

## IMPORTANT NOTICE

**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached offering circular following this notice, and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached offering circular (the “**Offering Circular**”). In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from the Issuer or the Sole Lead Manager and Bookrunner (each as defined in the Offering Circular) as a result of such access.

**Confirmation of Your Representation:** By accessing the Offering Circular you have confirmed to the Issuer and the Sole Lead Manager and Bookrunner that (i) you understand and agree to the terms set out herein, (ii) you are either (a) a person who is outside the United States and that the electronic mail address you have given is not located in the United States, its territories and possessions, or (b) a person that is a “Qualified Institutional Buyer” (a “**QIB**”) within the meaning of Rule 144A under the Securities Act of 1933, as amended (the “**Securities Act**”), (iii) you consent to delivery by electronic transmission, (iv) you will not transmit the Offering Circular (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person except with the consent of the Sole Lead Manager and Bookrunner, and (v) you acknowledge that you will make your own assessment regarding any legal, taxation or other economic considerations with respect to your decision to subscribe for or purchase any of the New Notes.

You are reminded that the Offering Circular has been delivered to you on the basis that you are a person into whose possession the Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Offering Circular, electronically or otherwise, to any other person and in particular to any U.S. person or to any U.S. address. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

**RESTRICTIONS:** THE FOLLOWING ELECTRONIC TRANSMISSION MAY NOT BE FORWARDED OR DISTRIBUTED OTHER THAN AS PROVIDED BELOW AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THIS DOCUMENT MAY ONLY BE DISTRIBUTED IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT AND TO QIBS PURSUANT TO RULE 144A UNDER THE SECURITIES ACT (“**RULE 144A**”). ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS DOCUMENT CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE THE NEW NOTES DESCRIBED THEREIN.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES IN ANY JURISDICTION. THE NEW NOTES TO BE ISSUED HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT IN ACCORDANCE WITH REGULATION S OR RULE 144A.

In addition, in the United Kingdom, the attached document is being distributed only to and is directed only at: (a) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”); (b) high net worth entities falling within Article 49 of the Order; and (c) other persons to whom it may otherwise lawfully be communicated under the Order (all such persons together referred to as “**relevant persons**”). Any investment or investment activity to which the document relates is available only in the United Kingdom to relevant persons and will be engaged in only with such persons.

No person may communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (“**FSMA**”)) received by it in connection with the New Notes other than in circumstances in which Section 21(1) of the FSMA does not apply.

This document has been delivered to you on the basis that you are a person into whose possession this document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located.

**Manufacturer target market (UK MiFIR product governance)** is eligible counterparties and professional clients only (all distribution channels).

**Singapore SFA Product Classification:** In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the New Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

The Offering Circular does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that an offering of securities described herein be made by a licensed broker or dealer and the Sole Lead Manager and Bookrunner or any affiliate thereof is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Sole Lead Manager and Bookrunner or such affiliate on behalf of the Issuer or holders of the applicable securities in such jurisdiction.

The Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, the Sole Lead Manager and Bookrunner, any person who controls any of the Issuer or the Sole Lead Manager and Bookrunner, any director, officer, employee or agent of any of them, or any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Sole Lead Manager and Bookrunner. Please ensure that your copy is complete. You are responsible for protecting against viruses and other destructive items. Your use of this document is at your own risk, and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



## THE ARAB REPUBLIC OF EGYPT

Issue of:

**U.S.\$500,000,000 9.450% Notes due 2033**

*(to be consolidated and form a single series with the U.S.\$750,000,000 9.450% Notes due 2033)*

**under its U.S.\$40,000,000,000 Global Medium Term Note Programme**

**Issue Price: 106.081%, plus accrued interest**

The U.S.\$500,000,000 9.450% Notes due 2033 (the “**New Notes**”) are being issued by The Arab Republic of Egypt (the “**Issuer**”, the “**Republic**” or “**Egypt**”) on 30 March 2026 (the “**New Issue Date**”) under its U.S.\$40,000,000,000 Global Medium Term Note Programme (the “**Programme**”). The terms and conditions of the New Notes will consist of the “*Terms and Conditions of the Notes*” (the “**Conditions**”) incorporated by reference herein from the Base Offering Circular (as defined under “*Document Incorporated by Reference*”), as completed by the Final Terms, as set out herein. The New Notes will be consolidated and form a single series with the U.S.\$750,000,000 9.450% Notes due 2033 issued on 4 February 2025 (the “**Existing Notes**”) and, together with the New Notes, the “**Notes**”) on the New Issue Date. The New Notes will be fungible in all respects with the Existing Notes. The issue price of the New Notes is 106.081% of their principal amount, plus accrued interest in respect of the period from (and including) 4 February 2026 to (but excluding) the New Issue Date, representing an expected 56 days’ accrued interest.

The first interest coupon on the New Notes payable on 4 August 2026 shall accrue from (and including) 4 February 2026. Interest on the outstanding principal amount of New Notes will otherwise be payable on the same terms as the Existing Notes, semi-annually in arrear on 4 February and 4 August of each year, commencing on 4 August 2026. Unless previously redeemed or cancelled, the New Notes will be redeemed at their principal amount on 4 February 2033.

The New Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any State or other jurisdiction of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The New Notes will be offered and sold outside the United States in reliance on Regulation S under the Securities Act (“**Regulation S**”) and within the United States to qualified institutional buyers (“**QIBs**”) within the meaning of Rule 144A under the Securities Act (“**Rule 144A**”). Prospective purchasers are hereby notified that sellers of the New Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

For a summary of certain restrictions on resales of the New Notes, see “*Transfer Restrictions*” and “*Subscription and Sale*”, each incorporated by reference herein from the Base Offering Circular.

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### INVESTING IN THE NEW NOTES INVOLVES RISKS. SEE “RISK FACTORS” FOR A DISCUSSION OF CERTAIN FACTORS TO BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE NOTES.

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Application has been made to the United Kingdom (“**UK**”) Financial Conduct Authority (the “**FCA**”) for the New Notes to be admitted to the official list of the FCA (the “**Official List**”) and to the London Stock Exchange plc (the “**London Stock Exchange**”) for such New Notes to be admitted to trading on the London Stock Exchange’s main market. For the purposes of this application, the New Notes are excluded securities under Regulation 5 and 6 of the Public Offers and Admissions to Trading Regulations 2024 (the “**POATRs**”). Accordingly, this Offering Circular has not been reviewed or approved by the FCA in accordance with the rules in the Prospectus Rules: Admission to Trading on a Regulated Market sourcebook made pursuant to its rule-making powers under the POATRs (“**PRM**”). The New Notes are not subject to the PRM but will be issued in accordance with the listing rules of the London Stock Exchange. The London Stock Exchange’s main market is a UK regulated market for the purposes of Article 2(1)(13A) of Regulation (EU) № 600/2014 on markets in financial instruments, as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”) (“**UK MiFIR**”).

Egypt’s long-term foreign currency debt is currently assigned a rating of B with a stable outlook by S&P Global Ratings Europe Limited (“**S&P**”), a rating of Caa1 with a positive outlook by Moody’s Investors Service Limited (“**Moody’s**”) and a rating of B with a stable outlook by Fitch Ratings Ltd (“**Fitch**”). The New Notes are expected to be rated B by S&P and B by Fitch. S&P is established in the European Union (the “**EU**”) and registered under Regulation (EC) № 1060/2009 (as amended, the “**EU CRA Regulation**”). S&P is not established in the United Kingdom and has not applied for registration under the Regulation (EC) № 1060/2009 (as amended), as it forms part of domestic law in the UK by virtue of the EUWA (the “**UK CRA Regulation**”), though any rating issued by S&P will be endorsed by S&P Global Ratings UK Limited. S&P Global Ratings UK Limited is established in the United Kingdom and is registered in accordance with the UK CRA Regulation. Moody’s is established in the United Kingdom and registered under the UK CRA Regulation. Moody’s is not established in the European Union and has not applied for registration under the EU CRA Regulation, though any rating issued by Moody’s will be endorsed by Moody’s Deutschland GmbH in accordance with the EU CRA Regulation. Moody’s Deutschland GmbH is established in the European Union and registered under the EU CRA Regulation. Fitch is established in the United Kingdom and registered under the UK CRA Regulation. Fitch is not established in the European Union and has not applied for registration under the EU CRA Regulation, though any rating issued by Fitch will be endorsed by Fitch Ratings Ireland Limited in accordance with the EU CRA Regulation. Fitch Ratings Ireland Limited is established in the European Union and registered under the EU CRA Regulation. As such, each of Fitch Ratings Ireland Limited and Moody’s Deutschland GmbH is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the EU CRA Regulation. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The New Notes will be offered and sold in registered form in denominations of U.S.\$200,000 or any amount in excess thereof which is an integral multiple of U.S.\$1,000. Notes that are offered and sold in reliance on Regulation S (the “**Unrestricted Notes**”) will initially be represented by a permanent registered global certificate (the “**Unrestricted Global Certificate**”), without interest coupons, which will be registered in the name of a nominee for and will be deposited on or about the Issue Date with a common depository for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”). New Notes that are offered and sold in reliance on Rule 144A (the “**Restricted Notes**”) will initially be represented by a permanent registered global certificate (the “**Restricted Global Certificate**”) and, together with each Unrestricted Global Certificate, the “**Global Certificates**”), without interest coupons attached, which will be deposited on or about the Issue Date with Citibank, N.A., London Branch, as custodian (the “**Custodian**”) for, and registered in the name of Cede & Co., as nominee for, The Depository Trust Company (“**DTC**”).

This Offering Circular must be read in conjunction with the sections of the Base Offering Circular that are incorporated by reference by and form part of, this Offering Circular. Where there is any inconsistency between the Base Offering Circular and this Offering Circular, the language used in this Offering Circular shall prevail. Capitalised terms which are used but not defined in any particular section of this Offering Circular have the meaning attributed thereto in the Conditions or any other section of this Offering Circular or the sections of the Base Offering Circular incorporated by reference herein.

**Sole Lead Manager and Bookrunner**

**Goldman Sachs International**

The date of this Offering Circular is 26 March 2026.

## IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of the Issuer, the information contained in this Offering Circular is in accordance with the facts and the Offering Circular makes no omission likely to affect the import of such information.

To the best of the knowledge and belief of the Issuer, the information contained in this Offering Circular is true and accurate in every material respect and is not misleading in any material respect and this Offering Circular, insofar as it concerns such matters, does not omit to state any material fact necessary to make such information not misleading. The opinions, assumptions, intentions, projections and forecasts expressed in this Offering Circular with regard to the Issuer are honestly held by the Issuer, have been reached after considering all relevant circumstances and are based on reasonable assumptions.

Where information has been sourced from a third party, the Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of any third party information contained in this Offering Circular is stated where such information appears in this Offering Circular.

No person has been authorised to give any information or to make any representation not contained in, or not consistent with, this Offering Circular or any other document entered into in relation to the Programme or the New Notes or any information supplied by the Issuer or such other information as is in the public domain, and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or the Sole Lead Manager and Bookrunner.

None of the Sole Lead Manager and Bookrunner or any of its affiliates makes any representation, undertaking, or warranty, express or implied, or accepts any responsibility as to the accuracy or completeness of the information contained in this Offering Circular. The Sole Lead Manager and Bookrunner accordingly disclaims any and all liability whether arising in tort or contract or otherwise which either of them might otherwise have in respect of this Offering Circular. Neither the delivery of this Offering Circular nor the offering, sale or delivery of any of the New Notes shall, in any circumstances, create any implication that the information contained in this Offering Circular is true subsequent to the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial, economic, political or otherwise), general affairs or prospects of the Issuer since the date hereof or, if later, the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the New Notes is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Circular and the offering, sale and delivery of the New Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer and the Sole Lead Manager and Bookrunner to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of New Notes and on the distribution of this Offering Circular and other offering material relating to the New Notes, see “*Subscription and Sale*”, incorporated by reference herein from the Base Offering Circular.

This Offering Circular does not constitute an offer or an invitation to subscribe for or purchase any of the New Notes and should not be considered as a recommendation by the Issuer or the Sole Lead Manager and Bookrunner that any recipient of this Offering Circular should subscribe for or purchase any of the New Notes. Each recipient of this Offering Circular shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

The New Notes may not be a suitable investment for all investors. Each potential investor in the New Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the New Notes, the merits and risks of investing in the New Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the New Notes and the impact such New Notes will have on its overall investment portfolio;

- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the New Notes, including New Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the New Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment in the New Notes and its ability to bear the applicable risks.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal and tax advisers to determine whether and to what extent: (i) the New Notes are legal investments for it; (ii) the New Notes can be used as collateral for various types of borrowing; and (iii) other restrictions apply to its purchase or pledge of any of the New Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the New Notes under any applicable risk-based capital or similar rules.

## NOTICE TO U.S. INVESTORS

This Offering Circular may be submitted on a confidential basis in the United States to a limited number of QIBs for informational use solely in connection with the New Notes. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

The New Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act in reliance on Rule 144A under the Securities Act or any other applicable exemption. Any U.S. purchaser of the Notes is hereby notified that the offer and sale of the New Notes to it may be being made in reliance upon the exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A.

Each purchaser or holder of New Notes represented by a Restricted Global Certificate or any New Notes issued in registered form in exchange or substitution therefor (together "**Legended Notes**") will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such New Notes as set out in "*Subscription and Sale*" and "*Transfer Restrictions*", each incorporated by reference herein from the Base Offering Circular.

THE NEW NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "**SEC**"), ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF THE NEW NOTES OR THE ACCURACY OR ADEQUACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

## UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET

Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the New Notes has led to the conclusion that: (i) the target market for the New Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in UK MiFIR; and (ii) all channels for distribution of the New Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the New Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the New Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

## NOTICE TO UK RESIDENTS

The distribution in the United Kingdom of this Offering Circular and any other marketing materials relating to the New Notes if effected by a person who is not an authorised person under the Financial Services and Markets Act 2000 is being addressed to, or directed at, only the following persons: (i) persons who are Investment Professionals as defined in Article

19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”); (ii) persons falling within any of the categories of persons described in Article 49 of the Financial Promotion Order; and (iii) any other person to whom it may otherwise lawfully be made in accordance with the Financial Promotion Order.

## **NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA**

This Offering Circular may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the “**Capital Market Authority**”).

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Offering Circular, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Offering Circular. Prospective purchasers of the New Notes should conduct their own due diligence on the accuracy of the information relating to the New Notes. If a prospective purchaser does not understand the contents of this Offering Circular, he or she should consult an authorised financial adviser.

## **NOTICE TO RESIDENTS OF THE KINGDOM OF BAHRAIN**

In relation to investors in the Kingdom of Bahrain, the New Notes and related offering documents may only be offered in registered form to existing accountholders and accredited investors (each, as defined by the Central Bank of Bahrain) in the Kingdom of Bahrain, where such investors make a minimum investment of at least U.S.\$100,000 or any equivalent amount in another currency or such other amount as the Central Bank of Bahrain may determine.

This Offering Circular does not constitute an offer of securities in the Kingdom of Bahrain in terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (Decree Law № 64 of 2006). This Offering Circular and related offering documents have not been, and will not be, registered as a prospectus with the Central Bank of Bahrain. Accordingly, the New Notes may not be offered, sold or made the subject of an invitation for subscription or purchase nor will this Offering Circular or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to ‘accredited investors’, as such term is defined by the Central Bank of Bahrain.

The Central Bank of Bahrain has not reviewed, approved or registered this Offering Circular or related offering documents and it has not in any way considered the merits of the New Notes for investment, whether in or outside the Kingdom of Bahrain. Therefore, the Central Bank of Bahrain assumes no responsibility for the accuracy and completeness of the statements and information contained in this Offering Circular and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Offering Circular. No offer of securities will be made to the public in the Kingdom of Bahrain and this Offering Circular must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

## **NOTICE TO RESIDENTS OF THE STATE OF QATAR**

This Offering Circular does not and is not intended to constitute an offer, sale or delivery of notes or other debt financing instruments under the laws of the State of Qatar (including the Qatar Financial Centre) and has not been and will not be reviewed or approved by or registered with the Qatar Financial Markets Authority, the Qatar Central Bank, the Qatar Stock Exchange or the Qatar Financial Centre Regulatory Authority in accordance with their respective regulations or any other regulations in Qatar. The New Notes are not, and will not be, traded on the Qatar Exchange.

## **SINGAPORE SFA PRODUCT CLASSIFICATION**

In connection with Section 309B of the Securities and Futures Act 2001 of Singapore (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Arab Republic of Egypt has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the New Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## NOTICE TO RESIDENTS OF CANADA

The New Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the New Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Circular (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Sole Lead Manager and Bookrunner is not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with the offering of the New Notes.

