

Results Presentation telecomegypt Q1 2025



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Q1 2025 Results Highlights

Resilient Operating Performance with Steady Growth Trajectory



Revenue (EGP bn)

24.8bn

+42% YoY

Total revenue grew by 42% YoY, driven by strong performances in both retail and wholesale segments. Retail revenue rose 40% YoY, led by a 45% increase in the Home & Consumer business unit following the 30% price adjustment in December 2024. Wholesale revenue increased 44% YoY, supported by growth in the Domestic and ICA business units, which expanded by 56% and 64% YoY, respectively.

EBITDA (EGP bn)

10.9bn

+49% YoY

EBITDA grew by 49% YoY, reaching a robust margin of 44%, up from 42% in the prior year. This improvement was driven by solid top-line growth of 42% YoY, which outpaced the 32% YoY increase in total expenses, including COGS, G&A, and S&D, highlighting improved operational efficiency and sustained profitability.

Net Profit
Normalized (EGP bn)

5.2bn

+39% YoY

Normalized net profit (adjusted for EGP 0.7bn FX loss in Q1 2025 and EGP 0.2bn FX gain in Q1 2024) reached EGP 5.2bn, reflecting a 39% YoY increase and a 21% net profit margin. This growth was supported by strong operational performance and a 3.6x increase in VFE income YoY, which offset the impact of a 73% rise in interest expenses, mainly caused by the EGP devaluation.

Customers (mn)

Fixed Voice: 13.3 (4% YoY)

Fixed Data: 10.4 (8% YoY)

Mobile: 14.3 (10% YoY)

Customer base remains strong and consistent across all segments.

Main Events Year to Date

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Main Events



25 March 2025: Telecom Egypt Announces Leadership Changes

Telecom Egypt announced changes to its Board of Directors, appointing Lobna Helal as Chair of the Board. She succeeds Dr. Magued Osman, who stepped down after a nine-year tenure, having served as Chair since 2016. Helal, an independent board member since March 2019, is the first woman to lead Telecom Egypt's Board, marking a significant milestone in the company's history.

[Read More](#)



18 Feb 2025: Telecom Egypt and Orange Egypt Sign Agreements to Provide Transmission and Infrastructure Services

Telecom Egypt has signed several landmark service agreements with Orange Egypt, aimed at enhancing strategic cooperation between the two companies. These agreements will enable Orange Egypt to enhance its technological services and better meet the needs of its customers...

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23 Jan 2025: Telecom Egypt Activates Mediterranean Subsea Link on 2Africa Using Cisco Technology

Telecom Egypt announced the activation of a Mediterranean subsea link on the 2Africa subsea cable system. The project is in collaboration with Cisco, the worldwide leader in networking and security technologies.

[Read More](#)



18 Jan 2025: Telecom Egypt Awarded 'Best Investor Relations – Telecom Company' at the International Finance Awards 2024

Telecom Egypt was honoured with the prestigious 'Best Investor Relations - Telecom Company' award at the International Finance Awards 2024 ceremony, held at the Jumeirah Emirates Towers in Dubai.

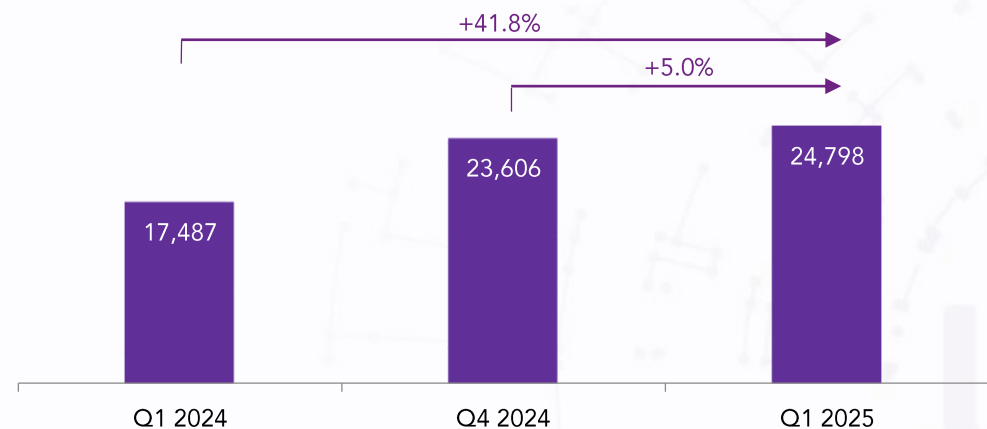
[Read More](#)

Financial Highlights

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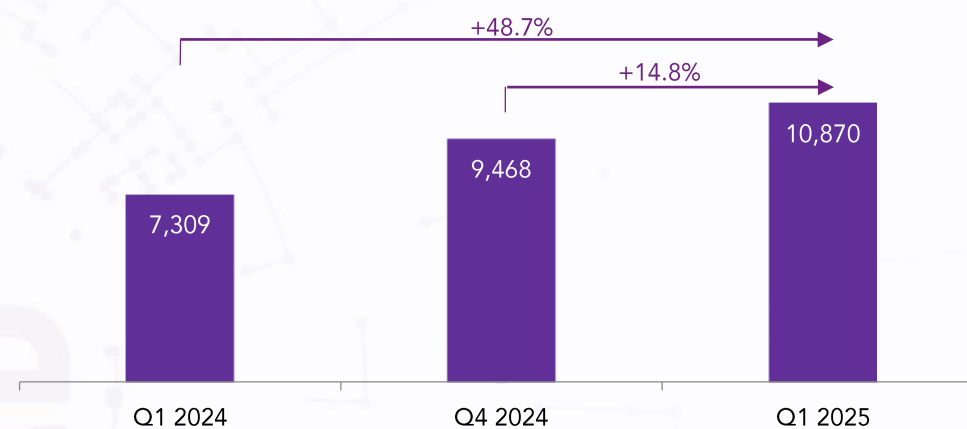
Revenue

