customers - local	15,816,185	22,603,133	280,474	598,226	39,298,018
External customers -foreign	16,871,587	259,726	2,001,308	-	19,132,621
Total external customers	32,687,772	22,862,859	2,281,782	598,226	58,430,639
Inter-segment	10,576,297	125,464	2,467,152	2,251,601	15,420,514
Gross profit	10,988,904	11,023,854	914,074	71,850	22,998,682
Call costs	(9,295,913)	-	-	-	(9,295,913)
Salaries and other employee benefits	(8,708,970)	(1,574,683)	(1,084,888)	(154,071)	(11,522,612)
Interest income	364,161	71,248	13,663	13,535	462,607
Finance costs	(24,268,764)	(1,163,577)	121,662	59,735	(25,250,944)
Depreciation and amortisation	(6,332,892)	(2,796,508)	(198,605)	(6,029)	(9,334,034)
Share of profit of associates	4,943,828	-	-	-	4,943,828
(Loss)/gain on exchange differences	(22,122,124)	(816,591)	13,592	18,228	(22,906,895)
Allowance for expected credit losses	(274,569)	(221,797)	15,699	683	(479,984)
Income tax expense	1,144,228	(480,288)	(138,858)	(128,364)	396,718
Total assets	158,687,376	10,076,141	2,879,174	1,230,320	172,873,011
Investments in associates	16,376,009	-	-	5,000	16,381,009
Total liabilities	132,586,845	7,069,194	2,919,689	3,812,802	146,388,530
Capital expenditure	24,591,255	462,747	873,100	80,800	26,007,902

Telecom Egypt Company and its subsidiaries
Notes to the interim condensed consolidated financial information (continued)
For the period ended September 30, 2024

(Amounts in thousands of Egyptian Pound)

22 Segment information (continued)

As at December 31, 2023 (audited) / or for the period ended September 30, 2023 (unaudited)	Communication, marine cables and infrastructure	Internet	Outsourcing	Others	Total
Revenue					
External customers - local	13,148,026	15,510,766	221,553	419,151	29,299,496
External customers - foreign	11,151,198	187,481	1,320,066	-	12,658,745
Total external customers	24,299,224	15,698,247	1,541,619	419,151	41,958,241
Inter-segment	8,204,748	106,407	1,569,127	738,572	10,618,854
Gross profit	9,699,486	7,151,380	450,257	64,811	17,365,934
Call costs	(6,291,938)	-	-	-	(6,291,938)
Salaries and other employee benefits	(6,692,610)	(1,351,085)	(800,000)	(205,065)	(9,048,760)
Interest income	458,705	44,858	2,960	17,652	524,175
Finance costs	(9,164,990)	(6,703)	(9,164)	(15,675)	(9,196,532)
Depreciation and amortisation	(4,699,911)	(2,014,531)	(155,047)	(4,294)	(6,873,783)
Share of profit of associates	3,211,183	-	-	-	3,211,183
(Loss)/gain on exchange differences	(7,197,336)	(799,314)	49,573	(22,157)	(7,969,234)
Allowance for expected credit losses	(195,959)	22,932	(15,384)	(66)	(188,477)
Income tax expense	(676,727)	(478,107)	(99,091)	(13,196)	(1,267,121)
Total assets	133,223,698	7,232,493	1,312,600	608,179	142,376,970
Investments in associates	14,936,780	-	-	1,250	14,938,030
Total liabilities	94,614,426	2,878,107	1,396,691	2,823,452	101,712,676
Capital expenditure	16,855,308	216,301	68,086	1,676	17,141,371

23 Comparative information

Reclassifications were made to certain comparative figures in the interim consolidated statement of financial position and interim consolidated statement of profit or loss and other comprehensive income to comply to the current period's presentation as follows:

Effect on the consolidated statement of financial position as at December 31, 2023	As previously reported	Reclassification	As currently reported
Deferred income (non-current)	379,745	3,538,842	3,918,587
Trade and other payables (current)	33,374,117	(3,538,842)	29,835,275

Effect on the interim consolidated statement of profit or loss and other comprehensive income for the period ended September 30, 2023	As previously reported (Unaudited)	Reclassification (Unaudited)	As currently reported (Unaudited)
Finance costs	(3,571,152)	(5,625,380)	(9,196,532)
Other non-operating income	5,899	1,191,503	1,197,402
Other non-operating expense	(4,433,877)	4,433,877	-