

Telecom Egypt Company
(An Egyptian Joint Stock Company)
Condensed Separate Interim Financial Statements
For The Nine Months Ended September 30, 2025
And Limited Review Report

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Index

<u>Explanation</u>	<u>Page Number</u>
- Limited Review Report	-/-
- Separate interim Statement of Financial Position	1
- Separate interim Statement of Income	2
- Separate interim Statement of Comprehensive Income	3
- Separate interim Statement of Changes in Equity	4
- Separate interim Statement of Cash Flows	5
- Notes to the Separate interim Financial Statements	6:24



Hazem Hassan

Public Accountants & Consultants

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

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

Translation from Arabic

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 30 September 2025, 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 30 September 2025;
- The interim separate statements of income for the three months and nine months periods ended 30 September 2025;
- The interim separate statements of comprehensive income for the three months and nine months periods ended 30 September 2025;
- The interim separate statements of changes in equity for nine months period ended 30 September 2025;
- The interim separate statements of cash flows for nine months period ended 30 September 2025;
- 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 30 September 2025, condensed interim separate financial statements do not present fairly, in all material respects, in accordance with Egyptian Accounting Standard number (30) "Interim Financial Reporting".

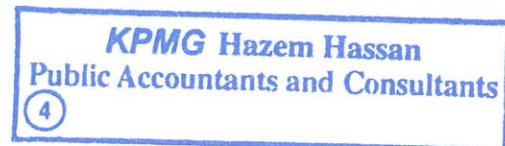
Emphasis of Matter

Without qualifying our conclusion, we draw attention to note (33-1) of the notes to the condensed interim separate financial statements, which relates to the partial fire incident that occurred on July 7, 2025, in one of the equipment rooms at the Ramses Central building. The incident resulted in partial damage to certain fixed assets and a temporary partial disruption of telecommunications services in some areas.

The company's management recognized capital losses amounting to EGP 1.483 billion and received EGP 200 million from the insurance company as an advance payment against compensation. As of the date of this report, official investigations into the fire have not yet been concluded, and the final value of the damaged assets, the full impact of the event, and any potential liabilities on the financial statements have not yet been determined.

KPMG Hazem Hassan
Public Accountants & Consultants

Cairo, November 13, 2025

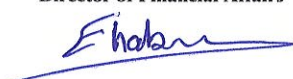


Telecom Egypt Company
(An Egyptian Joint Stock Company)
Separate Interim Statement of Financial Position as of:

	Note No.	30/9/2025 L.E. (000)	31/12/2024 L.E. (000)
Assets			
<u>Non Current Assets</u>			
Fixed assets and projects under construction	(14)	104 316 757	99 768 001
Intangible assets (licenses and frequencies)		18 212 395	19 503 636
Usufruct assets	(15)	8 998 204	7 863 182
Right of use assets (lease contracts)	(16-1)	795 650	840 204
Investments in subsidiaries and associates	(17)	6 695 189	6 653 574
Financial assets at FVOCI		120 476	120 476
Deferred tax assets	(28-3)	3 808 509	5 087 595
Non Current Assets		142 947 180	139 836 668
<u>Current Assets</u>			
Inventories	(18)	6 116 646	7 239 832
Trade and notes receivables	(19)	12 032 977	14 217 585
Current income tax	(28-5)	1 777 214	1 413 670
Debtors and other debit balances	(20)	8 193 019	6 520 977
Debit balances with subsidiaries	(32-1)	351 285	257 897
Cash and cash equivalents	(21)	5 991 914	6 968 984
Assets held for sale	(22)	1 733 305	-
Current Assets		36 196 360	36 618 945
Total Assets		179 143 540	176 455 613
<u>Equity</u>			
Capital	(26)	17 070 716	17 070 716
Reserves	(27)	6 220 366	6 081 041
Retained earnings		6 973 507	4 874 875
Total Equity		30 264 589	28 026 632
<u>Non Current Liabilities</u>			
Long term loans and credit facilities	(23)	39 327 489	38 411 459
Lease obligations	(16-2)	638 190	790 355
Creditors and other credit balances	(24)	25 704 597	22 578 825
Non Current Liabilities		65 670 276	61 780 639
<u>Current Liabilities</u>			
Short term loans and credit facilities	(23)	37 093 705	42 314 798
Lease obligations	(16-2)	340 036	279 211
Creditors and other credit balances	(24)	31 185 243	33 645 412
Credit balances to subsidiaries and associates	(32-1)	14 053 367	10 026 651
Provisions	(25)	536 324	382 270
Current Liabilities		83 208 675	86 648 342
Total Liabilities		148 878 951	148 428 981
Total Equity and Liabilities		179 143 540	176 455 613

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 "

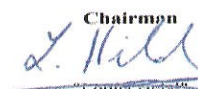
Managing Director &
Chief Executive Officer



"Tamer Elmahdi"

Board of Directors approval

Chairman



"Lobna Ferial"

Limited Review Report "attached"