## STABILISATION

In connection with the issue of the New Notes, Goldman Sachs International (the "**Stabilisation Manager**") (or person(s) acting on behalf of the Stabilisation Manager(s)) may over-allot New Notes or effect transactions with a view to supporting the market price of the New Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager (or any person(s) acting on behalf of the Stabilisation Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Series is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the Issue Date and 60 days after the date of the allotment of the relevant Series. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

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## DOCUMENT INCORPORATED BY REFERENCE

The following sections of the base offering circular relating to the Programme dated 28 January 2025 (the “**Base Offering Circular**”) will be incorporated by reference herein, and form part of, this Offering Circular:

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A statement contained in the specific sections of the Base Offering Circular which are incorporated by reference herein shall be modified or superseded for the purpose of this Offering Circular to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular.

Those parts of the document incorporated by reference in this Offering Circular which are not specifically incorporated by reference in this Offering Circular are either not relevant for prospective investors in the New Notes or the relevant information is included elsewhere in this Offering Circular. Any documents themselves incorporated by reference in the document incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

A copy of the document incorporated by reference in this Offering Circular may be obtained without charge from the website of the Republic at [www.mof.gov.eg](http://www.mof.gov.eg) and the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html>.

## RISK FACTORS

*The purchase of the New Notes involves risks and is suitable only for, and should be made only by, investors that are fully familiar with the Republic and that have such other knowledge and experience in financial and business matters as may enable them to evaluate the risks and the merits of an investment in the New Notes. Prior to making an investment decision, prospective investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information set forth herein and, in particular, the risk factors set forth below. Prospective purchasers of the New Notes should make such enquiries as they think appropriate regarding the New Notes and the Republic without relying on the Republic or the Sole Lead Manager and Bookrunner.*

### **Risk Factors Relating to Egypt**

#### ***Egypt's deficit and debt levels***

Egypt's fiscal deficit represented 6.1% of GDP in 2021/22 and 6.0% of GDP in 2022/23, before declining to 3.6% of GDP in 2023/24 (with the ADQ Ras El-Hekma Investment (as defined below) contributing to this decreased deficit) and 7.2% in 2024/25. The 2025/26 budget targets a fiscal deficit of 7.3% of GDP.

Several factors have put pressure on the Egyptian economy in recent years, including ongoing regional conflicts and the ongoing Russia-Ukraine conflict, which have impacted foreign trade, Suez Canal and tourism receipts and global commodities prices. The Egyptian economy was also negatively impacted by the COVID-19 pandemic. Such pressures have, in turn, led to increased subsidy spending and had a negative effect on inflation and exchange rates in Egypt, as well as on Egypt's deficit and debt levels. See "*—Inflation Risks*", "*—Exchange Rate Risks*" and "*—Russia-Ukraine Conflict*".

If the Republic is unable to reduce its fiscal deficit and the resulting effect on the public debt, it could further raise the Republic's cost of funding of its debt, negatively affect the Egyptian economy, strain the general resources of the Government and the Government's finances, hinder the Government's structural reform efforts and materially impair the Republic's capacity to service its debt (including the New Notes).

Servicing of the Government's debt has been expensive and challenging in recent years due to its high external debt obligations, rising global interest rates (which have increased the Government's cost of borrowing) and depreciations of the Egyptian Pound against the U.S. Dollar and other currencies. Total budget sector debt represented 83.8% of GDP as at 30 June 2025, 89.4% of GDP as at 30 June 2024 and 95.7% as at 30 June 2023. The 2025/26 budget targets budget sector debt of approximately 82% of GDP. Gross external debt was 44.2% of GDP as at 30 June 2025, 38.8% of GDP as at 30 June 2024 and 40.5% of GDP as at 30 June 2023. Gross external Government debt was 22.5% of GDP as at 30 June 2025, 20.3% of GDP as at 30 June 2024 and 20.5% as at 30 June 2023. See "*—Exchange Rate Risks*".

As at 30 June 2025, the Republic's projected medium- and long-term public and publicly-guaranteed external debt service was U.S.\$32.3 billion for the 2026 calendar year and U.S.\$18.9 billion for 2027. In November 2023, Fitch downgraded Egypt's long-term foreign currency issuer default rating to B- from B (which has subsequently been upgraded to B, in October 2024 and affirmed in October 2025) and, in October 2023, S&P downgraded Egypt's long-term foreign and local currency sovereign credit ratings to B- from B (which has subsequently been upgraded to B in October 2025) and Moody's downgraded Egypt's long-term foreign- and local-currency issuer ratings to Caa1 from B3 (with the outlook on such rating subsequently being revised from stable to positive in March 2024, to stable in April 2025 and positive in December 2025). Each of the credit ratings agencies cited debt affordability as a driver of their respective ratings actions. Continued high levels of indebtedness, which may increase as a result of continued borrowing, have had, and may continue to have, a material adverse effect on the Egyptian economy, the Government's finances and its ability to service its debt, including the New Notes.

As at 30 June 2025, 55.0%, or LE 6,103 billion, of outstanding domestic debt had a maturity of less than one year, as compared to 57.0%, or LE 4,977 billion, as at 30 June 2024. This high proportion of short-term debt has exposed, and could continue to expose, the Republic to increased refinancing risk with respect to its public debt. As part of its public debt management plan, the Government intends to extend the average maturity of Government debt, diversify debt sources and utilise international support, with the aim of securing external financing on favourable terms to assist with management of the Republic's debt obligations. There can be no assurance, however, that such efforts will be successful.

The Government's ability to finance fiscal deficits and refinance its existing debt also depends, in part, on the ability and willingness of Egyptian banks to purchase securities and other credit instruments issued by the Government. In addition, a significant portion of short-term treasury instruments issued by the Government are purchased by international investors. Any market development which reduces foreign investor appetite for Egyptian government securities at current yields could force the Government to issue new, higher coupon debt to continue to attract foreign investor inflows. Global

macroeconomic turbulence, or a deterioration in investor perceptions of the creditworthiness of the Egyptian government and the broader health of the Egyptian economy could cause government security sell-offs, which could have an adverse effect on Egypt's foreign and local-currency sovereign credit ratings, the economy and public finances, as well as its ability to service debt in the future. Further, should foreign investor appetite for government securities issuances decrease sufficiently, it could erode the value of outstanding securities held by Egyptian banks, adversely affecting banks' balance sheets and the Egyptian banking system generally.

In December 2022, the Executive Board of the IMF approved a three-year extended arrangement under the extended fund facility (“**EFF**”) for Egypt of SDR 2,350.17 million (approximately U.S.\$3.0 billion). The approval of the EFF allowed for the immediate disbursement of SDR 261.13 million (approximately U.S.\$347 million) in December 2022. In March 2024, IMF Staff and the Government reached a staff-level agreement, identifying a set of policies and reforms required to complete the first and second reviews under the EFF. In response to the increasingly challenging external environment as a result of regional conflicts on tourism and Suez Canal receipts, the Government requested an increase in the EFF of U.S.\$5 billion to approximately U.S.\$8 billion. The Executive Board of the IMF subsequently approved the increase in the EFF and completed the first and second reviews of the EFF, permitting the immediate drawing of SDR 618.1 million (approximately U.S.\$820 million). The third review under the EFF was approved by the Executive Board of the IMF in July 2024, permitting immediate drawing of SDR 618.1 million (approximately U.S.\$820 million). In March 2025, the Executive Board of the IMF completed the fourth review under the EFF, permitting the immediate disbursement of SDR 927.87 million (approximately U.S.\$1.2 billion) under the EFF. At the same time, the Executive Board of the IMF approved the Government's request for an arrangement under the IMF's Resilience and Sustainability Facility (“**RSF**”) to run concurrently with the EFF, with access to SDR 1 billion (approximately U.S.\$1.3 billion). In December 2025, the IMF and the Egyptian authorities reached staff level agreement on the fifth and sixth reviews under the EFF, as well as the first review under the RSF. The Government has also secured concessional rate funding from other international partners, including, among others, the World Bank and the EU. See “*Public Debt—International Support*”. Disbursements under IMF and other funding is conditioned on the implementation of policy reforms and other measures. If Egypt is unable to satisfy the conditions for disbursement in order to allow it to receive further funding under arrangements with multilateral or bilateral creditors, including the EFF, or is otherwise unable to borrow at an acceptable cost, it could have a material adverse effect on the Egyptian economy, the Government's structural reform efforts, the Government's finances and its ability to service its debt.

### ***Regional and International Considerations***

Egypt is in a region that has been subject to ongoing political and security challenges, especially in recent years. Several countries in Egypt's region in general are currently experiencing armed conflicts or social and political unrest, including conflicts in Gaza (which shares a border with Egypt), Iran, Iraq, Lebanon, Sudan, Libya, Syria and Yemen. These conflicts, including the conflicts involving Israel discussed below, have had, and continue to have, a significant impact on national finances, economic conditions, the political and social environment and population displacement and refugee flows in some areas of the region. While Egypt has a long-history of hosting large refugee populations (with its non-camp policy being a major factor in showing resilience in the face of such challenges previously, managing to absorb large numbers of refugees and integrate many of them into economic activities), large numbers of refugees are an economic burden.

These conflicts are, in some cases, a continuation of the significant political and military upheaval experienced by several Arab countries from 2011 onwards, commonly referred to as the “Arab Spring”. This led to the departure of long-time rulers in Tunisia, Egypt, Yemen and Libya. Among the short-term effects of the Arab Spring has been a destabilisation of the region and increased political and social instability. While the political situation in Iraq, Lebanon and Libya has gradually improved, showing signs of more internal order, instability in Sudan, Syria and Yemen is continuing and has led to both significant international attention and military interventions with various disparities. The impact of these conflicts on Egypt's economy varies and is unpredictable. Egypt is not involved in these regional conflicts. Egypt has a long-standing and active diplomatic tradition focused on settling regional conflicts and views regional stability as paramount to its own national security and economic well-being. Egypt's diplomatic efforts often centre on mediation, de-escalation and fostering political solutions.

These conflicts have had, and may continue to have, a material adverse impact on the Egyptian economy. To date, Suez Canal receipts have been most negatively affected by the escalating conflicts and geopolitical tensions in the region, with a reduction of revenues from transit of the Suez Canal as a result of the increase in Houthi attacks on Red Sea shipping emanating from Yemen, which has led a number of commercial shipping companies to divert their shipping routes, reducing Suez Canal traffic and, therefore, income. There was a 47.8% decrease in Suez Canal traffic receipts in 2024/25, as compared to 2023/24, according to data published by the Suez Canal Authority. See “*Public Finance—Public Accounts*” and “*External Sector*” for further details of the performance of Egypt's economy in recent periods.

In addition, even where Egypt is not directly or indirectly involved in such events, international investors' reactions to events occurring in one emerging market, country or region may sometimes appear to demonstrate a “contagion” effect,

in which an entire region or class of investment may be disfavoured by such investors. If such a “contagion” effect occurs, Egypt could be adversely affected by negative economic, security or financial developments in other emerging market countries, as well as macro-economic and other factors originating in more developed countries. See “*The Economy*”, “*Public Finance—Public Accounts*” and “*External Sector*” for further details of the Government’s programme and the performance of Egypt’s economy in recent periods.

### *Gaza Conflict*

The Israeli occupation of Palestinian territories is a complex and long-standing issue with a profound impact on the lives of millions of Palestinians. It is a key factor in the ongoing conflict and is central to international diplomatic efforts. The ongoing occupation, aggressions, settlement expansion and recurring conflicts have had a catastrophic impact on the Palestinian people, leading to immense suffering, loss of life and the denial of their right to self-determination.

In October 2023, Israel launched a major attack on Gaza, which has resulted in over 71,000 deaths, the majority of which have been civilians. This attack began when Hamas launched a surprise attack from the Gaza Strip against several targets in Israel, killing an estimated 1,200 civilians and taking approximately 250 hostages. Israel subsequently responded with large-scale military operations in the Gaza Strip and a blockade imposed by Israel. Israeli military operations continued until an initial ceasefire agreed in January 2024, before recommencing in March 2024. Subsequent ceasefire talks were held in Cairo and Qatar, but Israel continued its military operations in Gaza, including targeted assassinations of Hamas leadership and restricting food and humanitarian aid.

In November 2024, the International Criminal Court issued arrest warrants for Israel’s prime minister and defence minister and a Hamas leader for alleged war crimes. In January 2025, a brief ceasefire was agreed that lasted until March 2025, when Israel resumed airstrikes. In August 2025, Israel escalated its military activities around Gaza City, which are continuing. Concurrently, in August 2025, the Integrated Food Security Phase Classification declared that a famine was underway in Gaza City, which is expected to spread to the other settlements in the Gaza Strip, citing the effects of the ongoing fighting and the Israeli blockade of aid, as well as widespread civilian displacement and the collapse of food production in the Gaza Strip.

In September 2025, 11 additional countries formally recognised the State of Palestine at the UN General Assembly, bringing the total to 157 out of 193 member states. At the meeting, the New York Declaration was adopted, which outlines “tangible, timebound and irreversible steps” towards a two-state solution.

In October 2025, a historic two-stage deal was agreed between Israel and Hamas, with the agreement signed during an international summit at Sharm El Sheikh. The first stage of the deal focused on halting large-scale hostilities, facilitating humanitarian aid deliveries and securing the release of remaining hostages. Israel has continued its military operation on a smaller scale and has imposed restrictions on humanitarian aid shipments. The precise timing of agreement and implementation of the second stage of the deal, which envisages Hamas disarmament, withdrawal of Israeli forces from Gaza and the deployment of an international mission to oversee security and reconstruction, remains uncertain.

Many Gazans, many of whom are displaced because of the conflict, are currently living in or near Rafah, a city close to Egypt’s border. Egypt has taken steps to allow humanitarian entries to the Gaza Strip via the Rafah crossing. At the same time, Egypt has taken steps to reinforce the Rafah border crossing to preserve Egypt’s sovereignty. Israeli authorities have recently permitted a small increase in the number of Palestinians being allowed to cross the border, primarily people with serious medical conditions.

Since the beginning of hostilities, Egypt has called for a ceasefire and a prioritisation on full humanitarian access to Gaza. In this respect, Egypt has acted as a key mediator with Qatar between Israel and Hamas and, *inter alia*, has directed international humanitarian aid through its border with Gaza. Together with Jordan and the United Nations, Egypt also sponsored a conference in June 2024 aimed at coordinating an urgent humanitarian response to the events in Gaza. Egypt has also opposed the displacement of Gaza’s population and defended a two-state solution, while calling for the Gaza Strip to be reconstructed without displacing residents and governed by technocrats with security forces to be trained under Egyptian and Jordanian oversight.

This conflict creates a significant discontent in Egyptian society and negative impact on Egypt’s economy and economic relations in the region. While Egypt is working to contain this impact until diplomatic efforts end the military attack and pave the way to a peaceful solution, there can be no assurance that the situation in Gaza will not have additional negative effects, many of which cannot be foreseen, on Egypt.

### *Other Regional Conflicts*

Since the beginning of the conflict in the Gaza Strip, Israel has been engaged in military confrontations around the region, which may threaten regional stability, increase refugee flows and negatively impact Egypt and its economy. In recent

weeks, Israel has conducted, or is conducting ongoing, military operations in Gaza and the West Bank, Lebanon, Syria, Qatar, Iran and Yemen.

Following Israel's military invasion of the Gaza Strip, Hezbollah began launching rockets at targets in Israel. Israel retaliated with border raids and aerial attacks, including over 1,300 airstrikes on Hezbollah positions in southern Lebanon and Beirut's southern suburbs. These attacks have had the effect of degrading Hezbollah's infrastructure and killing several senior Hezbollah officials. A ceasefire was agreed in November 2024, but significant violations continue.

Since 2022, Israel has conducted regular and major airstrikes on targets in Syria that Israel said were linked to Iran or Syria's military infrastructure, including in Damascus. On 8 December 2024, opposition forces took control of Syria, with the former President Bashar al-Assad leaving the country. In December 2024, Israeli forces entered the United Nations buffer zone separating the Golan Heights from Syria and conducted other air- and ground-based military operations in Syria, which have continued into 2025. In January 2025, an Egyptian aid plane delivered Egypt's first humanitarian aid delivery since the change in regime. Israeli military activity in Syria has intensified following the fall of the Assad regime in December 2025. As of late January 2026, Israel maintains an active ground presence in southern Syria and continues to conduct airstrikes across the country.