(In EGP mn)



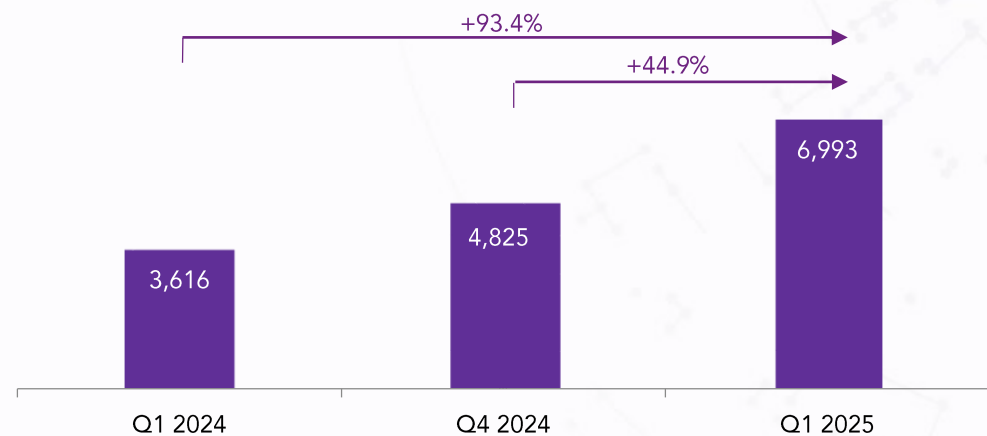
EBITDA

(In EGP mn)



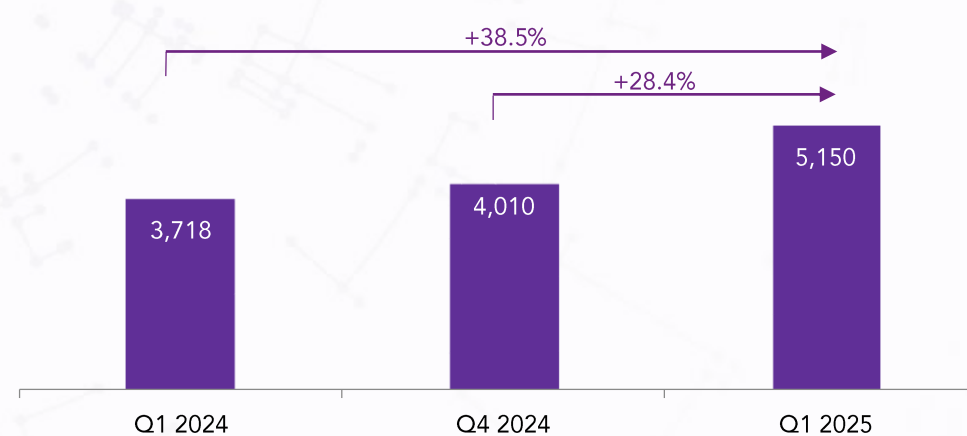
Operating profit

(In EGP mn)



Normalized net profit*

(In EGP mn)

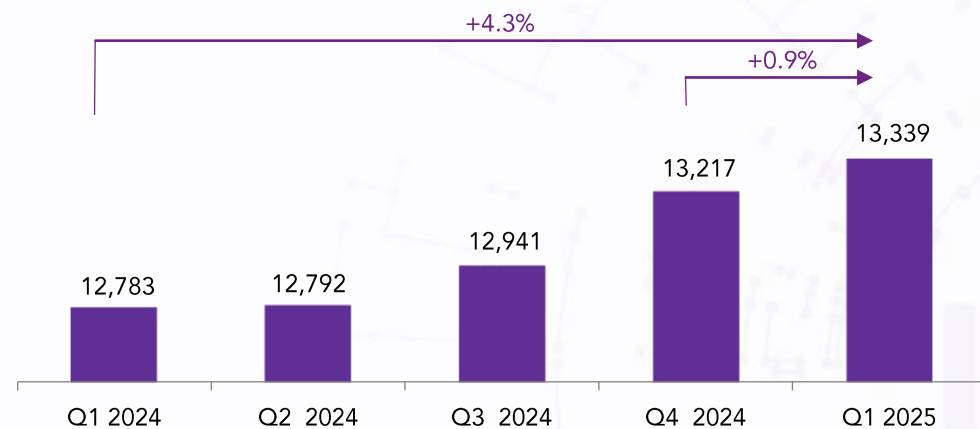


*Adjusted for EGP 0.7bn FX loss in Q1 2025, EGP 3.0bn FX loss in Q4 2024, and EGP 0.2bn FX gain in Q1 2024

Customer Base and ARPU

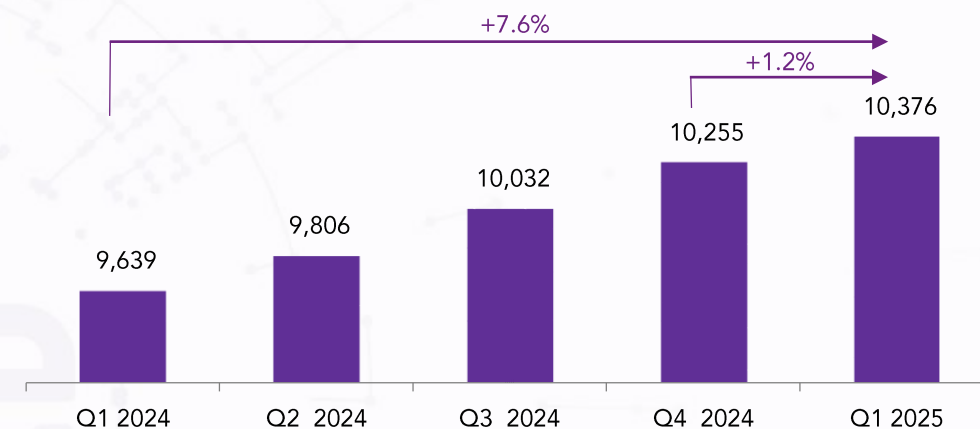
Fixed Line

(In 000s)