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

		<u>For the nine months ended :</u>		<u>For the three months ended :</u>	
	<u>Note</u>	<u>30/9/2025</u>	<u>30/9/2024</u>	<u>30/9/2025</u>	<u>30/9/2024</u>
	<u>No.</u>	<u>L.E.(000)</u>	<u>L.E.(000)</u>	<u>L.E.(000)</u>	<u>L.E.(000)</u>
<u>Continued Operations</u>					
Operating revenues	(3)	55 262 094	42 814 514	19 616 305	15 245 664
Operating costs	(4)	(36 247 818)	(29 160 312)	(12 749 818)	(10 387 954)
Gross Profit		19 014 276	13 654 202	6 866 487	4 857 710
Other incomes	(5)	3 191 152	2 490 875	1 148 840	910 519
Selling and distributing expenses	(6)	(4 061 164)	(3 517 782)	(1 357 145)	(1 222 044)
General and administrative expenses	(7)	(4 919 530)	(4 444 851)	(1 771 740)	(1 660 587)
Expected credit loss		(409 982)	(274 569)	(98 970)	-
Other expenses	(8)	(1 530 643)	(115 577)	(1 407 365)	(2 504)
Operating profit		11 284 109	7 792 298	3 380 107	2 883 094
Finance income		1 224 296	369 835	814 305	87 086
Finance cost		(10 658 888)	(9 548 832)	(3 424 423)	(4 203 096)
Net finance cost	(9)	(9 434 592)	(9 178 997)	(2 610 118)	(4 116 010)
Income from investments in subsidiaries and associates	(10)	5 857 287	6 638 783	-	3 472 323
Net profit for the period before income tax		7 706 804	5 252 084	769 989	2 239 407
Income tax	(28-1)	(1 858 183)	498 926	(591 438)	(803 281)
Net profit for the period after income tax from continued operations		5 848 621	5 751 010	178 551	1 436 126
<u>Discontinued Operations</u>					
Net profit for the period after income tax from discontinued operations	(11)	103 031	132 880	44 828	31 414
Net profit for the period		5 951 652	5 883 890	223 379	1 467 540
Basic and diluted earning per share for the period from continued operations (L.E. / Share)		3.43	3.37	0.10	0.84
Basic and diluted earning per share for the period from discontinued operations (L.E. / Share)		0.06	0.08	0.03	0.02
Basic and diluted earning per share for the period (L.E. / Share)	(13)	3.49	3.45	0.13	0.86

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 nine months ended :</u>		<u>For the three months ended :</u>	
		<u>30/9/2025</u>	<u>30/9/2024</u>	<u>30/9/2025</u>	<u>30/9/2024</u>
		<u>L.E.(000)</u>	<u>L.E.(000)</u>	<u>L.E.(000)</u>	<u>L.E.(000)</u>
Net profit for the period after income tax		5 951 652	5 883 890	223 379	1 467 540
<u>Other Comprehensive Income Items:</u>					
Translation differences of foreign currency balances		-	(12 719 296)	-	-
Income tax on translation differences of foreign currency balances	(28-2)	-	2 861 842	-	-
		-	(9 857 454)	-	-
Transferred to retained earnings during the period		-	9 857 454	-	-
		-	-	-	-
Total Comprehensive Income		5 951 652	5 883 890	223 379	1 467 540

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 Nine Months Ended September 30, 2025

	Capital	Legal reserve	Other reserves	Retained earnings	Total
	<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>
Balance as of January 1, 2024 (Restated)	17 070 716	2 938 918	2 794 204	15 771 990	38 575 828
<u>Comprehensive income</u>					
Net profit for the period	-	-	-	5 883 890	5 883 890
Total comprehensive income	-	-	-	5 883 890	5 883 890
Impact of Translation differences of foreign currency balances	-	-	-	(9 857 454)	(9 857 454)
Transferred to legal reserve	-	319 217	-	(319 217)	-
<u>Transactions with shareholders</u>					
Dividends for year 2023 (Shareholders)	-	-	-	(2 560 607)	(2 560 607)
Dividends for year 2023 (Employees & Board of Directors)	-	-	-	(946 362)	(946 362)
Total transactions with shareholders	-	-	-	(3 506 969)	(3 506 969)
Balance as of September 30, 2024	17 070 716	3 258 135	2 794 204	7 972 240	31 095 295
Balance as of January 1, 2025	17 070 716	3 258 135	2 822 906	4 874 875	28 026 632
<u>Comprehensive income</u>					
Net profit for the period	-	-	-	5 951 652	5 951 652
Total comprehensive income	-	-	-	5 951 652	5 951 652
Transferred to legal reserve	-	139 325	-	(139 325)	-
<u>Transactions with shareholders</u>					
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)
Total transactions with shareholders	-	-	-	(3 713 695)	(3 713 695)
Balance as of September 30, 2025	17 070 716	3 397 460	2 822 906	6 973 507	30 264 589

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

For the nine months ended:

	Note No.	30/9/2025 L.E.(000)	30/9/2024 L.E.(000)
<u>Cash flows from operating activities :</u>			
Cash receipts from customers and notes receivables		38 584 271	30 257 092
Cash receipts from related party		15 540 700	8 269 268
Stamp tax and fees collected (from third party)		69 718	13 723
Deposits collected from customers		56 464	39 965
Cash paid to suppliers		(9 433 390)	(7 130 832)
Cash paid for NTRA		(4 050 533)	(2 637 052)
Cash paid to Board of Directors	(32-3)	(18 550)	(18 550)
Cash paid to employees		(7 307 275)	(5 768 967)
Cash paid on behalf of employees to third party		(1 107 669)	(975 599)
Payments to Tax Authority - taxes other than income tax		(4 584 530)	(5 417 738)
Other (payments) proceeds		(101 968)	1 993 820
Cash provided by operating activities		27 647 238	18 625 130
Interest paid		(10 022 500)	(7 008 821)
Payments to Tax Authority - Income tax		(360 000)	(393 437)
Net cash provided by operating activities		17 264 738	11 222 872
<u>Cash flows from investing activities :</u>			
Payments for purchase of fixed assets and projects under construction		(17 419 942)	(23 380 585)
Payments for purchase of intangible assets		(1 421 934)	(6 186 350)
Payments for purchase of investments	(17)	(34 115)	-
Credit interest		268 015	255 275
Dividends collected from investments		5 273 381	5 957 889
Proceeds from financial assets at amortized cost - treasury bills income		114 740	70 679
Net cash used in investing activities		(13 219 855)	(23 283 092)
<u>Cash flows from financing activities :</u>			
Payments of loans		(9 993 920)	(3 659 158)
Proceeds from loans		19 534 500	11 314 435
Net (payments) / proceeds of credit facilities		(11 585 214)	5 630 576
Payments of lease obligations	(16-2)	(317 146)	(221 010)
Dividends paid to shareholders		(2 560 607)	(2 560 607)
Net cash (used in) provided by financing activities		(4 922 387)	10 504 236
Net change in cash and cash equivalents during the period		(877 504)	(1 555 984)
Cash and cash equivalents at the beginning of the period	(21)	6 269 385	9 766 600
Cash and cash equivalents at the end of the period	(21)	5 391 881	8 210 616

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 Nine Months Ended September 30, 2025**

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 depositary receipts (GDA) 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 November 12, 2025.

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

2-1 Statement of compliance

- These Condensed Separate Interim Financial Statements as of September 30, 2025, 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, 2024 and this statements must be read with the financial statements for the company on the financial year in December 31, 2024.
- 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.
- The company's management also applied the special accounting treatment to deal with the effects of the liberalization of exchange foreign rates contained in Appendix (E) of the Egyptian Accounting Standard No. (13) Amended in 2024 "Effects of Changes in Foreign Currency Exchange Rates" on March 31, 2024

2-2 Basis of measurement

- These Condensed Separate Interim Financial Statements have been prepared according to the historical cost basis, except for :
 - (A) Financial instruments that are recorded at fair value through profit or loss.
 - (B) Financial instruments that are recorded at fair value through other comprehensive income.
 - (C) Financial instruments that are recorded at amortized cost.
- Investment in subsidiaries and associates in Condensed Separate Interim Financial Statements were presented on a cost basis which represent the company's direct share in equity, and not on the basis of results and net assets of the investee company. The Condensed Consolidated Interim Financial Statements provide a more comprehensive understanding of the Condensed Consolidated Interim Financial Position and results and Condensed Consolidated Interim of cash flows for the company and its subsidiaries (the Group).
- For presentational purposes, the current and non-current classification has been used for the condensed separate statement of Financial Position, while expenses are analysed in condensed separate statement of income using a classification based on their function. The direct method has been used in preparing the condensed separate statement of cash flows.
- 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 September 30, 2025 is the same as the accounting policies applied in the preparation of the annual separate financial statements as of December 31, 2024 and approved in February 26, 2025 These policies have been followed over all periods presented in these condensed separate interim financial statements as of September 30, 2025

3- OPERATING REVENUES

	For the Nine months ended:		For the three months ended:	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Home and personal communications	9 478 098	6 790 213	3 367 982	2 408 456
Enterprise	2 634 462	2 730 497	905 148	1 009 726
Domestic wholesale	20 464 124	15 971 048	7 149 318	5 533 311
International carriers	14 104 343	9 993 157	4 945 285	3 695 548
International cables and networks	8 581 067	7 329 599	3 248 572	2 598 623
	<u>55 262 094</u>	<u>42 814 514</u>	<u>19 616 305</u>	<u>15 245 664</u>

Total operating revenues have increased by an amount of L.E. 12 447 580 K due to the increase in domestic wholesale revenues by an amount of L.E. 4 493 076 K and international carriers revenues by an amount of L.E. 4 111 186 K and home and personal communications revenues by an amount of L.E. 2 687 885 K due to the increase in revenues resulting from fixed line and rendering mobile phone service and international cables and networks revenues by an amount of L.E. 1 251 468 K.

4- OPERATING COSTS

	For the Nine months ended :		For the three months ended :	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Call cost	12 052 736	9 266 799	4 214 080	3 390 407
Depreciation and amortization	10 470 477	9 257 134	3 644 761	3 322 810
Salaries and wages	3 270 575	2 924 320	1 036 107	957 702
Company's social insurance contribution	297 028	263 231	98 287	81 871
Frequencies and licenses charges (NTRA)	2 675 737	2 122 255	924 818	750 462
Other operating cost	7 481 265	5 326 573	2 831 765	1 884 702
	<u>36 247 818</u>	<u>29 160 312</u>	<u>12 749 818</u>	<u>10 387 954</u>

Operating costs have increased by an amount of L.E. 7 087 506 K mainly due to the following: -

- The increase in Call cost by an amount of L.E. 2 785 937 K which is mainly due to the increase in cost of international fees by an amount of L.E. 2 640 733 K.
- The increase in the depreciation and amortization by an amount of L.E. 1 213 343 K due to the additions of the last quarter of the previous year and the current period.
- The increase in the salaries and wages item by an amount of L.E. 346 255 K as a result of the annual increase during the period.
- The increase in the other operating costs item by an amount of L.E. 2 154 692 K which is mainly due to the increase in leased circuits by an amount of L.E. 550 731 K and fuel by an amount of L.E. 403 458 K and organizations services costs item by an amount of L.E. 621 503 K and supplies and spare parts item by an amount of L.E. 256 448 K.