In July 2024, Israel launched its first attack on Yemen, striking Houthi-controlled targets. In December 2024, Israel launched two further attacks on Houthi targets in retaliation for missile attacks aimed at Israel. Israeli air strikes resumed in the late Spring and Summer of 2025, following a Houthi missile falling near Israel's principal international airport. Most recently, on 28 August 2025, Israel struck a gathering of Houthi officials killing several senior leaders, including the prime minister and the defence minister.

In 2023 and 2024, Israel conducted a number of strikes on targets in Iran, some of which have been in response to Iranian attacks, including an April 2024 Iranian attack on Israel involving drones and cruise and ballistic missiles. In October 2024, Israel conducted a major air operation against military targets in Iran in retaliation for Iranian missile attacks on Israel that were, in turn, launched in retaliation for the assassinations of Iranian-allied Hezbollah and Hamas leaders. In June 2025, Israel launched a larger-scale military operation against Iran, including attacks against Iran's suspected nuclear sites, in which the United States also participated.

Many of these military conflicts are ongoing. While the impact on Egypt of these conflicts has to date been limited, there can be no assurance that Egypt will not be negatively impacted in the future, if any of these conflicts escalates.

See also "*—The 2026 Iran War*".

### ***The 2026 Iran War***

On 28 February 2026, the United States and Israel launched coordinated surprise airstrikes against multiple military, nuclear and leadership targets across the Islamic Republic of Iran ("**Iran**") in an operation designated "Operation Epic Fury". The strikes resulted in the killing of Iran's Supreme Leader, Ayatollah Ali Khamenei, and a number of senior Iranian military and security officials, as well as causing damage to nuclear infrastructure, naval assets and command-and-control facilities. Both U.S. and Israeli forces are reported to be continuing attacks on targets in Iran, and Iran is continuing to retaliate against Israeli, U.S., Gulf and other targets in the region. In addition, Israel has conducted, and continues to conduct, air strikes and other attacks on targets in Lebanon, including in Beirut. Although the Republic is not part of the conflict, its direct and indirect effects, nevertheless, have the potential to have an impact on the Republic, its economy and its finances, in particular, if the conflict is not resolved quickly. The significance of any such impact cannot be predicted at the moment.

The risks described in this risk factor reflect an ongoing and active armed conflict and geopolitical crisis that is subject to change at any time and without notice. The situation described herein may deteriorate significantly, including through further attacks on GCC territory, further closures of maritime routes, further escalation between the United States and Israel, on the one hand, and Iran, on the other hand, the involvement of additional state actors, or the use of weapons of mass destruction, each of which would compound the risks described above. Prospective investors must conduct their own independent assessment of the rapidly evolving situation and should not rely solely on the information contained herein.

### ***U.S. Policy***

The conflict, and shifting U.S. policy objectives and statements have resulted in, among other things, fluctuations of crude oil and other commodity benchmark prices and supply disruptions. This volatility has had, and is likely to continue to have, material consequences for the macroeconomic environment in the Republic and its trading partners, as well as the Republic's own fiscal position and balance of payments. The conflict remains unpredictable and it is unclear how U.S. policy in relation to the conflict will develop.

## *Iranian Response*

In response to Operation Epic Fury, Iran has launched an ongoing and sustained campaign of ballistic missile and drone strikes against Israel, U.S. military installations in the region and, among others, Azerbaijan, Bahrain, Cyprus, Jordan, Iraq, Qatar, Saudi Arabia, Turkiyë and the United Arab Emirates. Iran has chosen a wide variety of targets, including military bases in the Gulf region, as well as civilian targets, such as airports and port, hotels and petrochemical and other industrial facilities, among others.

Although Iran has not, to date, launched strikes against the Republic, its targets thus far have been in the Republic's immediate neighbourhood. Active hostilities continue, and the conflict may alter the geopolitical and economic landscape of the region if it is extended geographically or prolonged, with direct and material consequences for Egypt and for holders of securities issued by Egypt, including potential holders of New Notes.

The Strait of Hormuz, the sole maritime outlet from the Gulf to the open ocean and the markets laying beyond, has been effectively closed to international commercial shipping since 2 March 2026. On that date, a senior official of Iran's Islamic Revolutionary Guard Corps (the "IRGC") formally confirmed the closure, threatening any vessel attempting transit. This closure is unprecedented; prior to March 2026, the Strait had never been closed for an extended period despite periodic conflict and threats to do so.

The consequences of the closure include the following:

- Approximately 20% of the world's daily seaborne oil supply, representing approximately 13-15 million barrels per day, has been effectively stranded, with tanker traffic through the Strait having fallen to near zero. Prior to the closure, approximately 80-100 vessels transited the Strait daily. Similar effects are occurring with respect to supplies of liquified natural gas exported by Gulf countries.
- The Strait closure has significant effects beyond the energy sector; approximately one-third of global fertiliser trade transits the Strait of Hormuz; disruption to these flows threatens global food security and has already driven material inflation in agricultural commodity prices. Downstream industries reliant on petrochemical feedstocks, plastics, pharmaceuticals and industrial materials are similarly exposed.
- Commercial shipping companies, including Maersk, MSC, Hapag-Lloyd and CMA CGM have announced the suspension of all transits through the Strait and adjoining Gulf waters. The Joint War Committee of the London insurance market has designated the Strait of Hormuz, and the surrounding waters of the Gulf of Oman including certain Omani port facilities, as a high-risk war zone, rendering insurance either unavailable or commercially prohibitive for most operators.
- As an alternative, certain vessels have sought to route around the Strait through Omani deep-water ports including Duqm, Salalah and Sohar; however, Iranian drone strikes on Duqm and Salalah infrastructure have materially compromised these alternatives, and Oman's territorial waters now fall within the war risk zone.
- The IRGC has been reported to be laying mines in the vicinity of the Strait, and the United States has publicly stated that its naval forces have destroyed a number of Iranian mine-laying vessels, further heightening the risk of vessel damage and loss.

In addition, further direct indirect effects, such as ongoing closures of ports and airports, reduction of commerce and potential loss of business confidence may impact the countries affected by Iranian strikes, including many of which are trading partners of the Republic and sources of remittances to the Republic.

There is no public diplomatic effort to end the conflict underway, and Iran has stated that it is not presently willing to negotiate. Moreover, the collapse of Gulf-Iran diplomatic channels resulting from Iran's attacks on Gulf states has thus far eliminated what had historically been the most effective off-ramps for de-escalation of Iran-related crises.<sup>1</sup>

Iran's military strategy has been unpredictable, and no assurance can be given as to the duration, geographic scope, or escalation trajectory of its military campaign, including, in particular, whether Iran will seek to attack the Republic or its interests. Egypt's own territory, economic infrastructure, maritime trade, energy security and financial markets may be exposed to direct or indirect consequences of continued or intensified Iranian military action in the region.

## *Broader Macroeconomic Risks*

The combination of the Strait of Hormuz closure, attacks on Gulf energy infrastructure, and U.S. policy uncertainty has given rise to a range of second-order macroeconomic and financial market risks:

- Global commodity price volatility: The disruption to approximately 20% of global oil supply and Qatar’s entire liquified natural gas output has produced sustained upward pressure on energy prices globally. Fertiliser prices have also risen sharply (with urea prices rising from approximately U.S.\$475 to U.S.\$680 per metric tonne), with potentially significant consequences for global food inflation, including in the Republic (notwithstanding the Republic’s stockpiling of wheat imports and upcoming local harvest season).
- Global shipping and supply chain disruption: Major global shipping lines have suspended Middle East routes. Rerouting via the Cape of Good Hope adds approximately 10-14 days to voyage times, drives up freight rates and contributes to port congestion and container shortage internationally, which could have direct impacts on the Republic’s trade and trading partners, the costs of imports to the Republic and on Suez Canal receipts.
- G7 and IEA emergency response: G7 energy ministers have stated their readiness to take “all necessary measures” in coordination with the International Energy Agency, which has reportedly proposed its largest ever release of strategic oil reserves. The actual deployment of these reserves, and their effect on prices, remains uncertain and may also depend, to an extent, on the ability to transport and refine crude oil volumes.
- Egypt’s fiscal position: The Government has activated crisis management committees (both at Government and Ministry of Finance level) to monitor the evolving situation. A number of measures have been taken by the Government since the start of the conflict, including entering into hedging transactions for its oil needs (including forward contracts), adjusting the prices of fuel products (to mitigate increases in the fuel subsidy bill), releasing a social protection package to help alleviate pressures on the most vulnerable segments of society in response to fuel price increases and utilising maximum available contingency levels in the preparation of the 2026/27 budget to increase fiscal space. The supply disruptions and the subsequent price volatility described above may have unpredictable effects on Government revenues and expenditures, in particular in respect of subsidies, the Republic’s current account and balance of payments. In addition, if the macroeconomic situation deteriorates in the Gulf and other areas where Egyptian expatriates live and send money back to the Republic, remittances may decline, which may, in turn, have a cascading negative impact on the Republic’s economy, balance of payments and budget.
- Financial market contagion: Equity and fixed income markets in the region and beyond have been subject to elevated volatility since the commencement of hostilities. Investor risk appetite for regional sovereign and corporate debt may also be adversely affected, and the cost of capital for issuers in the region can be expected to reflect this fact.

As noted above, potential investors in the New Notes should consider carefully the potential ongoing impact of the direct and indirect effects of this conflict on the Republic in light of their own particular circumstances before investing in the New Notes. The Republic cannot presently provide any assurance as to the outcome of direct or indirect effects of this conflict, and potential investors should keep this in mind when considering an investment in the New Notes.

### ***Inflation Risks***

Average annual headline urban inflation, as measured by the CPI, was 5.2% in 2021, 13.9% in 2022, 33.9% in 2023, 28.3% in 2024 and 14.1% in 2025. After reaching a record 38% in September 2023, annual headline CPI has generally declined since late 2023 to 12.8% in February 2025 (save for a temporary increase in February 2024 and in August to October 2024), before increasing to 16.8% in May 2025 and declining to 13.9% in July 2025, 12.0% in August 2025 and 11.7% in September 2025, before increasing to 12.5% in October 2025, decreasing to 12.3% in November and December 2025 and 11.9% in January 2026 and increasing to 13.4% in February 2026.

The priority of the CBE remains to achieve price stability through sustained disinflation by assessing the cumulative impact of the CBE’s tightening policy while ensuring financial stability. As a result of the general slowdowns in global economic growth, the continued effect of policy rate increases by key central banks, as well as the uncertainty surrounding inflation forecasts given increasing geopolitical tensions and ongoing trade and supply-chain disruptions in the Red Sea, the CBE’s Monetary Policy Committee (the “MPC”) has introduced a number of policy rate increases in recent years and, in March 2022, the CBE announced its current monetary policy tightening cycle. In order to anchor inflation expectations and contain demand-side pressures and secondary effects from supply shocks, the MPC has raised the CBE’s main operation policy rate by a cumulative 1,900 basis points since March 2022 (by 800 basis points in 2022, 300 basis points in 2023 and by 800 basis points in the first quarter of 2024), with the CBE’s main operation policy rate standing at 27.75% as at 30 June 2024. In April 2025, the MPC cut the CBE’s main operation rate by 225 basis points to 25.50%, and, in its May 2025 meeting, the MPC further cut the main operation rate by 100 basis points to 24.50%. In August 2025, the MPC cut the main operation rate by 200 basis points to 22.50%. In its October 2025 meeting, the MPC cut the CBE’s overnight deposit rate, overnight lending rate, main operation rate and discount rate by 100 basis points to 21.00%, 22.00%, 21.50% and 21.50%, respectively. In its December 2025 meeting, the MPC cut the CBE’s overnight deposit rate,

overnight lending rate, main operation rate and discount rate by 100 basis points to 20.00%, 21.00%, 20.50% and 20.50%, respectively. In its February 2026 meeting, the MPC cut the CBE's overnight deposit rate, overnight lending rate, main operation rate and discount rate by 100 basis points to 19.00%, 20.00%, 19.50% and 19.50%, respectively. There have been no further changes in the CBE's policy rates.

The Egyptian economy is subject to continued risk of high or increasing inflation due to, *inter alia*, any further potential depreciation or devaluations of the Egyptian Pound, rising food prices (as a result of subsidy reform, volatility in global wheat harvests and supply chain issues, as well as other factors), sustained high or rising energy prices (as a result of subsidy reform, including recent increases in petroleum, gasoline, diesel, kerosene and fuel oil prices, as well as electricity prices). In addition, the further planned phasing out of fuel subsidies and other measures as part of the Government's economic reform programme may have an adverse impact on inflation, and, in the past, price increases, particularly in respect of food and transportation, have led to social unrest. Further, the global economy is currently facing a highly inflationary environment. The recovery of global economies resulted in rising commodity prices and production inputs, as well as bottlenecks in supply chains. These pressures have been further amplified by the ongoing Russia-Ukraine conflict. Increases in international commodity prices, such as oil, wheat, metals and minerals prices, as a result of further supply chain disruptions, have added to domestic inflationary pressures, as well as external imbalances. The global environment remains susceptible to a high level of uncertainty, with global growth projected to slow down and global inflation may remain high. Risks emanate domestically and globally from adverse weather-related events, which could impact harvests, and contribute to already high food inflation, as well as from an intensification of the conflict between Ukraine and Russia and its repercussions on international commodity prices, particularly energy prices.

There can be no assurance that measures taken by the CBE and the Government will be successful in meeting the CBE's inflation target or otherwise controlling inflation. Increases in the CBE's benchmark policy rates have also increased the Government's domestic borrowing costs and may result in lower levels of lending and a decrease in economic growth. A failure to control inflation could have a material adverse effect on the investment climate in Egypt and negatively affect the Egyptian economy.

### ***Economic risk***

The recent increase in geopolitical tensions and regional conflicts, high commodity prices and supply chain disruptions have had material negative macroeconomic consequences for the Egyptian economy. These events have contributed to declines in economic growth and impacted tourism and Suez Canal revenues. Real GDP growth declined to 3.3% in 2020/21 (in excess of the 2.8% estimated growth rate), before increasing to 6.6% in 2021/22 and decreasing to 3.8% in 2022/23 and 2.4% in 2023/24. The lower rates of GDP growth in 2019/20 and 2020/21, as compared to prior periods, were primarily due to the impact of the COVID-19 pandemic. The decline in real GDP growth in 2023/24, as compared to 2022/23, was primarily due to consecutive external shocks, namely ongoing geopolitical tensions and continuing global economic uncertainty, which negatively impacted economic activity. According to preliminary data published by the Ministry of Planning, Economic Development and International Co-operation, for the year ended 30 June 2025, real GDP grew by 4.4%.

Tourism income was U.S.\$16.7 billion in 2024/25, as compared to U.S.\$14.4 billion in 2023/24, with the tourism sector accounting for 3.7% of GDP and 3.4% of GDP in the respective years. The tourism sector was negatively impacted by the COVID-19 pandemic in 2019/20 and the immediately subsequent years, and security concerns, as a result of ongoing regional conflicts, have hindered the full recovery of the tourism sector (despite increasing tourist receipts). There can be no assurance, however, that tourism revenues will continue to recover.

In 2024/25, Egypt's balance of payments recorded an overall deficit of approximately U.S.\$2.1 billion, as compared to an overall surplus of U.S.\$9.7 billion recorded in 2023/24. In 2024/25, the current account deficit narrowed by 25.9% to U.S.\$15.4 billion, as compared to U.S.\$20.8 billion in 2023/24. In 2023/24, the current account deficit widened by 341.7% to U.S.\$20.8 billion, as compared to U.S.\$4.7 billion in 2022/23. This was primarily due a widening of the trade deficit and the recording of a services and income deficit in 2023/24. Future increases in the current account deficit could have a material adverse effect on the Egyptian economy, the Government's finances and its ability to service its foreign currency debt. Such factors have also contributed to Egypt's fiscal deficit. See "*Egypt's deficit and debt levels*".

In February 2024, the Government announced that it had entered into an agreement with the Abu Dhabi Developmental Holding Company ("**ADQ**") for the development of the Ras El-Hekma peninsula (the "**ADQ Ras El-Hekma Investment**"). As a result of the deal, the New Urban Communities Authority, which is a Government entity, received a one-off payment of U.S.\$24 billion, and U.S.\$11 billion in U.S. Dollar-denominated deposits held by the United Arab Emirates (the "**UAE**") at the CBE have been converted into Egyptian Pounds for investment by ADQ inside Egypt. Primarily as a result of this investment, in 2023/24, net FDI inflows increased by U.S.\$36.0 billion, or 358.9%, to U.S.\$46.1 billion, the highest annual net FDI inflows recorded to date. There can be no assurance, however, that the Government will be able to attract similar levels of FDI in the future. In 2024/25, net FDI inflows decreased by U.S.\$33.8 billion, or 73.5%, to U.S.\$12.2 billion, as compared to U.S.\$46.1 billion in 2023/24.