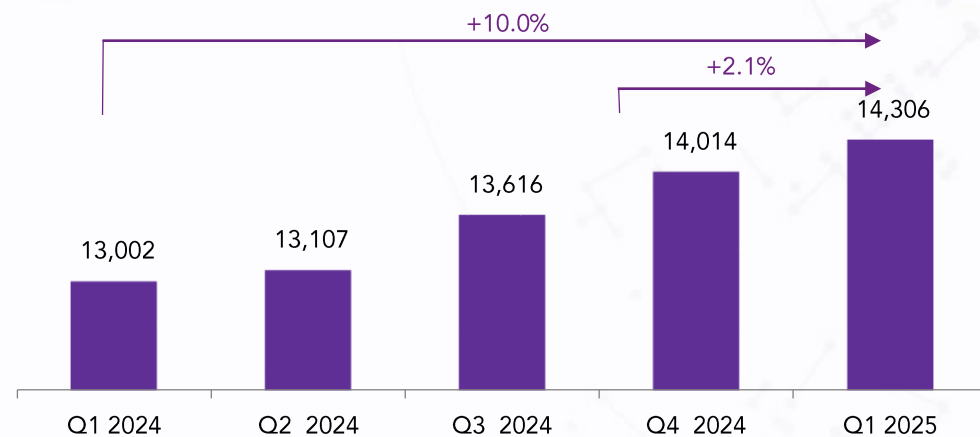
Fixed Broadband

(In 000s)



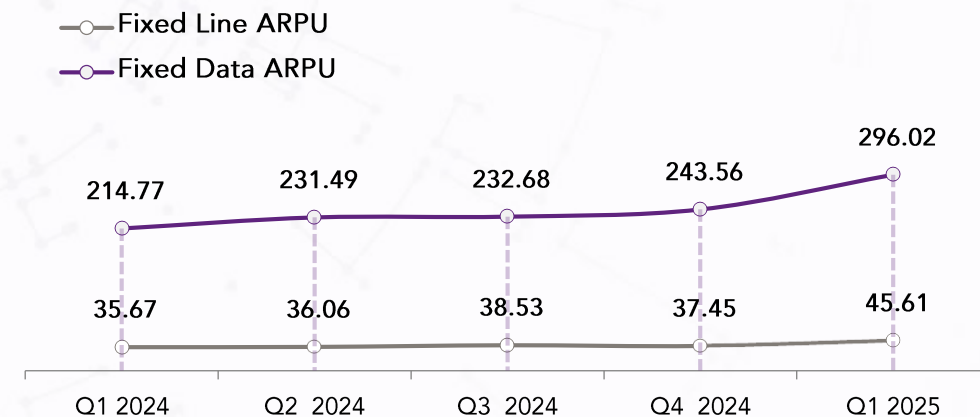
Mobile

(In 000s)



ARPU

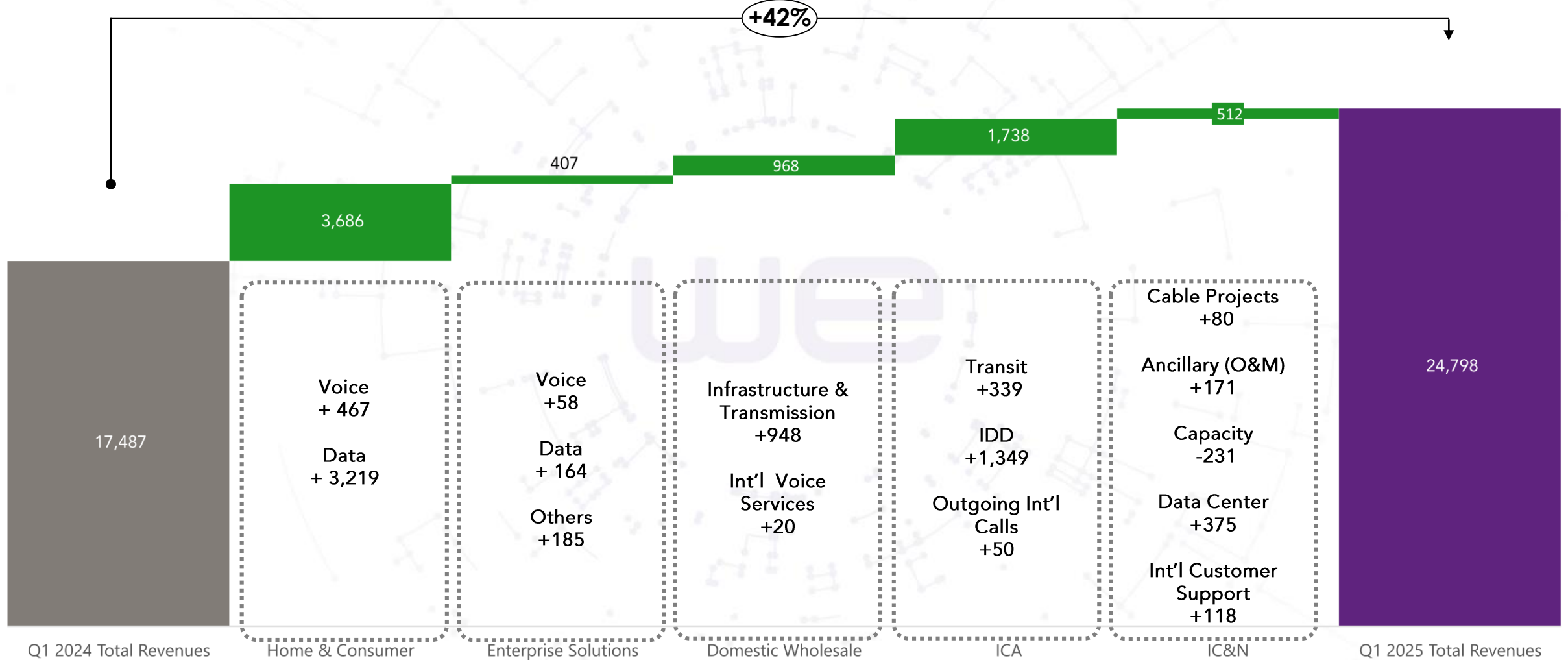
(In EGP)