5- OTHER INCOME

	<u>For the nine months ended :</u>		<u>For the three months ended :</u>	
	<u>30/9/2025</u>	<u>30/9/2024</u>	<u>30/9/2025</u>	<u>30/9/2024</u>
	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Shared service revenues	1 306 717	1 177 532	443 874	402 611
Right of use the trade mark	988 635	685 942	344 561	239 586
Fines and for delay interest	54 767	131 795	26 154	52 303
Unoperational assets incomes	225 994	164 558	77 296	84 558
Sundry incomes	615 039	331 048	256 955	131 461
	<u>3 191 152</u>	<u>2 490 875</u>	<u>1 148 840</u>	<u>910 519</u>

The increase in other income by an amount of L.E 700 277 K mainly due to the increase in right of use the trade mark item by an amount of L.E. 302 693 K and sundry incomes item by an amount of L.E. 283 991 K and shared service revenues item by an amount of L.E. 129 185 K.

6- SELLING AND DISTRIBUTING EXPENSES

	<u>For the nine months ended :</u>		<u>For the three months ended :</u>	
	<u>30/9/2025</u>	<u>30/9/2024</u>	<u>30/9/2025</u>	<u>30/9/2024</u>
	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Salaries and wages	1 531 249	1 348 235	508 583	432 584
Company's social insurance contribution	122 180	112 070	39 971	33 340
Advertising and marketing	605 323	631 392	190 086	266 158
Organizations services costs	955 825	741 885	314 711	245 212
Commissions of agent and collection organizations	571 131	523 843	197 675	192 814
Depreciation and Amortization	49 593	32 456	19 505	13 369
Other selling and distribution expenses	225 863	127 901	86 614	38 567
	<u>4 061 164</u>	<u>3 517 782</u>	<u>1 357 145</u>	<u>1 222 044</u>

The increase in selling and distribution expenses by an amount of L.E 543 382 K mainly due to the increase in salaries and wages item by an amount of L.E 183 014 K as a result of the annual increase during the period and organizations services costs item by an amount of L.E 213 940 K and commissions of agent and collection organizations item by an amount of L.E 47 288 K.

7- GENERAL AND ADMINISTRATIVE EXPENSES

	<u>Note</u> <u>No.</u>	<u>For the nine months ended :</u>		<u>For the three months ended</u>	
		<u>30/9/2025</u>	<u>30/9/2024</u>	<u>30/9/2025</u>	<u>30/9/2024</u>
		<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Salaries and wages		2 781 370	2 495 451	935 164	797 361
Company's social insurance contribution		194 523	167 248	64 035	47 035
End of service compensation	(12-1)	159 623	315 415	159 623	315 415
The company's contribution in loyalty and belonging fund	(12-2)	187 500	195 000	62 500	65 000
Depreciation and Amortization		51 155	69 479	12 439	31 017
Tax and duties		142 066	116 083	43 916	39 376
Organizations services costs and consultants		666 593	516 477	257 548	184 330
Other general and administrative expenses		736 700	569 698	236 515	181 053
		<u>4 919 530</u>	<u>4 444 851</u>	<u>1 771 740</u>	<u>1 660 587</u>

The increase in general and administrative expenses by an amount of L.E 474 679 K mainly due to the increase of salaries and wages item by an amount of L.E 285 919 K due to the annual increase during the period and organizations services costs and consultants item by an amount of L.E. 150 116 K, however the decrease in the end of service compensation item by an amount of L.E. 155 792 K led to the limitation of this increase.

8- OTHER EXPENSES

	<u>For the nine months ended :</u>		<u>For the three months ended</u>	
	<u>30/9/2025</u>	<u>30/9/2024</u>	<u>30/9/2025</u>	<u>30/9/2024</u>
	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Provisions	145 000	3 379	85 000	-
Capital losses	1 290 667	14 288	1 286 737	2 118
Donations	87 951	97 910	35 628	386
Other expenses	7 025	-	-	-
	<u>1 530 643</u>	<u>115 577</u>	<u>1 407 365</u>	<u>2 504</u>

The increase in other expenses by an amount of L.E 1 415 066 K mainly due to the increase of capital losses item by an amount of L.E 1 276 379 K due to losses from fire of Ramses Central and provisions item by an amount of L.E. 141 621 K.

9- NET FINANCE COST

The increase in net finance cost by an amount of L.E 255 595 K during the period is mainly due to the increase in the debit interest by an amount of L.E. 2 669 598 K, however the increase in net gain of translation of foreign currencies transactions and balances during the period by an amount of L.E. 2 346 059 K led to the limitation of this increase.