Net international reserves (“NIR”) with the CBE were U.S.\$48.7 billion as at 30 June 2025, as compared to U.S.\$46.4 billion as at 30 June 2024, U.S.\$34.8 billion as at 30 June 2023, U.S.\$33.4 billion as at 30 June 2022 and U.S.\$40.6 billion as at 30 June 2021. NIR covered 6.4 months of merchandise imports as at 30 June 2025, 7.7 months as at 30 June 2024, 5.9 months as at 30 June 2023, 4.6 months as at 30 June 2022 and 6.9 months as at 30 June 2021. The increase in NIR since 30 June 2023 reflects, *inter alia*, the purchase by the CBE of approximately U.S.\$15 billion of financing received under the ADQ Ras El-Hekma Investment in the first half of 2024. As at 31 December 2025, NIR with the CBE were U.S.\$51.5 billion and, as at 28 February 2026, NIR with the CBE were U.S.\$52.7 billion. There can be no assurance, however, that NIR will increase or be maintained at such levels.

In the context of the EFF with the IMF, and as part of its structural reform agenda, the Government is implementing a programme of structural reforms. In June 2025, Parliament approved the budget for the 2025/26 fiscal year, which targets a primary surplus of 4.0% of GDP. Planned reforms target the retargeting and reduction of subsidies while supporting growth and social investment, reduction of the public investment portfolio and preserving debt sustainability. Various sector-based reforms have also been announced. There can be no assurance that the Government’s planned reforms will be fully implemented or that, if implemented, they will achieve the anticipated results or meet anticipated targets.

There can be no assurance that Egypt will be able to address adequately these and other economic issues or that economic growth will continue. Any failure to maintain economic growth or address continuing economic issues will negatively affect investor confidence in Egypt and the willingness of investors to invest money, and engage in transactions in, Egypt and will affect the Government’s finances and, accordingly, the Republic’s capacity to service its debt (including the New Notes).

### ***Impact of the Ongoing Conflict between Russia and Ukraine***

In February 2022, Russian forces invaded Ukraine, and a military conflict has continued since then between Russia and Ukraine. These actions led the United States, the EU and the United Kingdom, among others, to impose economic sanctions against Russia, Russian government officials and Russian corporates and financial institutions. The conflict has had a significant impact on international capital markets, investor sentiment and commodity prices (including oil and gas, which has led to rising fuel prices, and arable crops, which has led to rising food prices). Sanctions announced to date include restrictions on selling or importing goods, services or technology in or from affected regions, travel bans and asset freezes impacting connected individuals and political, military, business and financial organisations in Russia. Such sanctions have had direct and indirect effects on the Republic, as is the case with other participants in the global economy. The Russia-Ukraine conflict has disrupted supply chains (which had already been affected in prior years by the COVID-19 pandemic) and caused further instability in the energy markets. Furthermore, Russia and Ukraine are major exporters of basic foods, such as oil seeds and wheat.

There remains a continuing risk of further escalation and a resulting further impact on geopolitical and global economic conditions that could, in turn, impact the Republic. While the full extent of the impact of the conflict remains to be seen, the conflict could materially affect the Republic’s finances, due, in part, to the resulting effects on expenditures on relevant subsidies and the overall performance of the Republic’s economy. See “—*Inflation Risks*”.

### ***Political Risks***

On 25 January 2011, concurrent with the events around the Arab World known as the “Arab Spring”, demonstrations and protests began in Cairo, Alexandria and a number of other Egyptian cities, with protestors demanding the overthrow of President Mubarak. Following several weeks of unrest, President Mubarak dissolved the Government and resigned, ending 30 years in power (the “**2011 Revolution**”). Power was then assumed by the Supreme Council of the Armed Forces (the “**SCAF**”), which suspended the constitution and announced it would govern Egypt until elections were held. Demonstrations and protests, which often escalated into violence, continued throughout 2011 in response to the perceived slow pace of political change, although the political climate has generally been stable since then.

The Government may face future social, economic and political challenges and the risk of instability from time-to-time. Any change in policy or any delay or reversal of economic reforms may lead to uncertainty regarding the completion of economic reforms, which could, in turn, negatively affect Egypt and its economy. These challenges have had and may continue to have a significant adverse effect on the Egyptian economy. There can be no assurance that further incidents will not directly or indirectly negatively affect Egypt and its economy.

### ***Exchange Rate Risks***

The exchange rate of the Egyptian Pound has been volatile when measured against the U.S. Dollar, the Euro and other major foreign currencies and has generally declined in recent years. While the CBE had historically managed the Egyptian Pound/U.S. Dollar exchange rate, it does not do so any longer. The CBE has acted within its mandate to maintain national

financial and price stability in response to dislocations in financial markets, and any such responses in the future may involve interventions in currency markets, which could lead to fluctuations in foreign reserve levels. The value of the Egyptian Pound has been and continues to be impacted by a number of factors, many of which are outside of the control of the Government and the CBE. In addition, restrictions in auctions and on the interbank market, as well as only partial clearance of foreign exchange requests from commercial banks, historically generated a parallel market for foreign exchange. From time to time, there has also been a shortage of U.S. Dollars in the Egyptian market to service foreign currency transactions, as a result of which, the ability to repatriate foreign currency has been limited or curtailed, which has resulted and may, in the future, continue to result in reduced FDI and, therefore, reduced economic growth in Egypt.

Following a depreciation in early January 2023 of the Egyptian Pound (after the approval of the EFF in December 2022), the official exchange rate remained unchanged between early March 2023 and March 2024, and a large local parallel market premium developed and persisted. The outbreak of the conflict in Gaza in October 2023 and subsequent disruptions in Red Sea trade and in tourism further strained Egypt's sources of foreign exchange earnings from tourism and the Suez Canal. As a result of such factors, the parallel market exchange rate declined, further credit default swap rates increased, and the credit ratings assigned to Egypt's debt were downgraded. As part of discussions relating to the EFF with the IMF, in March 2024, the official exchange rate and parallel market exchange rate were unified, resulting in an official devaluation of the Egyptian Pound against the U.S. Dollar of 38%. Following this unification, foreign exchange demand backlogs have largely been cleared, and daily interbank foreign exchange turnover has increased. The CBE has not conducted any foreign exchange sale interventions since the unification of the rates in March 2024 (other than certain purchases for the purpose of reserves accumulation under the EFF).

On 23 September 2025, the official exchange rate (buy rate), as published by the CBE, was U.S.\$1.00 = LE 48.1364. There can be no assurance that the currency will not depreciate further and exhibit a higher degree of volatility than it has historically displayed.

The depreciation of the Egyptian Pound against the U.S. Dollar, the Euro or other major foreign currencies could have an adverse effect on Egypt's ability to repay its debt denominated in currencies other than the Egyptian Pound, including amounts due under the New Notes. Furthermore, there may be mismatches between U.S. Dollar denominated loans and individual borrowers' access to U.S. Dollar denominated revenues, as well as between U.S. Dollar denominated loans and deposits within individual banks, which could enhance the impact of depreciations. In addition, a significant depreciation of the Egyptian Pound against the U.S. Dollar, the Euro or other foreign currencies may result in reduced Government and other revenues and outflows of capital from Egypt, each of which could have a material adverse effect on Egypt's economy. As at 31 March 2025, 67.7% of Egypt's total external debt was denominated in U.S. Dollars and 12.4% was denominated in Euros (as compared to 66.2% and 12.0%, respectively, as at 30 June 2024 and 68.4% and 11.1% respectively, as at 30 June 2023).

Recent depreciations in the value of the Egyptian Pound have led, and future depreciation could lead, to greater inflation, which, in turn, could have an adverse effect on the Egyptian economy, as well as on bank capitalisation. Significant interventions in the exchange rate (or a lack thereof), however, may affect Egypt's foreign currency reserves and may, in turn, have a material adverse effect on the Egyptian economy, the Government's finances and its ability to service its external debt.

### ***The Republic's foreign currency credit rating is sub-investment grade***

Egypt's long-term foreign currency debt is currently assigned a rating of "B" with a stable outlook by S&P, a rating of "Caa1" with a positive outlook by Moody's and a rating of "B" with a stable outlook by Fitch.

In November 2023, Fitch downgraded Egypt's long-term foreign currency issuer default rating to B- from B, with a stable outlook, and Fitch affirmed the rating in May 2024, revising the outlook to positive. In November 2024, Fitch upgraded Egypt's long-term foreign currency issuer default rating to B from B-, with a stable outlook. Fitch affirmed this rating in October 2025. In October 2023, S&P downgraded Egypt's long-term foreign and local currency sovereign credit ratings to B- from B. In March 2024, S&P revised the outlook on Egypt's long-term rating to positive; S&P affirmed the rating and positive outlook in October 2024. In April 2025, S&P revised the outlook from positive to stable. In October 2025, S&P upgraded Egypt's long-term foreign currency issuer default rating to B from B-, with a stable outlook. In October 2023, Moody's downgraded Egypt's long-term foreign- and local-currency issuer ratings to Caa1 from B3, with a stable outlook. In March 2024, Moody's affirmed its Caa1 long-term foreign-currency issuer rating for Egypt, revising the outlook to positive, before changing the outlook to stable in April 2025. In December 2025, Moody's affirmed its Caa1 long-term foreign-currency issuer rating for Egypt, revising the outlook to positive.

These ratings are sub-investment grade, and past rating downgrades have negatively affected, and may continue to negatively affect, investor confidence in Egypt and Egyptian securities. There can be no assurance that a credit rating will remain for any given period of time or that a credit rating will not be downgraded or withdrawn entirely by the relevant rating agency if, in its judgment, circumstances in the future so warrant. The Republic has no obligation to, and will not,

inform Noteholders of any such revision, downgrade or withdrawal. A suspension, downgrade or withdrawal at any time of the credit rating assigned to the Republic may adversely affect the market price of the New Notes.

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. Any decrease in the rating of the New Notes could raise the cost of financing required by the Republic so as to put further pressure on fiscal deficits and adversely affect the price that a purchaser will be willing to pay for the New Notes, cause trading in the New Notes to be volatile, adversely affect the trading price of the New Notes and limit the Republic's access to the debt capital markets.

### ***Reliance on Grants***

The Government's budget has benefited from foreign grants in recent years. Total grants amounted to LE 4.1 billion (or 0.3% of total revenues and grants) in 2021/22, LE 5.4 billion (or 0.4% of total revenues and grants) in 2022/23, LE 11.9 billion (or 0.5% of total revenues and grants) in 2023/24 and LE 16.6 billion (or 0.6% of total revenues and grants) in 2024/25 (according to preliminary figures). The 2025/26 budget forecasts total grants of LE 9.5 billion (or 0.3% of total revenues and grants).

The largest foreign grants have typically come from GCC countries and the EU. There can be no assurance that Egypt will be able to attract the same level or increased foreign grants in the future, that it will be able to fulfil any conditions attached to grants or aid or that it will be able to raise sufficient funds to fill the gaps left by previous foreign grants, which could, in turn, lead to increased fiscal deficits, further straining Government financials and forcing the Government to rely on more costly funding sources.

The Government has also received significant FDI investments and CBE deposits from GCC and other countries or state-owned entities. For example, primarily as a result of the ADQ Ras El-Hekma Investment, in 2023/24, net FDI inflows increased by U.S.\$36.0 billion, or 358.9%, to U.S.\$46.1 billion, the highest annual net FDI inflows recorded to date. There can be no assurance, however, that the Government will be able to attract similar levels of FDI in the future. Any failure to do so could have a negative effect on the Government's finances and its ability to complete planned economic reform and structural projects.

### ***Socio-Economic Challenges, including High Youth Unemployment***

Egypt faces certain socio-economic challenges, including high levels of youth unemployment. These challenges require continuing attention by the Government. According to figures published by CAPMAS, the unemployment rate was 6.4% in the third quarter of the 2025 calendar year, as compared to 6.1% in the second quarter and 6.3% in the first quarter.

Tourism is a key sector for the Egyptian economy and is a key contributor to employment and GDP. In the past, the impact of COVID-19, as well as terrorist attacks, in Egypt has negatively impacted tourism receipts. The tourism sector also remains vulnerable to security concerns as a result of ongoing regional conflicts, including those in Gaza and in the Sinai Peninsula. Declines in tourism receipts have led to an increase in unemployment in the tourism sector, as the difficulties in the tourism sector result in layoffs and fewer seasonal job opportunities. In addition, structural reforms, which Egypt has implemented, and is in the process of continuing to implement, as a condition for receiving funds from creditors, require actions, including subsidy reform, which may have an adverse impact on the financial circumstances of certain sectors of the Egyptian population, which have in the past and may continue to lead to instances of social unrest.

### ***Impact of EU and Global Economic Conditions***

The EU is one of Egypt's most important trading partners. During 2024/25, the EU purchased 27.0% of Egyptian exports, as compared to 29.1% in 2023/24 and 31.1% in 2022/23. In addition, FDI inflows from the EU were U.S.\$5.8 billion for 2024/25, representing approximately 24.3% of total FDI inflows, as compared to U.S.\$5.1 billion for 2023/24 and U.S.\$6.8 billion for 2022/23, representing approximately 29.5% of total FDI inflows. As a result, the Egyptian economy is impacted by events in the EU, including events affecting the Euro and the Eurozone.

A decline in economic growth in Eurozone countries, any inability of such countries to issue securities in the sovereign debt market or to service existing debt or a protracted period of slow or negative economic growth in the Eurozone would reduce demand for Egyptian imports and may lead to reduced levels of FDI and tourism revenues received from the Eurozone, which could, in turn, have a material adverse impact on Egypt's balance of trade and have a material adverse effect on the Egyptian economy and the Government's finances.

In addition, economic weakness in the EU and other European and Mediterranean countries could lead to declines in Suez Canal traffic as import demand weakens in such countries, which could reduce the revenues the Government receives from such traffic. In addition, in March 2021, transport through the Suez Canal was disrupted when a ship became lodged sideways

across the waterway, resulting in the temporary closure of the canal and significantly delaying shipping. Recently, there has been an escalation of attacks on shipping in the Red Sea and Gulf region by Houthi rebels originating from Yemen, which has led to Red Sea maritime traffic disruptions due to security concerns, forcing a number of commercial shipping companies to divert their shipping routes. Accordingly, there was a 47.8% decrease in Suez Canal traffic receipts in 2024/25, as compared to 2023/24, according to data published by the CBE. Continued disruptions could lead to long-term declines in Suez Canal traffic should alternative shipping routes become more reliable or otherwise more attractive. These events could have a material adverse impact on Egypt's balance of trade and have a material adverse effect on the Egyptian economy.

More broadly, Egypt's economy could be affected by external shocks, such as those which have previously been caused, and may in the future be caused, by instability in the global financial markets. Should macroeconomic conditions continue to deteriorate, as a result of geopolitical factors or otherwise, it could result in Egypt experiencing volatility in exchange rates, increases in interest rates or inflation or liquidity shortfalls. Furthermore, a negative external shock, particularly on a global level or to one or more of Egypt's primary export markets, could result in decreased demand for Egyptian goods and services, which would, in turn, put pressure on Egypt's balance of payments and foreign currency reserves.

### ***Impact of Tariffs***

In April 2025, the President of the United States announced new tariffs on countries around the world, with a baseline 10% tariff allocated to Egypt, one of the lowest tariffs imposed. The United States is one of Egypt's largest trading partners (behind, in terms of exports, the EU, Arab countries and other European countries), accounting for 11.2% of Egyptian exports and 9.5% of Egyptian imports in 2024/25. There can be no assurance that new or increased tariffs will not be introduced.

Such tariffs could have a material adverse impact on Egypt's balance of trade and on the Egyptian economy, either directly or indirectly, for example, by increasing the costs of trading with Egypt's other trading partners that may be subject to such or higher tariffs or as a result of an increase in cheaper goods no longer sold into the U.S. market (as a result of tariffs) being made available on the Egyptian market, thereby making Egyptian goods less competitive both domestically and internationally.

