



FY 2024 Earnings Release

Cairo, Egypt

27 February 2025

Telecom Egypt (Ticker: ETEL.CA; TEEG.LN) today announced its audited financial results, according to the Egyptian Accounting Standards (EAS), for the full year 31 December 2024.

FY 2024 Key Highlights

- **Total revenue** increased by 45% YoY, driven primarily by a 48% YoY increase in Data revenue, contributing 41% to the overall growth, followed by a 68% surge in International Direct Dialing (IDD) revenue and a 21% YoY rise in Domestic Infrastructure Services revenue.
- **Customer base** increased YoY across Mobile, Fixed Broadband, and Fixed Voice by 13%, 8%, and 6%, respectively.
- **EBITDA** witnessed a 45% YoY increase, recording a 40% margin.
- **Normalized net profit** (excluding EGP 4.9bn FX losses and EGP 0.6bn early retirement compensation) reached EGP 14.3bn, marking a strong 22% YoY increase. This growth was driven by robust operational performance and a 64% rise in VFE income, offsetting the impact of a 48% increase in D&A and a 1.5x rise in interest expenses caused by the EGP devaluation.
- **In-service CapEx** reported EGP 19.8bn (24% of sales), while Cash CapEx reported EGP 35.1bn (43% of sales).
- **Net debt/EBITDA** recorded 2.2x compared to 1.7x in FY 2023, given the 64% upside in gross debt due to the revaluation of foreign-currency-denominated debt.
- **FCFF**, excluding the mobile license fees of c. EGP 6bn, reached EGP 4.4bn.

Mohamed Nasr, Managing Director and Chief Executive Officer, commented:

"2024 was a year filled with both opportunities and challenges. At Telecom Egypt, we approached these challenges with resilience and a steadfast commitment to delivering on our strategic priorities. At the same time, we capitalized on opportunities to reinforce our position as a strong and reliable partner for all our stakeholders. Despite global macroeconomic headwinds, we achieved remarkable growth, with total revenue increasing by 45% YoY to reach EGP 82 billion. EBITDA grew by 45% YoY, maintaining a strong margin of 40%. This performance reflects robust top-line growth and disciplined cost-optimization efforts, enabling us to achieve our target margins despite persistent inflationary pressures. However, we are now witnessing signs of cost-base stabilization. This reflects the recent easing of inflationary pressures and a shift to a new, more predictable cost structure, providing greater clarity for future planning.



Organically, our core business segments performed exceptionally well. The Retail segment recorded 42% YoY growth, driven by an expanding customer base and the successful implementation of price adjustments earlier in the year and again in December. Data revenue remained the primary growth driver for this segment, expanding by 48% YoY, fueled by the rapid adoption of bandwidth-intensive applications, increased smartphone penetration, and the growing shift toward cloud-based services. The proliferation of video streaming, online gaming, and IoT-enabled solutions has amplified demand for high-speed, low-latency connectivity, reinforcing our network's critical role in supporting Egypt's evolving digital ecosystem.

The Wholesale segment delivered strong 48% YoY growth, mainly driven by the growth in International Calls, Domestic Infrastructure Services, and Capacity Sales, contributing 16%, 6%, and 5% to total revenue growth, respectively. Telecom Egypt remains a key global connectivity hub, leveraging its extensive submarine cable infrastructure and strategic geographic position. Throughout the year, we signed multiple agreements to monetize assets, expand subsea capacity, and support rising global data traffic. These efforts strengthen our role in enabling international connectivity while capitalizing on increasing demand from cloud providers, content platforms, and global carriers.

Net profit stood at EGP 10.1 billion, marking a 14% YoY decline, primarily due to the EGP 4.9 billion in non-recurring FX losses and EGP 0.6 billion in early retirement compensation. Excluding these one-offs, normalized net profit reaches EGP 14.3 billion, reflecting a 22% YoY increase and a 17% margin.

Excluding the mobile license fees, FCFF recorded EGP 4.4bn, delivering on our target to achieve a positive free cash flow to firm by year-end, and reflecting the company's strong cash flow generation capabilities. We recognize that the volatile macroeconomic environment over the past two years has presented significant challenges to our profitability and cash flow. Nevertheless, our business fundamentals remain strong, and we have taken proactive measures to optimize our capital structure, enhance profitability, and improve cash flow. These efforts reflect our unwavering commitment to addressing the concerns of our shareholders and investors while strengthening our long-term financial position.

The strong foundations we established in 2024 position us for sustainable growth in the years ahead. In 2025, we anticipate a strong year, supported by a strengthened financial position, disciplined capital allocation, and consistent operational performance. Reflecting our confidence in the company's solid performance and our commitment to delivering shareholder value, the Board of Directors has proposed a dividend of EGP 1.50 per share for 2024, subject to the general assembly's approval."