Total Revenues

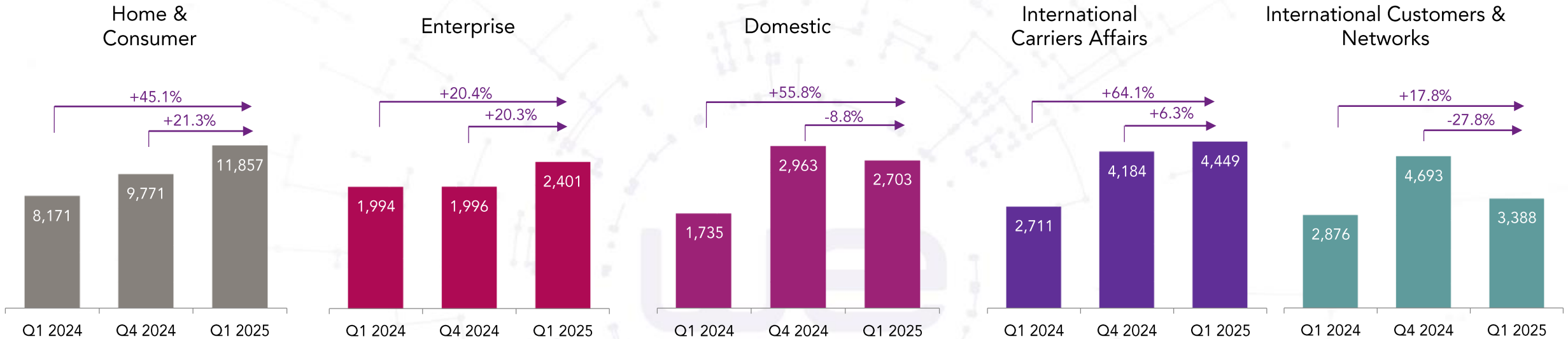
Q1 2025 YoY (EGP mn)

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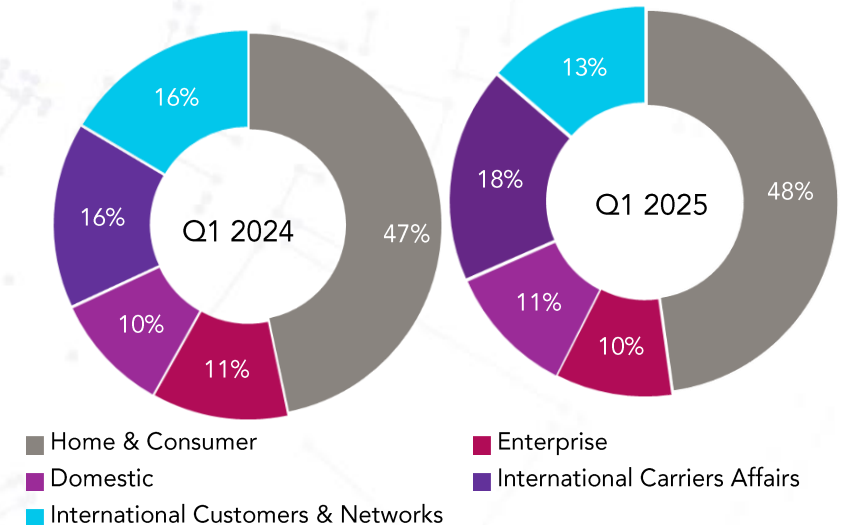
Revenue by Business Unit

Growth Momentum Led by the Retail Segment



Q1 2025 Performance

- ✓ **Total revenue** increased by 42% YoY to reach EGP 24.8bn, led by strong growth momentum in the Retail segment, contributing 57% to total revenue and driving 56% of the YoY revenue growth.
- ✓ **Home & Consumer** achieved 45% YoY growth, driven by a 46% increase in Data revenue. This performance was supported by higher ARPUs (38% YoY), fuelled by direct price adjustments in 2024, along with a steadily expanding customer base.
- ✓ **Enterprise** increased by 20% YoY, primarily driven by Fixed Data services, representing 58% of the business unit's growth.
- ✓ **Mobile** recorded a 35% YoY growth, primarily driven by higher ARPU (direct price adjustment) and a 10% YoY expansion in the customer base.
- ✓ **Domestic Wholesale** delivered a strong 56% YoY increase, primarily fuelled by a 55% growth in Infrastructure revenues, following the revised agreements with VFE and Orange Egypt.
- ✓ **ICA** grew 64% YoY, contributing 24% to the top-line growth, driven by a 72% YoY increase in IDD revenues, supported by foreign currency gains and a 22% YoY rise in international incoming calls traffic.
- ✓ **IC&N** saw 18% YoY growth, contributing 7% to top-line growth.