### ***Terrorism Risk***

In recent years, Islamic militants, including purported members of the so-called "Islamic State", have operated in a number of countries in the region. In common with other countries in the Middle East, Egypt has experienced a number of terrorist attacks. Since the removal of President Morsi, terrorist attacks in North Sinai on Egyptian military bases, in particular, have increased, resulting in the deaths of soldiers and police. On 21 July 2020, the so-called "Islamic State" captured five villages in Sinai, which were retaken by Egyptian security forces in August 2020. Further clashes between so-called "Islamic State" militants and Egyptian security forces have occurred resulting in injuries and deaths on both sides. As a result of these attacks and the related security situation prevailing in North Sinai, Egyptian Natural Gas Holding Company ("EGAS") has faced difficulties transporting gas through the Sinai Peninsula to Jordan.

These events have affected the Egyptian economy and, in particular, the tourism sector. While combatting terrorism continues to be a priority of the Government, there can be no assurance that extremists or terrorist groups will not continue violent activities in Egypt. Terrorist attacks in Egypt have adversely affected, and may continue to adversely affect, the Egyptian economy.

### ***Reliability of Statistics***

A range of Ministries, public statistic agencies (including CAPMAS) and the CBE produce statistics relating to the Republic and its economy, including statistics in relation to GDP, balance of payments, revenues and expenditure of the Government and indebtedness of the Republic. The statistical data appearing in this Base Offering Circular has been obtained from public sources and documents. Investors may be able to obtain similar statistics from other sources, but the underlying assumptions, methodology and, consequently, the resulting data may vary from source to source.

Additionally, the statistics produced by the Republic may have certain weaknesses that could impede an analysis of the Egyptian economy. In addition, the Government does not currently publish breakdowns of Government-guaranteed debt. Any estimate which includes the guaranteed debt of state-owned enterprises that are not economic authorities ("**Economic Authorities**"), or service authorities ("**Service Authorities**") will be approximate.

As a result of the foregoing, financial and economic information may differ from previously published figures and may subsequently be adjusted or revised. No assurance can be given that material changes will not be made. Consequently, the statistical data contained in this Base Offering Circular should be treated with caution by prospective investors.

In addition, any trends that were visible prior to the outbreak of hostilities between Israel and the United States and Iran may not be continued. Accordingly, prospective investors should exercise caution when analysing historic statistics in light of the rapidly evolving global macroeconomic situation.

### ***Impact of Corruption Perceptions***

The incidence and perception of elevated levels of corruption remains a significant issue in Egypt. Egypt was ranked 130<sup>th</sup> out of 180 countries, with a score of 30 (with 1 being the most corrupt score and 100 being the least corrupt) in Transparency International's 2024 Corruption Perceptions Index.

The Government has committed to take proactive actions to improve the business climate to attract more foreign and domestic investment. See "*External Sector—Investment Projects and Initiatives*." However, failure to address continued or perceived corruption and governance failures in the public sector and any future allegations, or perceived risk, of corruption in Egypt, as well as failure to implement the proposed reforms to improve Egypt's business climate, including proposed changes to investment, bankruptcy and corporate laws and regulations, could have a material adverse effect upon Egypt's ability to attract FDI, lead to further instances of political instability, and have a material adverse effect on the Egyptian economy.

### ***Informal Economy***

A significant portion of the Egyptian economy is comprised of an informal, or shadow, economy. The informal economy is not recorded and is only partially taxed. This results in a reduction of potential tax and other revenue for the Government in respect of this portion of the economy, ineffective regulation, unreliable statistical information (including a possible understatement of GDP and the contribution to GDP of various sectors) and an inability to otherwise monitor this portion of the economy.

The Government is making efforts to encourage the inclusion of the informal economy, including by way of financial inclusion and simplified tax systems for small- and medium-sized enterprises ("**SMEs**"). The CBE's financial inclusion strategy aims to help draw SMEs into the formal economy by digitalising payments and providing support for financially distressed SMEs, including by easing certain regulations and tightening others, such as regulations on how banks manage non-performing loans ("**NPLs**"). The development of micro-, small- and medium-sized enterprises ("**MSMEs**") has also been identified as a key pillar of the CBE's financial inclusion strategy.

Although the Government is attempting to reform the informal economy, there can be no assurance that such reforms will adequately address the issues and bring the informal economy into the formal economy, which could, in turn, have a material adverse effect on the Egyptian economy.

### ***Nile Dam***

In April 2011, the Ethiopian government began construction of the Grand Ethiopian Renaissance Dam ("**GERD**") on the Blue Nile River, a tributary of the Nile River. The Government has stated its opposition to the construction of this dam due to the potential impact on Nile River flows. Following a series of delays, in August 2023, Government officials from Ethiopia, Egypt and Sudan re-opened negotiations regarding the operation of the GERD. These negotiations were terminated in December 2023. In July 2025, Ethiopia announced that it had completed building of the dam, which was inaugurated in September 2025. No agreement between Ethiopia, Egypt and Sudan has yet been reached regarding the management of operation of the GERD, particularly during drought periods. In September 2024, the Government sent a letter to the United Nations in respect of the filling of the dam in the absence of such agreement. In September 2025, the Government sent a further letter to the United Nations in respect of Ethiopia's unilateral operation of the dam, describing it as a breach of international law. There can be no assurance that negotiations as to an agreement between the countries will be restarted and, if continued, will be successful.

Nile River flows reaching Egypt may be reduced over several years as the reservoir behind the GERD fills. In future years, Nile River flows may also be reduced, which may, in turn, reduce the electricity-generation capacity of the Aswan High Dam, which represents a small but significant portion of Egypt's overall electricity-generation capacity. The impacts of such reduced flows cannot presently be assessed but may adversely affect agriculture and industry in the Republic, which may have an adverse effect on the Egyptian economy.

## ***Egyptian Legal System***

Egypt's legal and regulatory systems and institutions are in various stages of development and are not yet as sophisticated as similar institutions in more developed markets. As a result, procedural safeguards, as well as formal regulations and laws, may not be applied consistently. In certain circumstances, it may not be possible to obtain the legal remedies provided under the relevant law and regulations in a timely manner, or at all. As the legal environment remains subject to ongoing development, investors in Egypt may face uncertainty as to the security of their investments. Any unexpected changes in Egypt's legal system may have a material adverse effect on the rights of Noteholders.

## **Risk Factors Relating to Investing in Emerging Markets**

### ***Risks relating to Emerging Markets Securities***

Investing in securities involving emerging markets, such as Egypt, generally involves a higher degree of risk than investments in securities of issuers from more developed countries. Egypt's economy is susceptible to future adverse effects similar to those suffered by other emerging market countries. International investors' reactions to the events occurring in one emerging market country sometimes appear to demonstrate a "contagion" effect, in which an entire region or class of investment is disfavoured by international investors, Egypt could be adversely affected by negative economic or financial developments in other emerging market countries. These risks have been exacerbated by the 2011 Revolution and subsequent events in Egypt. Key factors affecting the environment include the timing and size of adjustments in interest rates in the United States, geo-political tensions in the Middle East and elsewhere, global energy and commodity prices, technological disruptions and economic and health shocks.

Investors should also note that emerging economies, such as the Egyptian economy, are subject to rapid change and that the information set out herein may become outdated relatively quickly.

Accordingly, there can be no assurance that the market for securities bearing emerging market risk, such as the New Notes, will not be affected negatively by events elsewhere, especially in emerging markets. Generally, investment in emerging markets is only suitable for sophisticated investors who fully appreciate the significance of the risk involved.

## **Risk Factors Relating to the New Notes and the Market Generally**

*Set out below is a brief description of certain risks relating to the Notes and market risks generally.*

### ***The Conditions contain a "collective action" clause under which the terms of any one Series of Notes or multiple Series of Notes may be amended, modified or waived without the consent of the holders of all Notes***

The Conditions contain provisions regarding amendments, modifications and waivers, commonly referred to as "collective action" clauses. Such clauses permit defined majorities to bind all Noteholders, including Noteholders who did not vote and Noteholders who voted in a manner contrary to the majority. The relevant provisions also permit, in relation to Reserved Matters (as defined in the Conditions), multiple Series of Notes to be aggregated for voting purposes (provided that each such Series also contains the same or similar collective action clauses in the relevant Conditions).

The Issuer expects that all Series of Notes issued under the Programme will include such collective action clauses, thereby giving the Issuer the ability to request modifications or actions in respect of Reserved Matters across multiple Series of Notes. This means that a defined majority of the holders of such Series of Notes (when taken in the aggregate only, in some circumstances, and/or individually) would be able to bind all holders of Notes in all the relevant aggregated Series.

Any modification or actions relating to Reserved Matters, including in respect of payments and other important terms, may be made to a single Series of Notes with the consent of the holders of 75% of the aggregate nominal amount outstanding of such Notes, and to multiple Series of Notes with the consent of both (i) the holders of 66 $\frac{2}{3}$ % of the aggregate nominal amount outstanding of all Series of Notes being aggregated and (ii) the holders of 50% in aggregate nominal amount outstanding of each Series of Notes being aggregated. In addition, under certain circumstances, including the satisfaction of the Uniformly Applicable Condition in the Conditions, any such modification or action relating to Reserved Matters may be made to multiple Series of Notes with the consent of 75% of the aggregate nominal amount outstanding of all Series of Notes being aggregated only, without requiring a particular percentage of the holders in any individual affected Series of Notes to vote in favour of any proposed modification or action. Any modification or action proposed by the Issuer may, at the option of the Issuer, be made in respect of some Series of Notes only and, for the avoidance of doubt, the provisions may be used for different groups of two or more Series of Notes simultaneously. At the time of any proposed modification or action, the Issuer will be obliged, *inter alia*, to specify which method or methods of aggregation will be used by the Issuer.

There is a risk, therefore, that the terms and conditions of a Series of Notes may be amended, modified or waived in circumstances whereby the Noteholders voting in favour of an amendment, modification or waiver may be Noteholders of a different Series of Notes and as such, less than 75% of the Noteholders of the relevant Series (such as the Notes) would have voted in favour of such amendment, modification or waiver. In addition, there is a risk that the provisions allowing for aggregation across multiple Series of Notes may make the Notes less attractive to purchasers in the secondary market on the occurrence of an Event of Default (as defined in the Conditions) or in a distress situation. Further, any such amendment, modification or waiver in relation to any of the Notes may adversely affect their trading price.

In the future, the Issuer may issue debt securities that contain collective action clauses in the same form as the collective action clauses in the Conditions. If this occurs, then this could mean that any Series of the Notes would be capable of aggregation with any such future debt securities.

***The Conditions restrict the ability of an individual holder to declare an Event of Default, and permit a majority of holders to rescind a declaration of such an Event of Default***

The Conditions contain a provision which, if an Event of Default occurs, allows the holders of at least 25% in aggregate nominal amount of the outstanding Notes to declare all the Notes to be immediately due and payable by providing notice in writing to the Republic, whereupon the Notes shall become immediately due and payable, at their nominal amount with accrued interest, without further action or formality.

The Conditions also contain a provision permitting the holders of at least 50% in aggregate nominal amount of the outstanding Notes to notify the Republic to the effect that the Event of Default or Events of Default giving rise to any above-mentioned declaration is or are cured following any such declaration and that such holders wish the relevant declaration to be withdrawn. The Republic shall give notice thereof to the Noteholders, whereupon the relevant declaration shall be withdrawn and shall have no further effect.

***The Issuer is not required to effect equal or rateable payment(s) with respect to its other debt obligations pursuant to the Conditions, and is not required to pay other debt obligations at the same time or as a condition of paying sums on the Notes and vice versa***

The Notes will at all times rank at least *pari passu* with all other unsecured and unsubordinated obligations of the Republic. However, the Issuer will have no obligation to effect equal or rateable payment(s) at any time with respect to any other unsubordinated and unsecured obligations of the Republic and, in particular, will have no obligation to pay other unsubordinated and unsecured obligations of the Republic at the same time or as a condition of paying sums due on the Notes and vice versa. Accordingly, the Issuer may choose to grant preferential treatment to, and therefore prioritise payment obligations to, other unsecured and unsubordinated creditors of the Republic as payments fall due.

***Change of law***

The Conditions are governed by English law in effect as at the Issue Date. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Offering Circular nor whether any such change could adversely affect the ability of the Issuer to make payments under the Notes. Such changes in law may include changes in statutory, tax and regulatory regimes during the life of the Notes, which may have an adverse effect on an investment in the Notes.

***Notes where denominations involve integral multiples: Definitive Notes***

The Notes will have a minimum Specified Denomination (as defined in the Conditions) of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof. Accordingly, it is possible that the Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination.

In such a case a holder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination would need to purchase an additional amount of Notes such that it holds an amount equal to at least the minimum Specified Denomination to be able to trade such Notes. Noteholders should be aware that a holding of Notes that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

If a Noteholder holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time, such Noteholder may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to at least a Specified Denomination in order to be eligible to receive a Definitive Note.

If Definitive Notes are issued, holders should be aware that Definitive Notes which have a principal amount that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

***Investors may experience difficulty in enforcing foreign judgments in the Republic***

Payments under the Notes are dependent upon the Issuer making payments to investors in the manner contemplated under the Notes. If the Issuer fails to do so, it may be necessary for an investor to bring an action against the Issuer to enforce its obligations and/or to claim damages, as appropriate, which may be costly and time-consuming.

The Conditions, the Notes, the Agency Agreement (as defined in the Conditions) and the Deed of Covenant (as defined in the Conditions) are governed by English law. The Republic will irrevocably submit to, and accept the non-exclusive jurisdiction of, the courts of England and Wales, with respect to any suit, action or proceeding arising out of or based on the Notes and will irrevocably and unconditionally waive, to the fullest extent permitted by law, any objection which the Republic may have based on improper venue or forum *non conveniens* to the conduct of any such suit, action or proceeding in any such court. Enforcement of foreign court judgments in the Republic is subject to the following conditions:

- the foreign courts rendering the relevant judgment must offer reciprocal treatment to judgments obtained in the courts of the Republic; if such reciprocal treatment is not offered by the foreign court where the judgment is obtained, the Republic's courts will re-examine the merits of the case;
- the courts of the Republic are not exclusively competent to hear the dispute that is the subject of the foreign judgment, and the foreign courts are shown to have been competent to hear the dispute in accordance with their own respective laws;
- the parties to the dispute were duly notified and properly represented in the proceedings;
- the foreign judgment is final, non-appealable and conclusive in accordance with relevant law; and
- the foreign judgment does not conflict with a prior Egyptian judgment or a court order on the same subject matter and is not contrary to public order in the Republic.

There is no treaty between the Republic and the United Kingdom as to the enforcement of foreign court judgments which would satisfy the first criterion above.

In addition, the Republic is a foreign sovereign state. Consequently, it may be difficult for investors to obtain or realise upon judgments of courts in England and Wales or any other country against the Republic, as described in "*Enforcement of Civil Liabilities*" as incorporated by reference herein from the Base Offering Circular. The Republic's waiver of sovereign immunity constitutes a limited and specific waiver for the purposes of the Agency Agreement, the Deed of Covenant, the Dealer Agreement (each as defined herein) and the Notes. Investors should not under any circumstances interpret the Republic's waiver as a general waiver by the Republic or a waiver of immunity in respect of legal actions arising out of property that is: (a) used by a diplomatic or consular mission of the Republic; (b) of a military character and under the control of a military authority or defense agency of the Republic; or (c) located in the Republic and dedicated to a public or governmental use (as distinct to property dedicated to a commercial use) by the Republic. Without limiting the generality of (a), (b) or (c) in the preceding sentence, the holders of Notes shall have no recourse to the assets of the CBE held for its own account.

***Reliance on DTC, Euroclear and Clearstream, Luxembourg procedures***

The New Notes will be represented by an Unrestricted Global Certificate which will be registered in the name of a nominee for and will be deposited on or about the Issue Date with a common depository for Euroclear and Clearstream, Luxembourg and one or more Restricted Global Certificates which will be deposited on or about the Issue Date with Citibank, N.A., London Branch, as Custodian for, and registered in the name of Cede & Co., as nominee for, DTC. Except in the circumstances described in each Global Certificate, investors will not be entitled to receive Notes in definitive form. Each of DTC, Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Certificate held through it. While the New Notes are represented by a Global Certificate, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

While the New Notes are represented by Global Certificates, the Republic will discharge its payment obligation under the Notes by making payments through the relevant clearing systems via the Paying Agent. A holder of a beneficial interest in a Global Certificate must rely on the procedures of the relevant clearing system and its participants to receive

payments under the New Notes. The Republic has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Certificate.