10- INCOME FROM INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

	<u>For the nine months ended:</u>		<u>For the three months ended:</u>	
	<u>30/9/2025</u>	<u>30/9/2024</u>	<u>30/9/2025</u>	<u>30/9/2024</u>
	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>
<u>10-1 Income from investment in subsidiaries</u>				
WE-Data	3 000 000	3 002 000	-	-
Middle East Radio Communication (Merc)	5 614	5 646	-	-
The Egyptian Telecommunication Company for information system (Xceed)	312 500	125 000	-	-
Centra for Technology company (Centra)	61 699	8 814	-	-
<u>10-2 Income from investment in associates</u>				
Vodafone Egypt Telecommunications Company	2 477 474	3 472 323	-	3 472 323
Egypt trust	-	25 000	-	-
	<u>5 857 287</u>	<u>6 638 783</u>	<u>-</u>	<u>3 472 323</u>

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

11-1 Results of discontinued operations

	<u>For the nine months ended :</u>		<u>For the three months ended:</u>	
	<u>30/9/2025</u>	<u>30/9/2024</u>	<u>30/9/2025</u>	<u>30/9/2024</u>
Revenues	170 731	212 072	66 685	53 909
Expenses	(37 787)	(40 614)	(8 842)	(13 375)
Net profit for the period before tax from discontinued operations	<u>132 944</u>	<u>171 458</u>	<u>57 843</u>	<u>40 534</u>
Income tax	(29 913)	(38 578)	(13 015)	(9 120)
Net profit for the period after tax from discontinued operations	<u>103 031</u>	<u>132 880</u>	<u>44 828</u>	<u>31 414</u>

11-2 Cash flows from discontinued operations

	<u>For the nine months ended:</u>	
	<u>30/9/2025</u>	<u>30/9/2024</u>
Net cash provided by operating activities	116 907	183 218
Net cash used in investing activities	(274 558)	(958 392)
Cash and cash equivalents at the end of the period	<u>(157 651)</u>	<u>(775 174)</u>

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) Note No. (32-2)

12- EMPLOYEE'S BENEFITS

12-1 End of service compensation

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

First: The important conditions of end of service compensation

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

Second: The most important benefits of end of service compensation

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

The company's manpower planning committee has considered the applications for end of service compensation submitted by employees to enroll in the system to determine the extent to which those applications meet the conditions and whether the company needs the applicant employee or not, the said committee has completed the study of all the applications submitted by the employees of the company, and based on its recommendations and after obtaining all the necessary approvals, an administrative orders have been issued for the end of the service of employees whose meet the requirements of the above scheme. Currently, the said committee has prepared the study of all the applications submitted to it by the employees of the company, issuing its recommendations and preparing the final reports of the results of its works in order to determine all the liabilities that the company will bear as a result of the application of the end of service compensation scheme, the company's liabilities as a result of implementation of this scheme amounted to L.E. 159 623 K for the period ended in 30, September 2025 (against an amount of L.E.315 415 K for the same period of 2024) (Note no. 7).

12-2 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. 250 M for year 2025 and an amount of L.E 187.5 M for the period ended in September 30, 2025 (against an amount of L.E.195 M for the same period of 2024) Note No.7.

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

	For the Nine months ended:		For the three months ended:	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
Net profit for the period from continued operations (LE in thousand)	5 848 621	5 751 010	178 551	1 436 126
Net profit for the period from discontinued operations (LE in thousand)	103 031	132 880	44 828	31 414
Net profit for the period	5 951 652	5 883 890	223 379	1 467 540
Number of shares available during the period (share)	1707 071 600	1707 071 600	1707 071 600	1707 071 600
Basic and diluted earnings per share for the period from continued operations (LE / share)	3.43	3.37	0.10	0.84
Basic and diluted earnings per share for the period from discontinued operations (LE / share)	0.06	0.08	0.03	0.02
Basic and diluted earnings per share for the period (LE / share)	3.49	3.45	0.13	0.86

14- FIXED ASSETS AND PROJECTS UNDER CONSTRUCTION

	30/9/2025	30/9/2024	30/9/2025	30/9/2024	30/9/2025	30/9/2024	31/12/2024
Description	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	72 234 980	61 454 477	27 618 126	24 588 940	44 616 854	36 865 537	39 237 595
Centrals & information technologies equipment	63 628 730	55 441 552	29 969 785	24 693 376	33 658 945	30 748 176	35 007 461
Vehicles	550 569	326 026	193 546	156 874	357 023	169 152	211 691
Furniture	723 458	679 616	496 049	448 489	227 409	231 127	247 396
Tools & supplies	328 066	280 870	235 132	206 197	92 934	74 673	106 055
Projects under construction	22 966 036	22 339 984	-	-	22 966 036	22 339 984	22 560 247
Total	162 829 395	142 920 081	58 512 638	50 093 876	104 316 757	92 826 205	99 768 001

- 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. 16 471 700 K, however the depreciation of the period by an amount of L.E. 8 848 924 K led to the limitation of this increase.
- The cost of fixed assets as of September 30, 2025 includes an amount of L.E. 15 904 Million fully depreciated fixed assets and still in use. (against an amount of L.E. 13 695 Million for the same period of 2024).
- Fixed assets by an amount of L.E. 1 356 059 K were disposed by netting as a result of the losses related to Ramses Central Fire Accident (Note No.33-1)
- Some items of fixed assets and projects under construction have been transfered to assets held for sale Note No. (22)

15- USUFRUCT ASSETS

	30/9/2025 <u>L.E. (000)</u>	31/12/2024 <u>L.E. (000)</u>
<u>Cost</u>		
Usufruct (projects)	2 960 582	2 599 108
Submarine cables (rights of way)	3 921 524	4 056 794
Right of way (local)	757 002	757 003
Land (possession-usufruct)	626 594	556 337
Projects under construction	3 061 609	2 024 324
	<u>11 327 311</u>	<u>9 993 566</u>
<u>Less:</u>		
Accumulated amortization	2 329 107	2 130 384
Net carrying amount of usufruct assets	<u>8 998 204</u>	<u>7 863 182</u>