Telecom Egypt - Main Events Year to Date

- ✓ 18 Feb 2025: Telecom Egypt and Orange Egypt Sign Agreements to Provide Transmission and Infrastructure Services
- ✓ 23 Jan 2025: Telecom Egypt Activates Mediterranean Subsea Link on 2Africa Using Cisco Technology
- ✓ 18 Jan 2025: Telecom Egypt Awarded 'Best Investor Relations – Telecom Company' at the International Finance Awards 2024
- ✓ 24 Dec 2024: China Mobile International and Telecom Egypt Forge Strategic Partnership
- ✓ 18 Nov 2024: Telecom Egypt's Regional Data Hub 2 Awarded Tier III Design Certification
- ✓ 11 Nov 2024: Telecom Egypt and Vodafone Egypt Strengthen Strategic Partnership with New Service Agreements
- ✓ 06 Nov 2024: Telecom Egypt Announces Africa-1 Subsea Cable System Landing in Egypt
- ✓ 04 Nov 2024: Mobily Partners with Telecom Egypt to Land the First Saudi Submarine Cable Linking Saudi Arabia and Egypt through the Red Sea
- ✓ 28 Oct 2024: Telecom Egypt Refinances Short-Term Facilities Through an EGP 18bn Syndicate Loan from 13 Banks
- ✓ 07 Aug 2024: Telecom Egypt Selects Mada Communications as its Preferred Partner for International SMS Services
- ✓ 15 Jul 2024: Telecom Egypt Enhancing Mobile Data Service in Strategic Hot Spots Using Nokia 5G Technology
- ✓ 01 Jul 2024: Telecom Egypt and 4iG Group to Partner in Modernizing Egypt's Digital Infrastructure
- ✓ 05 Jun 2024: SubCom and Telecom Egypt Complete IEX Cable Landings in Egypt
- ✓ 22 May 2024: Telecom Egypt to Refinance Short-Term Facilities with new USD 200m Medium-Term Loan Facility from Banque Misr, UAE
- ✓ 21 May 2024: Telecom Egypt Partners with Huawei Cloud to Host Huawei's First Public Cloud in Egypt and Northern Africa
- ✓ 19 Mar 2024: Telecom Egypt and EXA Infrastructure Partner to Promote Intercontinental Traffic via WeConnect
- ✓ 07 Feb 2024: ICE IV Project Propels Intra Asia to India, Middle East, and Beyond
- ✓ 01 Feb 2024: 4iG and Telecom Egypt Sign Terms of Cooperation for the Creation of an Express Subsea Cable between Albania and Egypt
- ✓ 25 Jan 2024: Telecom Egypt and NaiTel Join Forces to Build a new Subsea Cable "Coral Bridge" between Egypt and Jordan
- ✓ 17 Jan 2024: Telecom Egypt Secures the First 5G License in Egypt



Customer Base

(000s)	Q4 24	Q4 23	Δ % YoY	Q3 24	Δ % QoQ
Fixed Line					
Voice	13,217	12,480	5.9%	12,941	2.1%
Data	10,255	9,518	7.7%	10,032	2.2%
Mobile	14,014	12,449	12.6%	13,616	2.9%

Revenue Breakdown

EGP mn	FY 24	FY 23	Δ %	Q4 24	Q4 23	Δ % YoY	Q3 24	Δ % QoQ
Home & Consumer	36,034	24,862	44.9%	9,771	6,490	50.5%	9,208	6.1%
Enterprise	8,411	6,413	31.1%	1,996	1,800	10.9%	2,248	-11.2%
Domestic Wholesale	9,310	7,655	21.6%	2,963	1,784	66.1%	1,971	50.3%
International Carriers	14,210	8,117	75.1%	4,184	2,079	101.2%	3,706	12.9%
International Customers & Networks	14,072	9,632	46.1%	4,693	2,568	82.8%	3,344	40.3%

Income Statement Summary

EGP mn	FY 24	FY 23	Δ %	Q4 24	Q4 23	Δ % YoY	Q3 24	Δ % QoQ
Revenue	82,037	56,679	45%	23,606	14,721	60.4%	20,478	15.3%
EBITDA	32,953	22,662	45%	9,468	5,074	86.6%	8,032	17.9%
EBIT	26,337	17,553	50%	8,148	3,897	109%	6,770	20.4%
NPAT	10,098	11,713	-13.8%	1,461	2,565	-43%	2,126	-31.3%
EPS	4.79	5.85	-18%	0.86	1.50	-43%	1.25	-31.3%
Margins								
EBITDA Margin %	40%	40%	19 bps	40.1%	34%	564 bps	39%	88 bps
EBIT Margin %	32%	31%	114 bps	34.5%	26%	804 bps	33%	146 bps
NPAT Margin %	12%	21%	(836 bps)	6.2%	17%	(1,124 bps)	10%	(419 bps)



Results Discussion

Q4 2024

- **Top-line** surged by 60% YoY, driven by a 42% YoY increase in Retail revenue and an 84% YoY increase in Wholesale revenue.
- **Retail** performance was mainly driven by Data growth, marking a 53% YoY increase, representing 34% of the total revenue growth. This growth is attributed to the base effect of two price-ups across the Retail segment in January and December 2024, as well as an expanding customer base.
- **Wholesale** performance was mainly attributed to Cable Projects, which increased by 168% YoY and contributing 18% to total revenue growth. This was followed by IDD revenue growth, increasing by 88% YoY and contributing 16% to total revenue growth, primarily fueled by foreign currency appreciation and supported by increasing international call traffic.
- **EBITDA** surged by 87% YoY, recording an improved margin of 40% vs 34% in Q4 2023.
- **Net profit**—adjusted for FX losses and the optional early retirement compensations—hiked 63% YoY, reaching EGP 4.0bn on a healthy revenue mix and higher investment income.