Holders of beneficial interests in a Global Certificate will not have a direct right to vote in respect of the New Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

***Transferability of the New Notes may be limited under applicable securities laws***

The New Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States or any other jurisdiction of the United States. The New Notes may not be offered, sold or otherwise transferred in the United States, other than to persons that are QIBs. Each purchaser of New Notes will be deemed, by its acceptance of such New Notes, to have made certain representations and agreements intended by the Issuer to restrict transfers of New Notes as described under “*Subscription and Sale*” and “*Transfer Restrictions*”, each incorporated by reference herein from the Base Offering Circular. It is the obligation of each purchaser of New Notes to ensure that its offers and sales of Notes comply with all applicable securities laws.

***The New Notes may not be suitable as an investment for all investors***

Prospective investors must determine the suitability of an investment in the New Notes in the light of their own circumstances. In particular, prospective investors should:

- have sufficient knowledge and experience to make a meaningful evaluation of the New Notes and the merits and risks of investing in such New Notes;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of such investor’s particular financial situation, an investment in the New Notes and the impact that such New Notes will have on such investor’s overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the New Notes, including where the currency for principal or interest payments is different from such investor’s currency;
- understand thoroughly the terms of the New Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for currency, economic, interest rate and other factors (including an analysis of the impact of the global financial crisis) that may affect such investor’s investment and ability to bear the applicable risks.

***There is no assurance of an active trading market***

There can be no assurance that an active trading market for the Notes will be maintained or that it will be liquid. If an active trading market for the Notes is not maintained, the market or trading price and liquidity of the Notes may be adversely affected. Although an application has been made to list the New Notes on the Official List and for admission to trading on the London Stock Exchange plc’s main market, there is no assurance that such application will be accepted or that an active trading market will develop. In addition, the Notes may trade at a discount to the initial offering price of the New Notes, depending upon prevailing interest rates, the market for similar securities, global economic conditions and the financial condition of the Republic. Therefore, investors may not be able to sell their New Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

***Payments on the New Notes are subject to exchange rate risks and exchange controls***

The Issuer will pay principal and interest on the New Notes in United States Dollars. This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit (the “**Investor’s Currency**”) other than United States Dollars.

These include the risk that exchange rates may significantly change (including changes due to devaluation of United States Dollars or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls.

An appreciation in the value of the Investor's Currency relative to United States Dollars would decrease: (i) the Investor's Currency equivalent yield on the Notes; (ii) the Investor's Currency equivalent value of the principal payable on the Notes; and (iii) the Investor's Currency equivalent market value of the New Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***Fluctuations in interest rates may adversely affect the value of the New Notes***

Investment in the New Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the New Notes.

***Credit ratings are subject to revision or withdrawal, either of which could adversely affect the trading price of the New Notes***

One or more independent credit rating agencies may assign credit ratings to the Republic. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the New Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the relevant rating agency at any time.

***Legal investment considerations may restrict certain investments***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the New Notes are legal investments for it, (ii) the New Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the New Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the New Notes under any applicable risk-based capital or similar rules.

## PRESENTATION OF INFORMATION

Annual information presented in this Offering Circular is based upon 1 July to 30 June periods (which is the fiscal year of the Republic), unless otherwise indicated. Certain figures and percentages included in this Offering Circular have been subject to rounding adjustments. Accordingly, figures shown in the same category presented in different tables may vary slightly, and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures, which precede them. It should be noted that certain historic data set out herein may be subject to minor amendment as a result of more accurate and updated information becoming available.

Statistical information reported herein has been derived from official publications of, and information supplied by, a number of agencies of the Republic, including, *inter alia*, CAPMAS, as well as the CBE. Certain statistical information has also been derived from information publicly made available by the IMF. Certain historical statistical information contained herein is based on estimates that the Republic or its agencies believe to be based on reasonable assumptions.

See “Risk Factors—Risk Factors Relating to Egypt—The statistics published by the Republic may differ from those produced by other sources”.

The Republic’s official financial and economic statistics are subject to review as part of a regular confirmation process. Accordingly, financial and economic information presented herein may differ from previously published figures and may be subsequently adjusted or revised. Certain of the information and data contained in this Offering Circular for all or part of the fiscal years 2023/24, 2024/25 and 2025/26 and subsequent periods are preliminary and subject to further adjustment or revision. While the Government does not expect revisions to be material, no assurance can be given that material changes will not be made. Final figures will be published on the relevant Government website, when available. Results for interim periods are not necessarily indicative of full year results. The language of the Offering Circular is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Information contained herein that is identified as being derived from a publication of the Republic or one of its agencies or instrumentalities is included herein on the authority of such publication as an official public document of the Republic. All other information contained herein with respect to the Republic is included as an official public statement made on the authority of the Minister of Finance of the Republic.

Websites referred to in this Offering Circular and the websites of the Government and the CBE and any information contained therein do not form part of, and are expressly not incorporated by reference into, this Offering Circular.

### Data Dissemination

The Republic is a subscriber to the IMF’s SDDS, which is designed to improve the timeliness and quality of information of subscribing member countries. The SDDS requires subscribing member countries to provide schedules indicating, in advance, the date on which data will be released, the so-called “Advance Release Calendar”. For the Republic, precise dates or “no-later-than dates” for the release of data under the SDDS are disseminated no later than three months in advance through the Advance Release Calendar, which is published on the Internet under the IMF’s Dissemination Standards Bulletin Board. Summary methodologies of all metadata to enhance transparency of statistical compilation are also provided on the Internet under the IMF’s Dissemination Standard Bulletin Board.

### Certain Conventions

The following terms have the following meanings for the purposes of this Offering Circular:

- Gross domestic product, or “GDP”, is a measure of the total value of final products and services produced in a country in a specific year. Nominal GDP measures the total value of final production in current prices. “Real GDP” measures the total value of final production in constant prices of a particular year, thus allowing historical GDP comparisons that exclude the effect of inflation. In this Offering Circular, Real GDP figures for Egypt are based on constant 2021/22 prices for each year and periods.
- The inflation rate provides an aggregate measure of the rate of change in the prices of goods and services in the economy. The Republic measures the inflation rate by the percentage change between two periods in the CPI, unless otherwise specified. The CPI is based on a basket of goods and services that reflects the pattern of consumption of Egyptian households. The Republic calculates the CPI on the basis of a weighted basket derived from the 2008/09 income and expenditure survey conducted by CAPMAS.

## Currencies and Exchange Rates

All references in this Offering Circular to:

- “**CNY**” are to Chinese Yuan, the legal currency of the People’s Republic of China;
- “**Egyptian Pounds**” and “**LE**” are to the Egyptian Pound, the legal currency of the Republic;
- “**Euros**” and “**€**” are to Euros, the currency introduced at the start of the third stage of the Treaty on the Functioning of the EU, as amended;
- “**JPY**” or “**¥**” are to Japanese Yen, the legal currency of Japan;
- “**KWD**” are to Kuwaiti Dinar, the legal currency of the State of Kuwait;
- “**SDR**” are to special drawing rights, as allocated by the IMF; and
- “**U.S. Dollars**” and “**U.S.\$**” are to United States Dollars, the legal currency of the United States of America.

For ease of presentation, the Issuer presents certain financial information as translated into U.S. Dollars. Unless otherwise indicated, such translations have been performed using the weighted average exchange rate for the year to which the translated amount relates. The CBE calculated this weighted average exchange rate for amounts prior to 1 January 2005 based on the official exchange rate and, since the introduction of the Egyptian interbank market for foreign currency in December 2004, based on spot transactions in the interbank market. These translations, including translations of Egyptian Pounds into U.S. Dollars, have been performed solely for convenience purposes and should not be construed as a representation that the amounts in question have been, could have been or could be, converted into any particular denomination at any particular rate or at all.

On 24 March 2026, the official exchange rate (buy rate), as published by the CBE, was U.S.\$1.00 = LE 52.6260. See “*Monetary System—Foreign Exchange*”.

## OVERVIEW OF THE REPUBLIC

*This overview must be read as an introduction to this Offering Circular, and any decision to invest in the New Notes should be based on a consideration of this Offering Circular as a whole. This overview does not report to be complete and is qualified in its entirety by the more detailed information elsewhere in this Offering Circular. Prospective investors should also carefully consider the information set forth in the “Risk Factors” section of this Offering Circular prior to making any investment decision. Capitalised terms not otherwise defined in this overview have the same meanings as elsewhere in this Offering Circular.*

### **Arab Republic of Egypt**

Egypt is the most populous country in the Middle East and the third most populous country on the African continent. Egypt is located in North Africa, bordering the Mediterranean Sea, the Red Sea, Libya, the Gaza Strip, Israel and Sudan. According to CAPMAS estimates, as at 1 January 2025, Egypt had a population of 107.3 million, as compared to 105.9 million as at 1 January 2024, 103.6 million as at 1 January 2023 and 102.1 million as at 1 January 2022.

Parliamentary elections took place between November 2025 and January 2026, including run-off elections in constituencies where certain earlier parliamentary results were annulled by court rulings. In line with the five-year parliamentary terms set out in the Constitution, the next elections to the House of Representatives are scheduled to take place in 2030.

### **The Egyptian Economy**

In 2019/20, the growth rate of the economy (in real GDP terms) was 3.6%. Real GDP growth declined to 3.3% in 2020/21 (in excess of the 2.8% estimated growth rate), before increasing to 6.6% in 2021/22 and decreasing to 3.8% in 2022/23 and 2.4% in 2023/24. The lower rates of GDP growth in 2019/20 and 2020/21, as compared to prior periods, were primarily due to the impact of the COVID-19 pandemic. The decline in real GDP growth in 2023/24, as compared to 2022/23, was primarily due to consecutive external shocks, namely ongoing geopolitical tensions and continuing global economic uncertainty, which negatively impacted economic activity. According to preliminary data published by the Ministry of Planning, Economic Development and International Co-operation, for the year ended 30 June 2025, real GDP grew by 4.4%, driven by positive performances in key sectors, in particular the non-petroleum manufacturing sector, driven by the Government’s reform programme, despite the continuing decline in Suez Canal activity as a result of geopolitical tensions in the region. See “*The Economy—Gross Domestic Product*”.

Average annual headline urban inflation, as measured by the CPI, was 5.2% in 2021, 13.9% in 2022, 33.9% in 2023, 28.3% in 2024 and 14.1% in 2025. After reaching a record 38% in September 2023, annual headline CPI has generally declined since late 2023 to 12.8% in February 2025 (save for a temporary increase in February 2024 and in August to October 2024), before increasing to 16.8% in May 2025 and declining to 13.9% in July 2025, 12.0% in August 2025 and 11.7% in September 2025, before increasing to 12.5% in October 2025, decreasing to 12.3% in November and December 2025 and 11.9% in January 2026 and increasing to 13.4% in February 2026.

NIR with the CBE were U.S.\$48.7 billion as at 30 June 2025, as compared to U.S.\$46.4 billion as at 30 June 2024, U.S.\$34.8 billion as at 30 June 2023, U.S.\$33.4 billion as at 30 June 2022 and U.S.\$40.6 billion as at 30 June 2021. The increase in NIR since 30 June 2023 reflects, *inter alia*, the purchase by the CBE of approximately U.S.\$15 billion of financing received under the ADQ Ras El-Hekma Investment in the first half of 2024. NIR covered 6.4 months of merchandise imports as at 30 June 2025, 7.7 months of merchandise imports as at 30 June 2024, 5.9 months as at 30 June 2023, 4.6 months as at 30 June 2022 and 6.9 months as at 30 June 2021. As at 31 December 2025, NIR with the CBE were U.S.\$51.5 billion and, as at 28 February 2026, NIR with the CBE were U.S.\$52.7 billion.

Following a depreciation in early January 2023, the official exchange rate remained unchanged between early March 2023 and March 2024, and a large local parallel market premium developed and persisted. The outbreak of the conflict in Gaza in October 2023 and subsequent disruptions in Red Sea trade and in tourism further strained Egypt’s sources of foreign exchange earnings from tourism and the Suez Canal. As a result of such factors, the parallel market exchange rate declined. In March 2024, the official exchange rate and parallel market exchange rate were unified, resulting in an official devaluation of the Egyptian Pound against the U.S. Dollar of 38%. Following this unification, foreign exchange demand backlogs have largely been cleared, and daily interbank foreign exchange turnover has increased. The CBE has not conducted any foreign exchange sale interventions since the unification of the rates in March 2024 (other than certain purchases for the purpose of reserves accumulation under the EFF). On 24 March 2026, the official exchange rate (buy rate), as published by the CBE, was U.S.\$1.00 = LE 52.6260.

In 2023/24, net FDI inflows increased by U.S.\$36.0 billion, or 358.9%, to U.S.\$46.1 billion, the highest annual net FDI inflows recorded to date. This increase was primarily due to the funds received from the ADQ Ras El-Hekma Investment.

In 2024/25, net FDI inflows decreased by U.S.\$33.8 billion, or 73.5%, to U.S.\$12.2 billion, as compared to U.S.\$46.1 billion in 2023/24 due to one-off FDI inflows from the ADQ Ras El-Hekma Investment received in 2023/24. If the effect of the ADQ Ras El-Hekma Investment was removed from 2023/24 FDI, net FDI inflows increased from U.S.\$11.1 billion in 2023/24 (excluding FDI from the ADQ Ras El-Hekma Investment) to U.S.\$12.2 billion in 2024/25.

### ***Economy, Fiscal and Monetary Reforms***

As part of its economic programme, the Government has indicated economic targets, including achieving a primary surplus of 4.0% in 2025/26 (having achieved a primary surplus of 3.5% in 2024/25) and reducing the central Government debt to GDP ratio to a range of 71%-73% in the medium-term (by the end of 2028/29).

Key Government reforms implemented in recent years include, *inter alia*: (i) the introduction of the Unified Public Finance Law (as defined below) to enhance fiscal discipline, improve spending efficiency and align resources with strategic national goals; (ii) preparation of a Medium-Term Revenue Strategy, which is intended to strengthen and modernise tax revenue administration and policy to support increased spending on the health, education and infrastructure sectors, as well as to modernise and increase the efficiency of social safety nets; and (iii) the introduction of a number of tax reforms to increase tax collection and reporting, as well as to improve tax administration.

In December 2022, the Executive Board of the IMF approved a three-year extended arrangement under the EFF for Egypt of SDR 2,350.17 million (approximately U.S.\$3.0 billion). Egypt's reform programme backed by the EFF aims to: (i) safeguard macroeconomic stability and debt sustainability; (ii) improve resilience to external shocks; (iii) strengthen social safety nets; and (iv) step-up reforms that underpin higher private-sector-led growth and job creation. The policy goals under the EFF are moving to a flexible and sustainable exchange rate regime while prioritising the primary goal of achieving price stability and building up sustainable adequate levels of foreign exchange reserves; continued fiscal consolidation; and broadening and deepening structural and governance reforms, including to promote growth of the private sector. In March 2024, the Executive Board of the IMF completed the first and second reviews of the extended arrangement under the EFF and approved an SDR 3,760 million (approximately U.S.\$5.0 billion) increase in the amount of the arrangement permitting the immediate disbursement of SDR 618.10 million (approximately U.S.\$820 million) in March 2024. The third review under the EFF was approved by the Executive Board of the IMF in July 2024, permitting immediate disbursement of a further SDR 618.10 million. In March 2025, the Executive Board of the IMF completed the fourth review under the EFF, permitting the immediate disbursement of SDR 927.87 million (approximately U.S.\$1.2 billion) under the EFF. At the same time, the Executive Board of the IMF approved the Government's request for an arrangement under the IMF's RSF to run concurrently with the EFF, with access to SDR 1 billion (approximately U.S.\$1.3 billion). In December 2025, the IMF and the Egyptian authorities reached staff level agreement on the fifth and sixth reviews under the EFF, as well as the first review under the RSF.

The following table sets forth selected economic information relating to Egypt as at the dates and for the years indicated.