- The increase in net carrying value of usufruct assets by an amount of L.E. 1 135 022 K mainly due to the additions during the period by an amount of L.E. 1 423 034 K, however the amortization of the period by an amount of L.E. 268 927 K which led to the limitation of this increase.
- Usufruct assets cost includes an amount of L.E 370 Million at September 30, 2025 (against an amount of L.E. 253 Million for the same period of 2024) 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)

	30/9/2025 <u>L.E. (000)</u>	31/12/2024 <u>L.E. (000)</u>
Cost of beginning balance	1 711 181	1 393 667
Additions	167 319	317 514
Disposals during the period / year	(54 927)	-
Cost of ending balance	<u>1 823 573</u>	<u>1 711 181</u>
 Accumulated amortization of beginning balance	 870 977	 641 279
Amortization for the period	176 781	229 698
Disposals during the period / year	(19 835)	-
Accumulated amortization of Ending balance	<u>1 027 923</u>	<u>870 977</u>
Net carrying amount for right of use assets	<u>795 650</u>	<u>840 204</u>

16-2 Lease Obligations

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

	30/9/2025	31/12/2024
	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Beginning balance of Present value for lease contracts	1 069 566	920 738
Additions	167 319	317 514
Disposals	(48 882)	-
Payments	(317 146)	(314 173)
interest	107 369	145 487
Net present value for lease obligations resulting from lease contracts	978 226	1 069 566

Presented as follows :

Current Lease obligations	340 036	279 211
Non Current Lease obligations	638 190	790 355

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

17- INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

	30/9/2025		31/12/2024	
	<u>Ownership</u>	<u>Amount</u>	<u>Ownership</u>	<u>Amount</u>
	<u>%</u>	<u>L.E. (000)</u>	<u>%</u>	<u>L.E. (000)</u>
17-1 Investments in subsidiaries				
- Telecom Egypt France (TE France)	100.00	69 220	100.00	69 220
- TE Infracore Limited***	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	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
17-2 Investments in associates				
- 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
		6 695 583		6 661 468
Less:				
Impairment loss on investments of subsidiaries and associates*		394		7 894
		6 695 189		6 653 574

*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 September 30, 2025, is 51%.

***TE Infracore Limited company was established in United Arab of Emirates with capital \$ 500 K.

****The capital of TE For Sports Company was increased by an amount L.E. 9000 K and it was registered in the commercial registry.

18- INVENTORIES

	30/9/2025	31/12/2024
	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Spare parts	1 366 091	1 459 372
Material supplies, Merchandise for sale	4 726 628	5 757 085
Others	23 927	23 375
	<u>6 116 646</u>	<u>7 239 832</u>

The value of inventories was written down by an amount of L.E. 109 050 K (against L.E. 97 151 K as at December 31, 2024) for obsolete and slow-moving items directly from the cost of each type of related inventory.

-Inventories by an amount of L.E. 127 508 K were disposed by netting as a result of the losses related to Ramses Central Fire Accident Note No. (33-1)

19- TRADE AND NOTE RECEIVABLES

	30/9/2025	31/12/2024
	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Trade Receivables - Local	5 501 852	5 609 491
Trade Receivables - International	9 476 574	11 153 944
	<u>14 978 426</u>	<u>16 763 435</u>
<u>Less:</u>		
Expected credit loss	3 343 518	2 933 536
<u>Add:</u>		
Notes receivables	398 069	387 686
	<u>12 032 977</u>	<u>14 217 585</u>

Trade and note receivables balance has decreased by an amount of L.E 2 184 608 K mainly due to the decrease in international cables and networks by an amount of L.E. 2 269 943 K, enterprise by an amount of L.E. 199 786 K, and domestic wholesale by an amount of L.E 134 628 K, however the increase in home and personal communications by an amount of L.E. 226 775 K and increase in international carriers by an amount of L.E 592 573 K led to the limitation of this decrease.

20- DEBTORS AND OTHER DEBIT BALANCES

	30/9/2025	31/12/2024
	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Suppliers – advanced payments	1 225 502	1 113 834
Deposites with others	343 657	322 354
Accrued revenues	47 142	31 686
Tax Authority - value added tax	1 877 020	1 362 015
Due from external collection agencies	304 378	227 648
Due from ministries, organizations and companies	2 214 160	1 384 501
Temporary debts due from employees	914 577	1 134 537
Other debit balances	1 278 743	956 562
	8 205 179	6 533 137
Less:		
Expected credit loss	12 160	12 160
	8 193 019	6 520 977

Debtors and other debit net balances have increased by an amount of L.E. 1 672 042 K mainly due to the increase in due from ministries, organizations and companies item by an amount of L.E. 829 659 K, tax authority- value added tax item by an amount of L.E. 515 005 K and suppliers-advanced payments item by an amount of L.E. 111 668 K, however the decrease in temporary debts due from employees by an amount of L.E. 219 960 K as a result of employee dividends for the year 2024 led to the limitation of this increase.