Income Statement (Q1 2025)

In EGP mn	Q1 2025	Q4 2024	Q1 2024	QoQ	YoY
Revenue	24,798	23,606	17,487	5%	42%
Home	11,857	9,771	8,171	21%	45%
Enterprise	2,401	1,996	1,994	20%	20%
Domestic	2,703	2,963	1,735	-9%	56%
ICA	4,449	4,184	2,711	6%	64%
IC&N	3,388	4,693	2,876	-28%	18%
Employee cost	(3,831)	(3,580)	(3,209)	7%	19%
Call costs	(3,746)	(3,769)	(2,605)	-1%	44%
CoGS*	(5,112)	(5,300)	(3,345)	-4%	53%
S&D (excl. salaries, D&A)	(677)	(512)	(558)	32%	21%
G&A (excl. salaries, D&A)	(562)	(978)**	(460)	-42%	22%
EBITDA	10,870	9,468	7,309	15%	49%
Margin	44%	40%	42%	373 bps	204 bps
Other (expense) / income	81	(89)	(103)	-192%	-179%
Depreciation	(3,111)	(3,777)	(2,635)	-18%	18%
Amortization	(625)	(813)	(587)	-23%	6%
(Provision)\ Reversal of	(222)	36	(368)	-725%	39%
Operating profit	6,993	4,825	3,616	45%	93%
Margin	28%	20%	21%	776 bps	752 bps
Income from investments	3,187	3,324	899	-4%	255%
Net finance (cost) / income	(857)	(3,203)	91	-73%	-1038%
Net interest (exp.) / income	(3,166)	(3,192)	(1,758)	-1%	80%
Tax	(1,504)	(289)	1,036	421%	-245%
Net Profit	4,646	1,461	3,882	218%	20%
Margin	19%	6%	22%	1,255 bps	(347 bps)
Net Profit (Adj.)	5,150	4,010	3,718	28%	39%
Margin	21%	17%	21%	378 bps	(50 bps)
EPS	2.72	0.86	2.27	218%	20%

* COGS exclude D&A, employee & call costs. While S&D and G&A exclude employee costs & D&A

**This includes a one-off of EGP 0.26bn related to the optional/voluntary early retirement pension scheme.

Note: All financial figures reported are based on the consolidated financials under EAS

Revenue

- Top-line witnessed 42% YoY growth, driven by a 40% YoY increase in Retail revenue and a 44% YoY increase in Wholesale revenue. Data was the key growth driver, marking a 46% YoY increase, contributing 44% to the total revenue growth. This growth is attributed to the base effect of price ups across the Retail segment in 2024, as well as a steadily expanding customer base and increased data consumption.
- In the Wholesale segment, performance was mainly attributed to IDD revenue growth, increasing by 72% YoY and contributing 19% to total revenue growth, primarily fueled by foreign currency appreciation and supported by increasing international incoming call traffic.

Expenses

- Employee costs increased 19% YoY; however, the employee cost-to-revenue ratio improved, decreasing to 15% compared to 18% last year, reflecting stronger revenue growth and improved operational efficiency.
- Total call costs rose by 44% YoY, mainly due to the currency devaluation.
- Marketing expenses rose by 21% YoY in Q1 2025; however, they remained proportional to revenue, recording 3% of the top line.

EBITDA

- EBITDA grew by 49% YoY in Q1 2025, with the margin improving to 44%, compared to 42% in Q1 2024, highlighting improved operational efficiency and sustained profitability.

Operating Profit

- Operating profit soared by 95% YoY in Q1 2025, driven by strong operational performance and the favourable net impact of the exchange rate on the operational profit level, which more than offset the 16% increase in D&A.

Non-Operational

- Income from VFE surged by 3.6x YoY reaching EGP 3.2bn, supported by strong operating performance driven by organic growth, including price adjustments.
- Interest expense spiked 73% YoY, driven mainly by the appreciation of the FX-denominated debt, raising the effective interest rate to 16% in Q1 2025.