<b>Selected Economic Information<sup>(1)</sup></b>					
	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25<sup>(2)</sup></b>
	<i>(LE millions, except where indicated)</i>				
<b>Domestic Economy</b>					
Nominal GDP ( <i>LE billions</i> ).....	6,663	7,843	10,155	13,903	18,136 <sup>(3)</sup>
Real GDP ( <i>LE billions</i> ).....	7,353	7,843	8,137	8,333	8,699 <sup>(3)</sup>
Consumer Price Index (%) <sup>(4)</sup> .....	5.2	13.9	33.9	28.3	14.1
<b>Balance of Payments</b>					
Exports <sup>(5)</sup> ( <i>U.S.\$ millions</i> ).....	28,677	43,906	39,624	32,561	40,205
Imports ( <i>U.S.\$ millions</i> ).....	(70,736)	(87,302)	(70,784)	(72,135)	(91,214)
Current Account Balance ( <i>U.S.\$ millions</i> ).....	(18,436)	(16,551)	(4,711)	(20,807)	(15,425)
Overall Balance ( <i>U.S.\$ millions</i> ).....	1,862	(10,546)	882	9,687	(2,074)
Net International Reserves ( <i>U.S.\$ millions</i> ).....	40,584	33,380	34,828	46,385	48,720
<b>Public Finance (<i>LE millions</i>)</b>					
Total Revenues and Grants.....	1,108,625	1,347,178	1,563,921	2,543,690	2,644,113
Total Expenditures.....	1,578,774	1,831,022	2,184,594	3,055,194	3,904,865
Overall Fiscal Deficit.....	(472,345)	(484,414)	(609,901)	(504,496)	(1,290,092)
Overall Deficit/GDP (%) <sup>(6)</sup> .....	6.8	6.1	6.0	3.6	7.2
Primary Balance/GDP (%) <sup>(6)</sup> .....	1.3	1.3	1.6	6.1	3.5
Gross External Debt/GDP (%) <sup>(7)</sup> .....	32.6	32.6	40.5	38.8	44.2

**Notes:**

- (1) Certain figures in this table have been revised and differ from previously published data. See "Presentation of Information".
- (2) Preliminary figures.
- (3) According to preliminary data published by the Ministry of Planning, Economic Development and International Co-operation.
- (4) Figures for the calendar year 2021, 2022, 2023, 2024 and 2025.
- (5) Including petroleum and other exports.
- (6) See "The Economy—Gross Domestic Product".
- (7) As at the end of the relevant fiscal year. As calculated by the CBE.

## **USE OF PROCEEDS**

The Republic will use the net proceeds from the issue of the New Notes to finance a portion of its fiscal deficit for the fiscal year or for any other purpose set out in State Budget law № 91 of 2025 regarding the State budget for the fiscal year 2025/26.

# THE ARAB REPUBLIC OF EGYPT

## Area and Population

Egypt occupies 386,662 square miles (1,001,450 km<sup>2</sup>) of North Africa, bordering the Mediterranean Sea, the Red Sea, Libya, the Gaza Strip, Israel and Sudan. The terrain is mostly a vast desert plateau, bisected by the Nile River valley and delta (the “Delta”). The Western Desert accounts for approximately two thirds of Egypt’s land area. Approximately 3% of the land is arable and approximately 3.2% of the total land area is under irrigation. Agricultural land is currently being lost due to urbanisation and windblown sands, although some land is being reclaimed through irrigation. There are limited freshwater resources other than the Nile, which is the only perennial fresh water source in Egypt. The climate is hot and dry, with the temperature in Cairo during the mid-winter months ranging from 46°F to 64°F (8°C to 18°C), rising to an average maximum temperature of 97°F (36°C) in July, the warmest month on average. Even in the wettest months (December, January and February), an average of only one fifth of an inch (five millimetres) of rainfall is recorded. Egypt’s natural resources include petroleum, natural gas, coal, iron ore, phosphates, manganese, limestone, gypsum, talc, lead and zinc.

Egypt is the most populous country in the Middle East and the third most populous country on the African continent. According to CAPMAS estimates, as at 1 January 2025, Egypt had a population of 107.3 million, as compared to 105.9 million as at 1 January 2024. CAPMAS estimates that the population was 51.4% male and 48.6% female as at 1 January 2025. According to CAPMAS estimates, the birth rate per 1,000 population increased from 26.1 per 1,000 in 2007 to 31.2 per 1,000 in 2012, although it declined to 19.4 per 1,000 in 2023. The mortality rate decreased to 5.5 per 1,000 in 2023 from 7.3 per 1,000 in 2021 and 6.3 per 1,000 in 2012. Major cities in Egypt include Cairo, the capital of Egypt, Alexandria, Aswan, Asyut, Port Said, Suez and Ismailia. The overwhelming majority of Egypt’s population live along the Nile River, the Nile Delta and the Suez Canal, particularly in Cairo and Alexandria with, according to CAPMAS estimates, urban populations of 26.2 million (including urban populations in Giza and Kalyobeya) and 5.6 million as at 1 January 2025, respectively, making these areas among the most densely populated areas in the world. There are small communities throughout the desert regions of Egypt, which are clustered around oases and historic trade and transportation routes. The number of Egyptians living in rural areas of Egypt continues to decrease as people move to the cities in search of employment and higher living standards.

Egyptians are fairly homogeneous, with 99% of the population coming from an Eastern Hamitic origin (Egyptians, Bedouins and Berbers). Approximately 90% of the Egyptian population is made up of Sunni Muslims, and the remaining 10% is made up mostly of Coptic Christians. Arabic is the official and dominant language, however, English and French are widely understood by the educated classes. According to data published by the World Bank, in 2022, the female literacy rate (15+ years) was 73% and the male literacy rate (15+ years) was 85%.

Egypt is generally classified as a lower-middle-income developing country.

## History

Egypt has endured as a unified state for over 5,000 years, despite approximately 2,500 years of occupation by Persian, Greek, Roman, Turkish, Mamluk, French and British troops. Egypt’s location has made it a natural hub for trade routes: westward along the coast of North Africa, northwest to Europe, northeast to the Levant, south along the Nile to Africa and southeast to the Indian Ocean and Far East. The opening of the Suez Canal in 1869 enhanced this natural advantage, connecting the Mediterranean to the Red Sea, and had an immediate and dramatic effect on world trade. The strategic and commercial value of the Suez Canal to European powers (primarily the French and British) made it one of the most important factors influencing the history of Egypt in the 19th century.

The Ottomans, French and British struggled for financial and political control of Egypt throughout the nineteenth century. Napoleon Bonaparte’s Egypt campaign ended in 1801, following which Anglo-Ottoman forces controlled Egypt until 1882, which was followed by complete occupation and virtual inclusion of Egypt within the British Empire. Britain declared an official protectorate over Egypt in 1914 in order to secure British interests during World War I. The British protectorate lasted until February 1922 when, in deference to increasing nationalism, Britain unilaterally declared Egypt’s independence. In 1936, the Anglo-Egyptian Treaty was signed requiring the withdrawal of British troops from Egypt, except those necessary to protect the Suez Canal and its environs. The Wafd Government unilaterally abrogated the treaty in 1951. Three years later, Britain agreed to withdraw its troops. The withdrawal was finalised in July 1956, which Egyptians view as the date of full independence.

The Kingdom of Egypt, which lasted until the revolution of 1952, was a constitutional monarchy. During this post-independence period, three political forces competed with one another: the King, the Wafd (a broadly-based nationalist political party opposed to British influence) and the British, who were determined to maintain control over the Suez Canal.

Following the creation of the State of Israel in 1948, Egypt, together with Iraq, Jordan, Lebanon and Syria, engaged in the first of four wars that it fought with Israel.

Following World War II and the first Arab-Israeli War in 1948, Egypt was in an unstable condition, the King was highly unpopular among the Egyptian population, and anti-British sentiment grew. In July 1952, a group of army officers led by Colonel Gamal Abdel Nasser, known as the “Free Officers Movement”, toppled the monarchy, and in 1953, Egypt was declared a republic. Colonel Nasser became president in 1954 and over time, became a leader of Egypt and of the Arab world as a whole. President Nasser is regarded as one of the most important political figures in both modern Arab history and Third World politics in the 20th century.

On 26 July 1956, in retaliation for the loss of funding and to help pay for the Aswan High Dam project following the United States and the World Bank’s withdrawal of their respective offers to help finance the Aswan High Dam, President Nasser nationalised the privately-owned Suez Canal Company, which provoked the Suez Crisis, in which Britain, France and Israel invaded the Sinai Peninsula in order to assume control of the Suez Canal. The crisis ended in November 1956 after a ceasefire was agreed.

Egypt, under President Nasser, fought two major wars: the Suez War in 1956, following the joint British, French and Israeli invasion, and the war with Israel in 1967, the latter resulting in Israeli occupation of the Gaza Strip and Sinai Peninsula (which has since been returned to Egypt), in addition to the Golan Heights and the West Bank (which remain under Israeli control).

President Nasser died on 28 September 1970 and was succeeded by his vice president, Anwar El-Sadat. In the October 1973 war with Israel, the Egyptian army succeeded in crossing the Suez Canal, partially liberating the Egyptian territories occupied by Israel. In 1977, President Sadat became the first Arab leader to visit Israel and, in 1978, made history by signing the Camp David Accords, which, in turn, led to the 1979 signing of the Egypt-Israel peace treaty. As a result of this, President Sadat won the Nobel Peace Prize. Following the peace treaty, all occupied territories in the Sinai Peninsula were returned to Egypt. Domestically, President Sadat relaxed Government controls over the economy and encouraged private investment. On 6 October 1981, President Sadat was assassinated by Islamic extremists and Mr. Hosni Mubarak succeeded him as president.

In the period following the Camp David Accords, Egypt adopted a moderate approach to foreign policy, neither backing away from the peace with Israel nor loosening ties with the United States, and the occupied Sinai Peninsula was returned to Egyptian sovereignty in April 1982. While economic conditions in the Republic improved due to the adoption of liberal economic policies, leading to increases in international reserves and FDI, public discontent at the lack of social and political freedoms grew. This culminated in the 2011 Revolution, which ended Mubarak’s 30 years in power.

Commencing on 25 January 2011 and precipitated by the uprising in Tunisia, which led to the Arab Spring and the departure of Tunisia’s long-standing president in December 2010, demonstrations and protests occurred in Cairo, Alexandria and a number of other Egyptian cities, with protestors demanding the overthrow of President Mubarak. Following several weeks of unrest, President Mubarak dissolved the Government and resigned, ending 30 years in power. Power was then assumed by the SCAF, which suspended the 1971 Constitution and announced it would govern Egypt until elections were held. Demonstrations and protests, which often escalated into violence, continued throughout 2011 in response to the perceived slow pace of political change.

Egypt experienced continued political uncertainty and instability over the course of 2012. Although power was transferred to the House of Representatives, as a result of a ruling of the Supreme Constitutional Court that the law on parliamentary elections was unconstitutional, the SCAF issued an interim declaration on 17 June 2012 (the “**Interim Declaration**”) granting itself more extensive powers and dissolving the House of Representatives following the Interim Declaration. Presidential elections were held in June 2012 and were won by the Freedom and Justice Party candidate, Mr. Morsi, who took office on 30 June 2012. President Morsi revoked the Interim Declaration and transferred all legislative powers to the Presidency. On 22 November 2012, President Morsi issued a decree, which, among other things, exempted presidential decisions from judicial review and tasked a constitutional assembly with drafting the 2012 Constitution. This decree sparked further unrest among protestors, who argued its effect was to immunise the actions of the President from judicial challenge and to grant him far-reaching powers. The President rescinded the majority of the provisions of the decree on 20 December 2012. The 2012 Constitution was approved by House of Representatives on 30 November 2012, although the vote was boycotted by a number of members and approved by popular referendum on 26 December 2012.

Following further demonstrations and protests in 2013, which culminated in a revolution on 30 June 2013 calling for President Morsi's resignation following his appointment of allies as governors in 13 of Egypt's 27 governorates, the Egyptian military removed President Morsi from office. Supreme Court Chief Justice Mansour was appointed as interim President, and Mr. El-Bablawi was appointed Prime Minister of the interim Government. Prime Minister El-Bablawi resigned on 1 March 2014, and Mr. Mahlab was appointed to replace Mr. El-Bablawi.

In January 2014, the new constitution (the "**Constitution**"), which was prepared by a panel of judges and legal scholars and approved by an assembly of political, religious, union and other officials, was adopted by referendum. The Constitution came into force on 18 January 2014. In March 2014, the then-defence minister, Field Marshal Abdel Fattah Al-Sisi, announced his intention to run for the presidency and resigned from the military. Mr. Al-Sisi ran against Mr. Sabahi, the leader of the Egyptian Popular Current, in the elections and won with approximately 96.9% of the valid votes cast. President Al-Sisi was sworn in on 8 June 2014.

Parliamentary elections, which were originally due to take place in March and April 2015 but were postponed following a ruling by the Supreme Constitutional Court regarding the constitutionality of certain provisions of the electoral constituencies law, took place between October and December 2015. On 10 January 2016, the House of Representatives held its first session, the first parliamentary session in more than three years.

Presidential elections took place between 26 and 28 March 2018. On 2 April 2018, the National Elections Authority declared President Al-Sisi the winner of the elections, securing a second four-year term after winning 97.1% of the valid votes cast. Historically, under Article 140 of the Constitution, the President served for a four-year term and could be re-elected once. Accordingly, this would have been President Al-Sisi's final term, expiring in March 2022.

On 3 February 2019, a motion was submitted to the speaker of Parliament proposing certain amendments to the Constitution, including extending the presidential term from four years to six years, changing the appointment process for various entities within the judiciary, as well as other amendments. On 14 February 2019, Parliament voted in favour of these amendments. On 16 April 2019, the Legislative Committee of the Parliament approved the amendments to the Constitution and adopted a transitional article, which applies exclusively to President Al-Sisi, permitting him to be elected for a further six-year term after his then-current term expired in 2024. Presidential elections took place between 10 and 12 December 2023. On 18 December 2023, the National Elections Authority declared President Al-Sisi the winner of the elections, securing a third term after winning 89.6% of the valid votes cast. See "*—Executive Branch—The President of the Republic*".

Parliamentary elections for the House of Representatives took place in October and November 2020, and its first parliamentary session began in January 2021. Further parliamentary elections took place between November 2025 and January 2026, including run-off elections in constituencies where certain earlier parliamentary results were annulled by court rulings. In line with the five-year parliamentary terms set out in the Constitution, the next elections to the House of Representatives are scheduled to take place in 2030.

## **Constitutional System**

Prior to the 1952 revolution, Egypt was a constitutional monarchy. The first Egyptian constitution was enacted in 1923, following the declaration of the end of the British protectorate. It stated that Egypt was an independent sovereign "Islamic State" with Arabic as its official language and provided for a representative Parliament. This constitution was abolished in 1952 and political parties were dissolved in 1953, and a new constitution was proclaimed in 1956. The 1956 constitution granted the President extensive executive and legislative powers. In 1958, the constitution of the United Arab Republic was enacted, following the political union of Egypt and Syria. The union was dissolved in 1961.

In 1964, a new constitution was enacted. It emphasised the socialist nature of the Government, proclaiming Egypt an Arab democratic state with a socialist economy.

In 1971, during President Sadat's era, the 1971 constitution was enacted, and it was further amended in 1980, 2005 and 2007. It stated that Egypt was a democratic state based on citizenship, with Islam as its state religion and Arabic as its official language. Among its notable features, the constitution recognised three types of ownership, being public, cooperative and private and granted vast powers to the President.

In December 2012, the 2012 Constitution was adopted by referendum but has since been replaced by the current Constitution.

The referendum to approve the current Constitution in January 2014 was the first public vote since the removal of President Morsi in July 2013 and was supported by the majority of Egypt's secular and liberal political parties, as well as the Nour Party, the political arm of conservative Salafis. The referendum was approved by 98% of the vote.

The Constitution provides for three branches of government: the legislative branch, the executive branch and the judicial branch, and provides for the right of the SCAF to appoint the Minister of Defence for the eight years following its entry into force. The Constitution further provides that Islam is the state religion and Arabic is the official language. It also provides that the principles of Sharia are the main source of legislation. Article 9 of the Constitution enshrines the principle of equal opportunities for all citizens without discrimination. The Constitution also guarantees, *inter alia*: (i) the rights of Christians and Jews to apply their respective religious principles to personal status, religious affairs and leadership matters; (ii) equality between genders; (iii) healthcare and social insurance services; (iv) education; (v) personal freedom; (vi) privacy; and (vii) rights of the accused. Article 94 of the Constitution enshrines the principle of the rule of law.

In 2019, certain amendments were proposed to the Constitution, including making the Parliament a bicameral body. The Shura Council, which was abolished in 2014, was to be restored as the Senate. On 16 April 2019, the Parliament approved the proposed amendments, which were subsequently approved by referendum in April 2019.

### ***Legislative Branch***

The Constitution provides for a bicameral Parliament consisting of the House of Representatives and the Senate. The House of Representatives must be comprised of no fewer than 450 directly-elected members, elected by a direct secret public ballot. The President may appoint additional members not exceeding 5% in number of the elected members. Members of the House of Representatives serve for a term of five years. The Senate must be comprised of no fewer than 300 members, of which 200 members are elected by a direct secret public ballot. The remaining 100 members are appointed by the President. At least 10% of the Senate seats must be taken by women. Members of the Senate serve for a term of five years.