21- CASH AND CASH EQUIVALENTS

	Note	30/9/2025	31/12/2024	30/9/2024
	<u>No.</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Banks - time deposits (less than 3 months)		2 294 854	2 028 366	3 306 455
Banks - current accounts		3 684 399	4 938 224	5 563 674
Cash on hand		12 661	2 394	9 673
Cash and cash equivalents		5 991 914	6 968 984	8 879 802
Less:				
Restricted cash and cash equivalents	(30)	600 033	699 599	669 186
Cash and cash equivalents as per statement of cash flows		5 391 881	6 269 385	8 210 616

22- ASSETS HELD FOR SALE

	30/9/2025	31/12/2024
	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Fixed assets and projects under construction	1 733 305	-

On September 2025, The management committed to a plan restructuring and sell part of its assets, represented in regional data center hub (RDH) Accordingly, this part of assets is presented as assets held for sale. Note (No.33-2)

23- LOANS AND CREDIT FACILITIES

-The decrease in the balance of loans and credit facilities by an amount of L.E 4 305 063 K mainly resulted from of payments of loan installments during the period where loans and credit facilities with local and foreign currencies on September 30, 2025 amounted to L.E. 76 421 194 K (against LE 80 726 257 K at December 31, 2024) with an amount of L.E. 37 093 705 K due within a year.

24- CREDITORS AND OTHER CREDIT BALANCES

	30/9/2025	31/12/2024
	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Suppliers	4 208 653	4 120 704
Tax Authority (taxes other than income tax)	2 062 840	1 263 552
Deposits from others	1 125 818	1 047 358
Assets creditors	27 013 029	30 703 025
Accrued interests	712 558	749 806
Accrued expenses	1 303 592	1 738 150
Public Authority for Social Insurance	96 185	84 196
Trade receivables - credit balances	1 625 096	1 409 813
Credit balances- organizations and companies	1 076 530	992 998
Contract liabilities	13 203 424	9 809 803
National Telecommunication Regulatory Authority (NTRA)	2 777 431	2 674 088
Other credit balances	1 684 684	1 630 744
	<u>56 889 840</u>	<u>56 224 237</u>
<u>Balances due within more than one year:</u>		
Assets creditors	17 392 725	16 181 381
Contract liabilities	8 311 872	6 397 444
<u>Non current creditors and other credit balances</u>	<u>25 704 597</u>	<u>22 578 825</u>
<u>Current creditors and other credit balances</u>	<u>31 185 243</u>	<u>33 645 412</u>
<u>Total creditors and other credit balances</u>	<u>56 889 840</u>	<u>56 224 237</u>

Creditors and other credit balances have increased by an amount of L.E. 665 603 K mainly due to the increase in Contract liabilities item by an amount of L.E. 3 393 621 K, Tax authority (taxes other than income tax) item by an amount of L.E. 799 288 K, however the decrease in Asset creditors item by an amount of L.E 3 689 996 K and Accrued expenses item by an amount of L.E. 434 558 K let to the limitation of this increase.

25- PROVISIONS

	30/9/2025	31/12/2024
	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Balance at the beginning of the period / year	382 270	699 273
Reclassification during the period / year	17 865	-
Charged to statement of income for the period / year	145 000	108 827
Used during the period / year	(8 811)	(425 830)
Balance at the end of the period / year	<u>536 324</u>	<u>382 270</u>

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

	30/9/2025	31/12/2024
	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Legal reserve*	3 397 460	3 258 135
Other reserves	2 822 906	2 822 906
	<u>6 220 366</u>	<u>6 081 041</u>

*The balance of legal reserve has increased as a result of retaining an amount of L.E. 139 325 K from the profit of 2024 in accordance with the company's articles of association.

28- INCOME TAX

28-1 Items recognized in statement of income

	<u>For the nine months ended:</u>		<u>For the three months ended:</u>	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Current income tax	(579 097)	(1 606 217)	13 015	(1 017 230)
Deferred tax	(1 279 086)	2 105 143	(604 453)	213 949
	<u>(1 858 183)</u>	<u>498 926</u>	<u>(591 438)</u>	<u>(803 281)</u>

28-2 Items recognized in statement of comprehensive income

	<u>For the nine months ended :</u>		<u>For the three months ended :</u>	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>	<u>L.E. (000)</u>
Income tax	-	418 083	-	-
Deferred tax	-	2 443 759	-	-
	<u>-</u>	<u>2 861 842</u>	<u>-</u>	<u>-</u>

28-3 Recognized deferred tax assets and liabilities.

	30/9/2025		31/12/2024	
	Assets	Liabilities	Assets	Liabilities
	L.E.(000)	L.E.(000)	L.E.(000)	L.E.(000)
Total deferred tax asset / (liability)	5 887 165	(2 078 656)	7 302 146	(2 214 551)
Net deferred tax assets	3 808 509	-	5 087 595	-
Deferred tax charged to the statement of income for the period / year	-	(1 279 086)	2 313 617	-
Deferred tax charged to the statement of comprehensive income for the period / year	-	-	2 212 956	-

28-4 Unrecognized deferred tax assets

	30/9/2025	31/12/2024
	L.E. (000)	L.E. (000)
Unrecognized deferred tax assets	759 260	666 921

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

	30/9/2025	31/12/2024
	L.E. (000)	L.E. (000)
Tax Authority - income tax	-	-
Less:		
Advanced payments	1 553 239	1 193 239
Withholding tax	223 975	220 431
	1 777 214	1 413 670

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 September 30, 2025, amounted to L.E. 2 205 million (against L.E. 2 026 million at the year ended December 31, 2024).

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 September 30, 2025:

	30/9/2025	31/12/2024
	LE (000)	LE (000)
- Letters of guarantee issued by banks on behalf of the company	3 444 056	3 103 401
- Letters of credit	2 204 690	2 026 325

*Letters of guarantee which were issued by banks on behalf of the company and for others on September 30, 2025 including letters of guarantee issued in exchange for a cash cover (restricted cash and equivalent) (Note No.21).