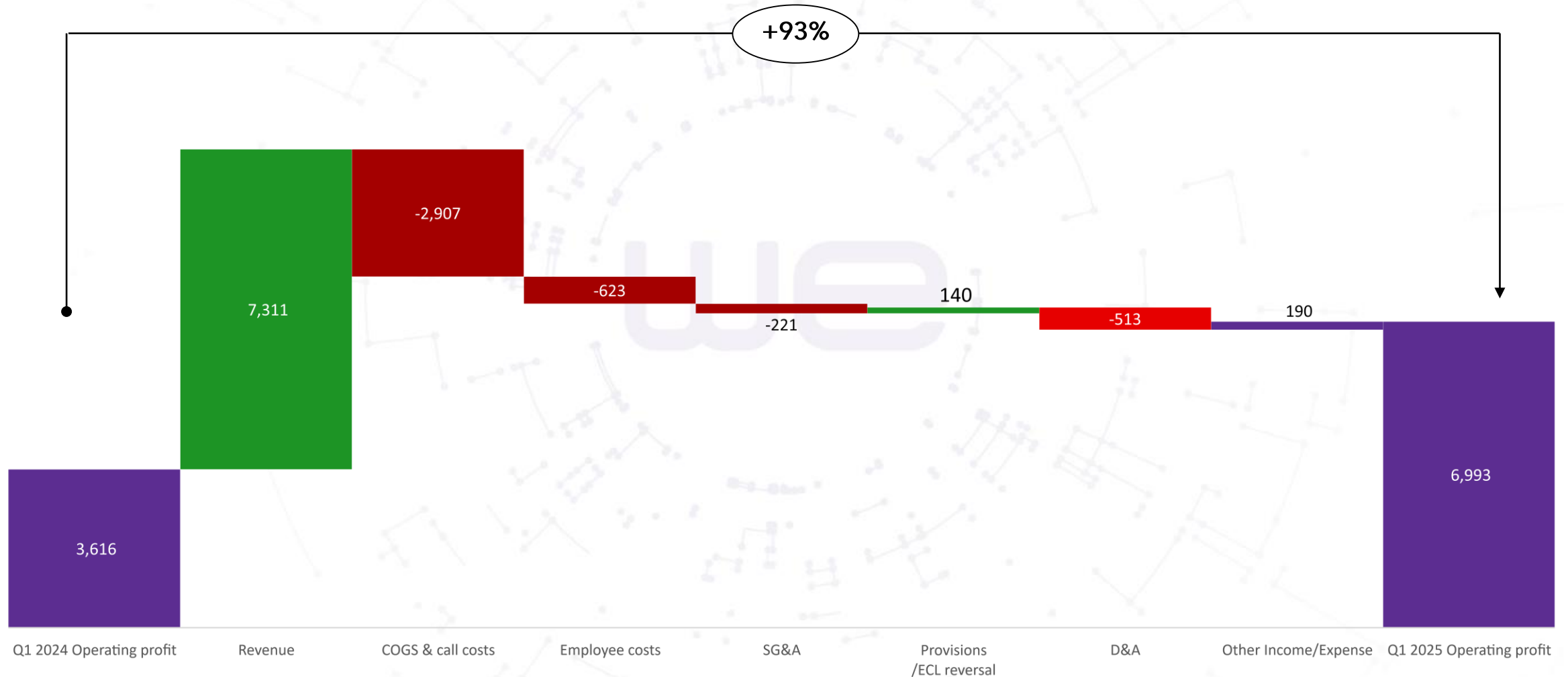
Net Profit

- Normalized net profit increased 39% YoY to EGP 5.2bn, adjusted for an EGP 0.7bn FX loss in Q1 2025 and for EGP 0.2bn FX gain in Q1 2024. This strong growth reflects robust operational performance, which largely offset continued pressure from higher finance costs.

Operating Profit

Q1 2025 YoY (EGP mn)

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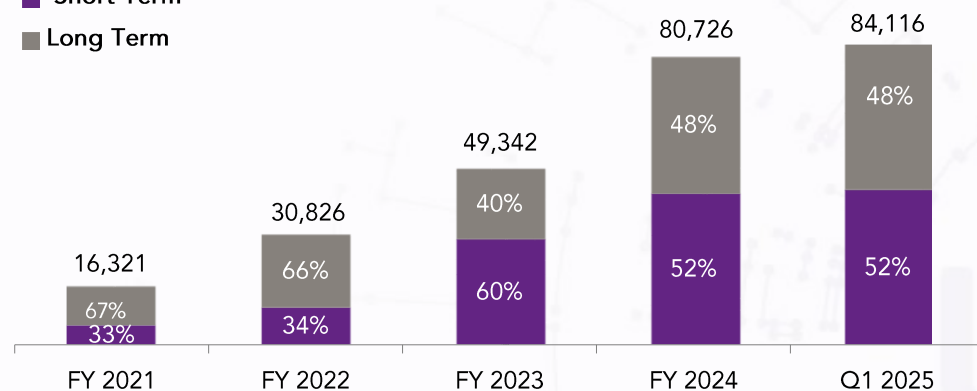
Balance Sheet Highlights



Total Debt

(EGP mn)

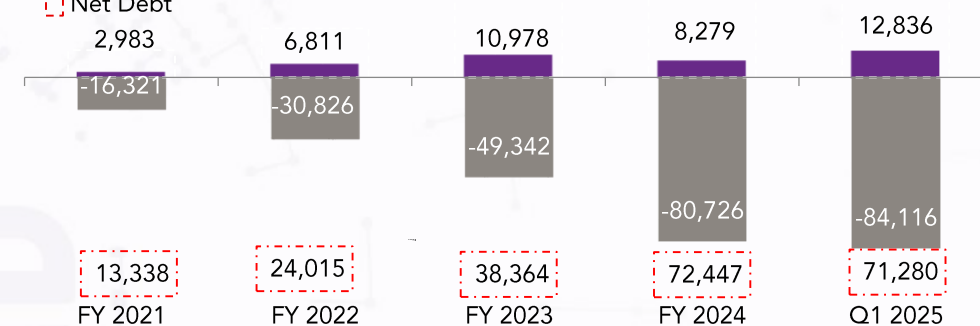
- Short Term
- Long Term



Net Debt

(EGP mn)

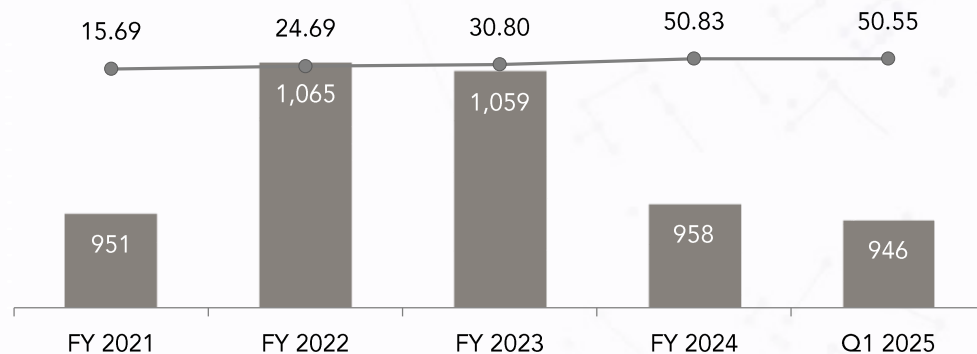
- Cash
- Total Debt
- Net Debt



Debt – Foreign Currency Portion

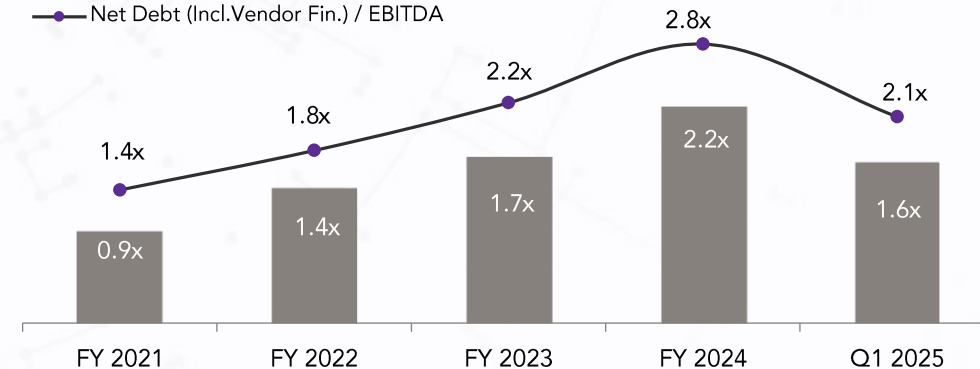
(USD mn)