FY 2024

- **Total revenue** increased by 45% YoY to reach EGP 82.0bn, driven by strong performance in the Retail segment, contributing 54% to total revenue and driving 52% of the YoY revenue growth.
- **Home & Consumer** achieved 45% YoY growth, driven by a 48% increase in Data revenue. This performance was supported by higher ARPU (+39% YoY), fueled by direct price adjustments in January and December, along with an expanding customer base.
- **Enterprise** increased by 31% YoY, primarily supported by the Enterprise Managed Data services, representing 41% of the business unit's growth.
- **Mobile** recorded a substantial 35% YoY growth, primarily driven by higher ARPU (direct price adjustment) and a 13% YoY expansion in the customer base.
- **Domestic Wholesale** achieved a 22% YoY increase, primarily driven by a 21% growth in Infrastructure revenues.
- **ICA** grew 75% YoY, contributing 24% to top-line growth, driven by a 68% YoY increase in IDD revenues, supported by foreign currency gains and a 19% YoY rise in international incoming calls traffic.
- **IC&N** saw 46% YoY growth, contributing 18% to top-line growth, mainly due to a 53% YoY increase in Capacity Sales, reaching EGP 4.0bn. Additionally, International Customer Support



revenue rose by 53% YoY to EGP 2.7bn while Cable Projects revenue rose by 20% to EGP 4.8bn.

- **EBITDA** witnessed a 45% YoY increase, recording a 40% margin. This performance was driven by robust top-line growth and disciplined cost-optimization efforts, which enabled us to achieve our target margins despite high inflationary pressures.
- **VFE Income** surged by 64% to EGP 8.7bn, mainly on the full effect of the price adjustments implemented in January and the partial effect of the price adjustment implemented in December.
- Excluding the mobile license fees, **FCFF** reached EGP 4.4bn.
- **Net profit** stood at EGP 10.1 billion, marking a 14% YoY decline, primarily due to the EGP 4.9 billion in non-recurring FX losses and EGP 0.6 billion in early retirement compensation. Excluding these one-offs, normalized net profit reaches EGP 14.3 billion, reflecting a 22% YoY increase and a 17% margin, underscoring the company's strong operational performance.

Balance Sheet Summary

EGP mn	FY 24	FY 23	Δ %
Current Assets	43,747	34,360	27%
Net Fixed Assets	102,379	78,003	31%
Long Term Investments	18,848	14,968	26%
Other Long Terms Assets	32,978	22,926	44%
Total Assets	197,953	150,257	32%
Current Liabilities (Excl. Debt)	47,171	33,878	39%
Current Portion of Long Term Debt	42,315	29,616	43%
Long Term Debt	38,411	19,726	95%
Other Non-Current Liabilities	24,118	16,152	49%
Total Liabilities	152,015	99,372	53%
Total Shareholder Equity	45,938	50,885	-10%
Total Liabilities & Shareholder Equity	197,953	150,257	32%

Cash Flow Summary

EGP mn	FY 24	FY 23	Δ %
Net Cash Provided by Operating Activities	21,520	16,943	27.0%
Net Cash Used in Investing Activities	-31,546	-23,915	31.9%
Net Cash Used in Financing Activities	6,922	10,559	-34.4%
Net Change in Cash & Cash Equivalents	-3,104	3,588	-186.5%
Translation Differences of Foreign Entities	227	103	119.4%
Beginning of the Period Cash	10,443	6,752	54.7%
End of Period Cash	7,565	10,443	-27.6%



– End –

Please refer to Telecom Egypt's full financial statements, available for download from the investor relations website ir.te.eg

For more information, contact:

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About Telecom Egypt

Telecom Egypt is a total telecom operator in Egypt, providing a wide array of telecom services to a diverse customer base. Serving individuals, communities, SOHOs, SMEs and large enterprises, Telecom Egypt offers a comprehensive, innovative, and diversified portfolio of services, ranging from fixed and mobile voice to essential data solutions that are crucial in today's digital landscape. These services also include high-speed internet, smart solutions, data center facilities, and cloud computing solutions tailored for businesses.

With a rich heritage of about 170 years, Telecom Egypt continues to lead the Egyptian telecom market by providing cutting-edge technology, robust infrastructure, and an extensive network of subsea cables to meet the needs of its enterprise and consumer clientele. The company's pivotal role in Egypt's telecommunications landscape is underscored by its expansive network coverage, broad service range, and dedication to fostering innovation. Aside from its mobile operation "WE", Telecom Egypt holds a significant 45% ownership stake in Vodafone Egypt. Telecom Egypt's shares and GDRs (Ticker: ETEL.CA; TEEG.LN) are traded on the Egyptian Exchange and the London Stock Exchange.