31-TAX POSITION

31-1 Corporate tax

- Tax inspection was performed for the years 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 have not been done to date.
- Tax return are submitted according to the income tax law No. 206 of 2020, its amendments and its executive regulations, also the due taxes are paid on legal dates.

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.
- Tax inspection for year 2024 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 except fines.
- Years from 2023 till 2024, 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 differences.

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 Nine Months Ended September 30, 2025 (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

	Nature of transaction during the period	Amount of transactions during the period stated in the income statement L.E. 000	Debit L.E. 000	Movement during the period Credit L.E. 000	Balance as of 30/9/2025 (Credit) / Debit L.E. 000	Balance as of 31/12/2024 (Credit) / Debit L.E. 000
Debit balances due from subsidiaries						
- TE Globe	Maintenance & supplying devices	17 368				
- TE Globe	Telecommunications cost	264 356	261 580	225 689	15 650	(20 241)
- TE Infracore Limited	Payments on behalf of the company	-	6 248	-	6 248	-
- Middle East Radio Communication (MERC)	Participation circuits contract	3 166	3 616	3 619	1 040	1 043
- WE Host	Payments on behalf of the company	-	899	-	899	-
- TE Sport	lease of club land	65 940	70 581	-	327 417	256 836
- TE Sport	Leased sites for subsidiary company	13	13	-	31	18
			70 594	-	327 448	256 854
			342 937	229 308	351 285	257 897
Total of debit balances due from subsidiaries						
Credit balances due to subsidiaries and associates						
- Egyptian Telecommunication Company for Information Systems	Services rendered from subsidiary company	1 019 931	5 080 797	4 918 304	(3 454 933)	(3 617 426)
- Egyptian Telecommunication Company for Information Systems	Lease of subsidiary company premises, electricity claims, maintenance and leased circuits and sale of fixed assets	119 915	4 167 170	4 033 861	3 382 248	3 248 939
			9 247 967	8 952 165	(72 685)	(368 487)
- WE Data	Participation contract and Purchasing of fixed assets and services rendered from subsidiaries company	333 302	30 591 201	31 630 295	(1 871 126)	(832 032)
- WE Data	Leased circuits and information transfer network rendered to subsidiaries	13 583 342	31 287 927	35 643 343	(7 835 616)	(3 480 200)
- WE Data	Royalties and shared services	2 295 352	2 986 193	2 804 292	181 901	-
			64 865 321	70 077 930	(9 524 841)	(4 312 232)
- Centra for Technologies	Maintenance & supplying devices	541 029	1 638 717	1 026 996	(887 042)	(1 498 763)
- Centra for Electronic Industries	Maintenance & supplying devices	26 637	17 358	30 366	(19 703)	(6 695)
- T E investment Holding	Rendered services from subsidiary company	118 993	188 528	228 843	(118 266)	(77 951)
- T E investment Holding	Leased sites for subsidiary company	20	20	-	14	(6)
			188 548	228 843	(118 252)	(77 957)
- TE Data Jordan	Participation contract	99 693	55 590	37 856	(11 081)	(28 815)
- TE Data Jordan	Leased international circuits	165	175	6 269	59	6 153
			55 765	44 125	(11 022)	(22 662)
- TE France	Participation contract	88 823	101 188	113 771	(252 118)	(239 535)
- Mena Cable	Leased sites for subsidiary company	-	-	-	8	8
- Mena Cable	Purchasing of intangible assets from subsidiaries company	-	-	-	(2 671)	(2 671)
- Mena Cable	Payments on behalf of the company	-	-	-	978	978
- Mena Cable	Maintenance - Rendered services from subsidiary company	16 581	120 989	66 384	(167 386)	(221 991)
- Mena Cable	Paid of expenses on behalf of parent company	8 854	15 556	10 368	(6 560)	(11 748)
- Mena Cable	Maintenance - Rendered services to subsidiary company	11 847	11 377	-	11 377	-
- Mena Cable	Transfer of EISCC debt to the company	-	478 405	165 146	(462 739)	(775 998)
			626 327	241 898	(626 993)	(1 011 422)
- Vodafone Egypt Telecommunications Company	Outgoing calls and voice services for associate company	5 369 537	13 104 675	13 176 729	(2 540 711)	(2 468 657)
- Vodafone Egypt Telecommunications Company	Incoming international calls, claims, transmissions, lease of locations and towers for the associate company	4 461 594				
			89 845 866	93 892 823	(14 053 367)	(10 026 651)

*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, 2025, The Company's ordinary general assembly decided to approve the disbursement of an amount of L.E 18 550 K to the members of the board of directors as a reward for the fiscal year ended in December 31, 2024, in addition to attending board sessions allowances stipulated in the ordinary general assembly of the company.

33- Significant events

33-1 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 and The claim procedures for the remaining compensation are being completed in accordance with the available insurance coverage, pending the completion of the investigations.

(Note No. 8).

33-2 Partnership in Regional Data Hub (RDH)

On September 3, 2025, The Board of Directors has granted its preliminary approval of the binding offer submitted by an investor to acquire a stake ranging from 75% to 80% in a subsidiary that will own the Regional Data Hub (RDH) To become a partnership between the two parties in the business of data center activity in Egypt, following the restructuring of said assets in a subsidiary, accordance with the procedures followed in this regard The matter , the terms and conditions of the deal were signed.