- Foreign Currency Debt (US)
- Exchange Rate USD to EGP



Net Debt/EBITDA

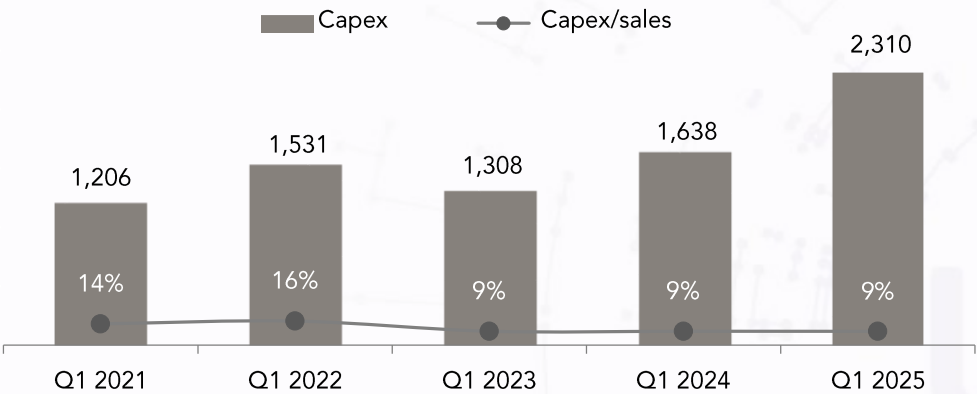
- Net Debt/EBITDA
- Net Debt (Incl. Vendor Fin.) / EBITDA



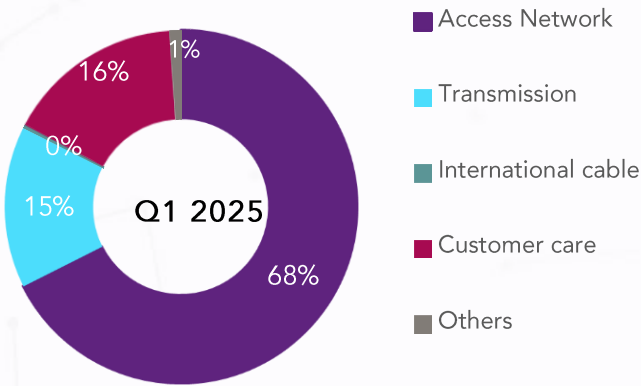
CapEx Analysis



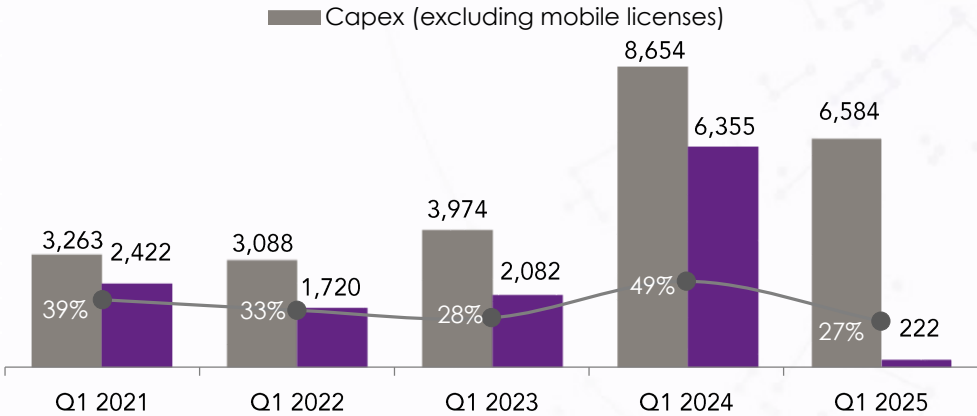
In-Service CapEx
(EGP mn)



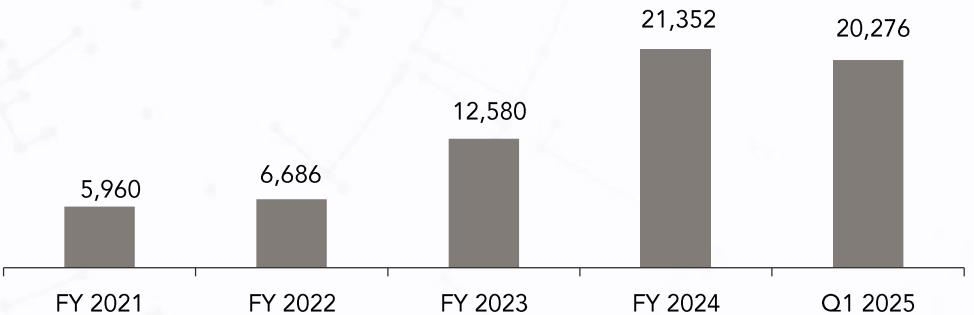
Breakdown of In-Service CapEx



Cash CapEx
(EGP mn)



Vendor Financing Obligations^{**}
(EGP mn)

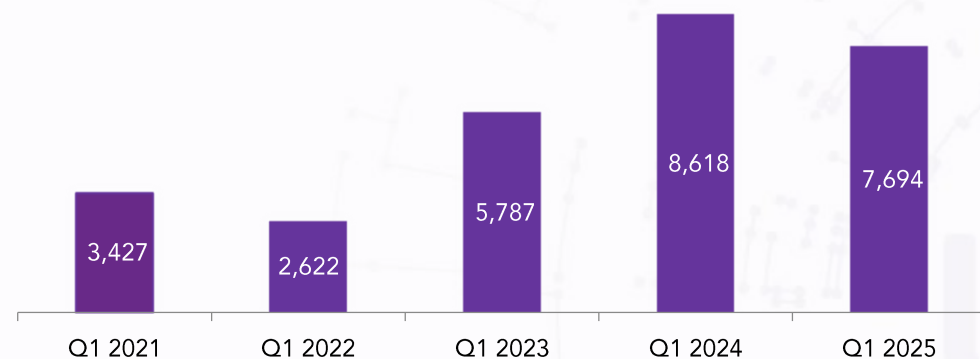


^{**} Based on USD and EURO exchange rates as of 31 March 2025.

Cash Flow Analysis

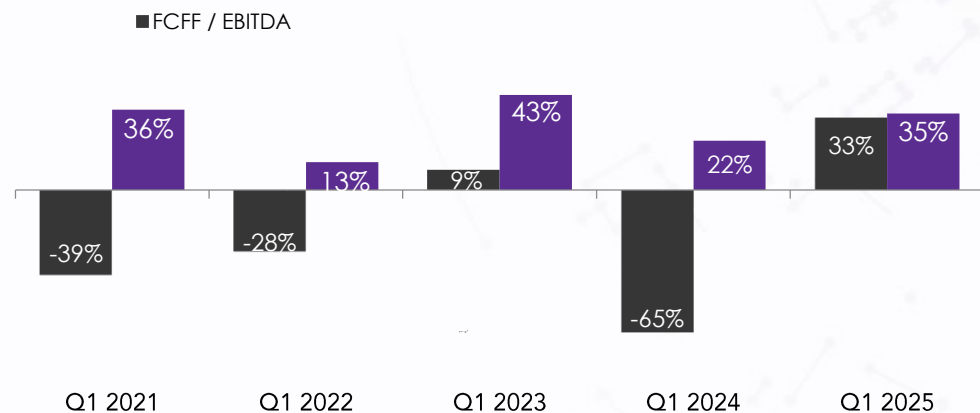
Net Cash from Operating Activities

(EGP mn)



FCFF/EBITDA

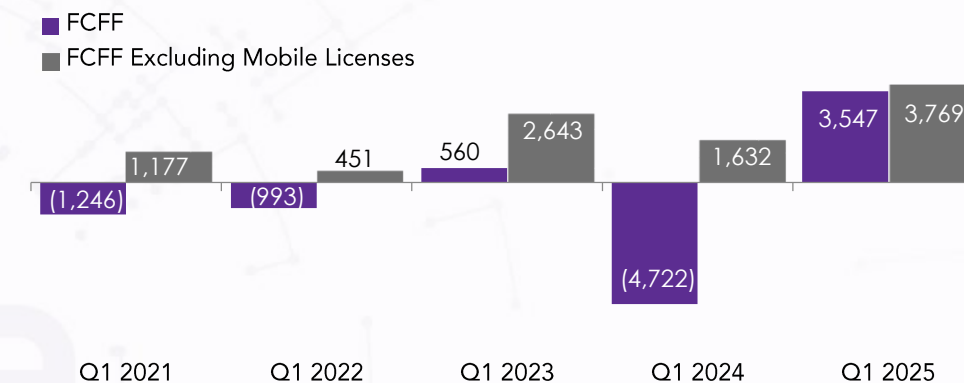
(EGP mn)



* Excluding licenses of EGP 0.2bn, FCFF/EBITDA reaches 35%

FCFF

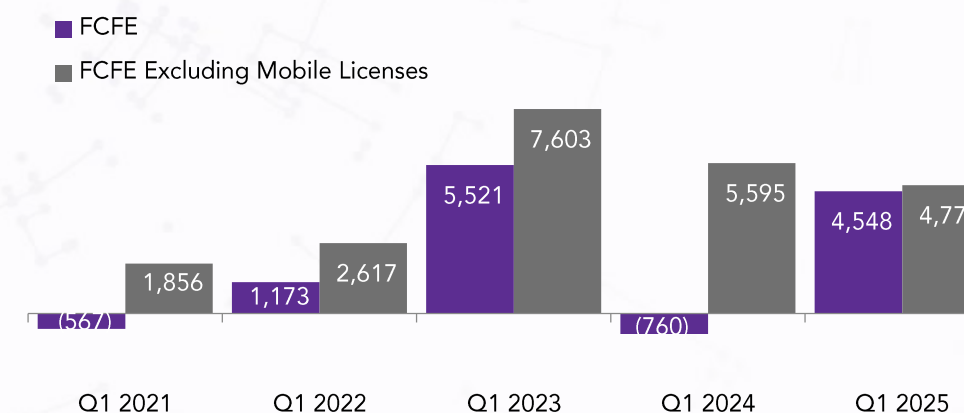
(EGP mn)



* Excluding licenses of EGP 0.2bn, FCFF reaches EGP 3.8bn

FCFE

(EGP mn)



Our Performance in Context

we

	Q1 2025 actual	FY 2025 budget
Revenue growth YoY	42%	Low 20s
EBITDA margin (%)	44%	High 30s
CapEx/Sales (%)	In-service: 9% Cash: 27%*	In-service: Low 20s
FCFF/EBITDA (%)	35%*	Early 40s

** Excluding EGP 0.2bn for licenses



Thank You

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