The principal role of the House of Representatives is to propose and approve laws, which, in turn, are implemented by the President, and to approve the Government's national policy, economic and social development plan, and national budget, and to oversee the Government's performance in general, although the President and the Council of Ministers may also propose laws. Once passed by the House of Representatives, the President has the right either to sign or veto laws. The President must exercise his veto right within 30 days of passage or the law automatically comes into force. By a two-thirds vote, the House of Representatives may override a presidential veto.

The Senate is an advisory body without legislative powers. Its role is to opine on: (i) amendments to the Constitution; (ii) the public social and economic development plan; (iii) alliance and peace treaties and all treaties related to sovereignty; (iv) draft laws referred to it by the President or the House of Representatives; and (v) matters referred to it by the President on matters of public policy or international relations.

The House of Representatives must approve the national budget, which must include all Government revenues and expenditures. Any amendments to the approved national budget must be approved by the House of Representatives. Final accounts for each year must be presented to the House of Representatives within six months from the end of the relevant fiscal year, together with a report of the Central Audit Bureau.

Under Article 146 of the Constitution, the President nominates a Prime Minister to form the Government and submit the Government's programme to the House of Representatives. If the Government does not win a vote of confidence of a majority of the members of the House of Representatives within 30 days of the nomination, the President must appoint a Prime Minister who is nominated by the party or coalition that holds the majority or, failing a majority, the largest number of seats in the House of Representatives. If the Prime Minister is nominated in this way, the President must also, in consultation with the Prime Minister, nominate the Ministers of Defence, Interior, Foreign Affairs and Justice. If the government of this Prime Minister fails to win the confidence of the majority of the members of the House of Representatives within 30 days, the House of Representatives shall be deemed to be dissolved, and the President must call for the election of a new House of Representatives.

The House of Representatives has the power to pass motions of no confidence with respect to the Prime Minister, one of his/her deputies, a minister or one of his/her deputies. If the House of Representatives withdraws its confidence from any such person and the Government has announced its solidarity with such person prior to the vote of no confidence, then the Government must resign; otherwise, any vote of no-confidence only applies to the subject of the vote.

Pursuant to Article 161 of the Constitution, the House of Representatives has the power to pass motions of no confidence with respect to the President by a two-thirds vote. If the House of Representatives approves a motion to withdraw its confidence from the President, the question of withdrawal of confidence and whether to call early presidential elections must be put to a referendum. If the referendum rejects the withdrawal of confidence, then the House of Representatives shall be deemed dissolved and the President must call for new parliamentary elections within 30 days of the dissolution. If the referendum approves the withdrawal of confidence, the presidency shall be deemed vacant and new elections must be called and held within 60 days of announcing the results of the referendum.

The President cannot dissolve the House of Representatives except under special circumstances and following approval by referendum. The House of Representatives cannot be dissolved for the same reason that caused the dissolution of the previous House of Representatives. If the referendum approves the dissolution, the President must issue a decree dissolving the House of Representatives and calling parliamentary elections within 30 days of the date of the decision.

The current House of Representatives was elected in 2020 and its first parliamentary session began in January 2021. See *“The Economy—Government Programme, Recent Developments and Reform”*.

On 21 April 2020, the House of Representatives voted to amend several articles of the State of Emergency Law № 162/1958, which granted the President greater powers during the COVID-19 outbreak and similar critical health situations.

### *Parliamentary Elections*

Parliamentary elections took place between November 2025 and January 2026 (with run-off elections in constituencies where certain earlier parliamentary results were annulled by court rulings held in January 2026). Following these elections, the House of Representatives comprises 15 political parties and a significant number of independent representatives. The Nation’s Future Party continues to hold the highest number of seats. Female members of the House of Representatives exceeds 25% of the total membership of the House of Representatives (holding 156 seats). According to statistics announced by the National Elections Authority, turnout for the elections was 32.4%. On 11 January 2026, President Al-Sisi appointed 28 members to the House of Representatives in accordance with the Constitution.

In line with the five-year parliamentary terms set out in the Constitution, the next elections to the House of Representatives are scheduled to take place in 2030.

In May 2025, Parliament approved amendments to three election-related laws ahead of parliamentary elections in 2025: Law 46/2014 regulating the performance of the House of Representatives; Law 174/2020 regarding the division of the House of Representative’s electoral districts; and Law 141/2020 regulating the election and performance of the Senate. With respect to House of Representative elections, the amendments retain a dual individual candidate (50%) and closed list system (50%), with a further 28 members of the House of Representatives to be appointed by the President.

The first round of the 2025 Senate elections was held in August 2025. According to results announced by the National Elections Authority in August 2025, the National Unified List, the only closed party list in the race, secured victory in the elections in all four constituencies (Cairo and South and Central Delta; North Central and South Upper Egypt; East Delta and West Delta), accounting for 100 seats. For the individual seats, the National Elections Authority announced that 95 of the 100 seats were decided in the first round. A second round for the remaining five seats was held on 27-28 August 2025. A further 100 members are appointed by the President. In line with the five-year terms set out in the Constitution, the next senate elections are scheduled to take place in 2030.

### *Executive Branch*

Under the Constitution, executive power in Egypt is exercised by (i) the President of the Republic, (ii) the Government and (iii) the local administrations.

#### *The President of the Republic*

The President is the Head of State and head of the executive branch and has historically been elected for a four-year term. In 2019, certain amendments were made to the Constitution, including extending the presidential term from four years to six years. Each President can serve no more than two consecutive terms, although the Constitution was amended to allow President Al-Sisi to serve a third term. During his presidency, the President may not hold any partisan position.

The President is elected by an absolute majority of votes of the Egyptian people. A presidential candidate must be nominated by (i) at least 20 elected members of the House of Representatives or (ii) 25,000 citizens who are entitled to vote from at least 15 governorates, provided that at least 1,000 citizens from each such governorates nominate such candidate.

The procedural steps for the holding of presidential elections are set out in Article 141 of the Constitution, which provides that a presidential candidate must be an Egyptian born to Egyptian parents, and neither the candidate nor his parents or spouse may have held any other nationality. The candidate must enjoy civil and political rights, must have completed military service (or have been exempted by law) and shall not be less than forty years old on the day of registration of his candidacy for President.

Presidential elections took place between 26 and 28 March 2018. On 2 April 2018, the National Elections Authority declared President Al-Sisi the winner of the elections, securing a second four-year term after winning 97.1% of the valid votes cast. Historically, under Article 140 of the Constitution, the President served for a four-year term and could be re-elected once. Accordingly, this would have been President Al-Sisi's final term, expiring in March 2022.

On 3 February 2019, a motion was submitted to the speaker of Parliament proposing certain amendments to the Constitution, including extending the presidential term from four years to six years, changing the appointment process for various entities within the judiciary, as well as other amendments. On 14 February 2019, Parliament voted in favour of these amendments. On 16 April 2019, the Legislative Committee of the Parliament approved the amendments to the Constitution and adopted a transitional article, which applies exclusively to President Al-Sisi, permitting him to be elected for a further six-year term.

The most recent presidential elections took place between 10 and 12 December 2023. On 18 December 2023, the National Elections Authority declared President Al-Sisi the winner of the elections, securing a third term after winning 89.6% of the valid votes cast. The National Elections Authority reported that there was voter turnout of 66.8% among the 67 million eligible voters (as compared to 41% in the 2018 elections). President Al-Sisi's third term began in April 2024 and will expire in 2030.

See “*Risk Factors—Risk Factors Relating to Egypt—Political Risks*”.

Presidential powers include (*inter alia*):

- jointly with the Government, formulating general policy and supervising its implementation;
- relieving the Government of its duties, subject to the approval of a majority of the members of the House of Representatives;
- reshuffling the Council of Ministers, after consulting with the Prime Minister and subject to the approval of an absolute majority of the members of the House of Representatives;
- acting as supreme commander of the Egyptian armed forces, provided that the President may not declare war or send armed forces on a combat mission outside of Egypt, except after consultation with the National Defence Council and with the approval of a two-thirds majority of the House of Representatives, except when the House of Representatives is not in session (in which event, the Constitution provides that the SCAF must be consulted and the approval of the Council of Ministers and the National Defence Council must be obtained);
- appointing and dismissing civil and military employees in accordance with applicable law;
- after consultation with the Council of Ministers, declaring a state of emergency in accordance with applicable law, which must be approved by a majority of the members of the House of Representatives within seven days of declaring the state of emergency;
- after consultation with the Council of Ministers, issuing pardons or reducing sentences;
- calling the House of Representatives into session for emergency sessions;
- calling referendums; and
- representing the Republic in its international relations, concluding treaties and ratifying them after having obtained the approval of the House of Representatives.

### *The Government*

The Government consists of the Prime Minister, the deputy prime ministers and the ministers. The functions of the Government include:

- together with the President, developing the general policy of the State and supervising its implementation;
- maintaining the security of the nation and protecting the rights of citizens and the interest of the State;

- directing, co-ordinating and following-up on the work of ministries and their affiliated public bodies and organisations;
- preparing and submitting laws to the House of Representatives;
- issuing administrative decrees in accordance with the law and following-up on their implementation;
- drafting the national plan of the State;
- drafting and preparing the annual budget of the State;
- obtaining financing or raising debt in accordance with the Constitution; and
- implementing laws.

The Prime Minister supervises the work of the Government, and each Minister is responsible for the performance of his Ministry before the House of Representatives. The responsibilities of the Council of Ministers include the preparation of draft laws and decrees, as well as the preparation of the national budget and the national plan. Under Article 160 of the Constitution, if the President resigns, dies or becomes permanently incapacitated, the Speaker of the House of Representatives shall act in his or her place until a new President is elected during a period not exceeding 90 days from the date on which the office becomes vacant.

#### *Local Administrations*

Article 175 of the Constitution provides that the Republic is divided into administrative units, including governorates, cities and villages. Local councils are elected by direct and secret ballot for terms of four years and are empowered to oversee local government matters, such as development plans, exercising oversight authority and withdrawing confidence in the heads of local units. Other administrative units may also be established. Article 176 of the Constitution enshrined the principle of decentralisation. Local administrations are required to develop their own budgets and have the authority to levy taxes and duties of a local nature.

#### **Judicial Branch**

The Constitution provides for an independent judicial branch headed by a Supreme Council. The judiciary has an independent budget that, following examination by the House of Representatives, is included in the State budget as a single line item. The judiciary is also entitled to be consulted with respect to any draft laws that regulate its affairs.

Article 189 of the Constitution provides that the Prosecutor General shall head the Public Prosecution, which is an integral part of the judiciary. The Public Prosecution carries out the investigation and prosecution of criminal cases.

The State Council is an autonomous judicial body with exclusive jurisdiction to settle administrative disputes. It also reviews and drafts bills and decrees of a legislative nature and reviews draft contracts to which the state or another public authority is a party.

The Supreme Constitutional Court was first established in 1979, and its powers are set out in the Constitution. In particular, the Supreme Constitutional Court has the sole constitutional power to: (i) determine the constitutionality of laws and regulations; (ii) interpret legislative provisions; and (iii) adjudicate on disputes pertaining to affairs of its members, certain jurisdictional matters, the implementation of certain contradictory judgments and on the execution of its judgments and decisions.

The Constitution also provides for two additional judicial authorities, which are (i) the Administrative Prosecution, which is responsible for the investigation of administrative and financial violations committed by public officials and filing disciplinary actions, and (ii) the State Lawsuits Authority, which represents the State in legal proceedings and drafts contracts referred to it by the relevant governmental authorities and to which the State is a party, in accordance with applicable laws.

In order to improve the Egyptian economic and investment landscape, in 2008, the Government enacted Law № 120 of 2008 establishing the Economic Court, which specialises in disputes arising under certain laws, including laws relating to bankruptcies, consumer protection, capital markets and intellectual property. The Economic Court handles disputes relating to such laws between the State and private citizens, as well as disputes among private citizens.

## Political Parties

According to data published by the State Information Service, as at 24 September 2025, there were 87 active political parties in Egypt. Article 74 of the Constitution states that all citizens shall have the right to form political parties by notification under law. According to the same article, no political activity may be practiced and no political parties may be formed on the basis of religion or discrimination based on sex or origin or on a sectarian basis or geographic location. The Constitution also provides that a political party may not be dissolved unless such dissolution is sanctioned by a court order.

In September 2013, a court ruling banned the Muslim Brotherhood from carrying out any activities in Egypt. A new law regulating public protests was passed in November 2013. In December 2013, the Government declared the Muslim Brotherhood a terrorist organisation following bomb blasts in Mansoura and other areas of Egypt.

See “*Risk Factors—Risk Factors Relating to Egypt—Political Risks*”, “*Risk Factors—Risk Factors Relating to Egypt—Terrorism Risk*” and “*—Constitutional System—Legislative Branch—Parliamentary Elections*”.

## National Security

Egypt’s armed forces, which are among the largest in the region, include the Republic’s Army, Air Force, Air Defence and Navy. The armed forces use equipment procured from the United States, the United Kingdom, Russia, France and China. Articles 200 and 201 of the Constitution provides that the Egyptian armed forces be headed by the SCAF, are regulated by law and the Minister of Defence must be appointed from the officers of the armed forces. The Constitution also established a National Defence Council, chaired by the President and comprised of the Prime Minister, the Speaker of the House of Representatives, the Minister of Defence, the Minister of Foreign Affairs, the Minister of Finance, the Minister of Interior, the Chief of the General Intelligence Services, the Chief of Staff of the Armed Forces, as well as the Commanders of the Navy, Air Force and Air Defence, the Chief of Operations of the Armed Forces and the Head of Military Intelligence.

Egypt’s police authority has the power to preserve public order, security and morals; protect lives and properties and to prevent crimes and seize criminals. It is also responsible for ensuring tranquillity and security for citizens of all types and for performing all duties afforded to it by laws and regulations. Amendments to the Police Authority Law, which were approved by the House of Representatives in August 2016 and promulgated as Law № 64 of 2016, prohibit police from providing information to the media without the permission of the Government. See “*—Press and Media*”.

Egypt and the United States share a bilateral relationship, an important aspect of which is U.S. military and economic assistance to Egypt. This relationship expanded following the signing of the Camp David Egyptian-Israeli peace treaty in 1979 and Egypt’s participation in the Gulf War. U.S. assistance to Egypt has concentrated on health, economic growth, education, improvements to economic policy and the business environment. In July 2025, the U.S. Department of State approved a defence agreement with Egypt to provide advanced air defence systems, including radar systems, missiles and other equipment designed to protect Egypt from aerial threats and enhance the country’s overall security. See “*—Foreign Relations and International Organisations*”.

In February 2015, President Al-Sisi established a new Council for National Security. The Council for National Security is responsible for investigating matters and methods to ensure the safety and security of the Republic, as well as for preparing national security strategies.

In February 2015, Law № 8 of 2015 was promulgated regarding the maintenance of a “terrorist list”. Both natural and legal persons may be listed on the “terrorist list”. Persons on the terrorist list are subject to a number of sanctions, including, *inter alia*, travel bans, prohibitions on entering Egypt, closures of business premises and seizures and freezing of assets. In April 2017, Law № 8 of 2015 was amended by placing a five-year limit on the number of years a natural or legal person may be listed on the “terrorist list”, prohibiting natural or legal persons on the “terrorist list” from participating in rallies or other gatherings in support of nationalist or militant causes and expanding the Prosecutor General’s authority to temporarily freeze the assets of terrorism suspects, regardless of whether such natural or legal persons are listed on the “terrorist list”, pending review by the relevant courts. Further amendments were introduced to Law № 8 of 2015 in March 2020 by virtue of Law № 14 of 2020. The amendments included introducing, among other things; (i) additional legal consequences to both natural and legal persons being included on the “terrorist list”; (ii) amendments to the definitions of “terrorist financing” and “monetary and other assets”; and (iii) grounds for international cooperation and the sharing of information in relation to the placing of persons on the “terrorist list”.

Egypt’s anti-terrorism law, introduced in August 2014, was most recently amended in 2020 to *inter alia*: (i) amend the definition of “monetary”; and (ii) introduce additional penalties for financing terrorism. See “*Risk Factors—Risk Factors*”.

*Relating to Egypt—Terrorism Risk*". In July 2022, Law №154 of 2022 established a special unit at the CBE responsible for combatting money laundering and terrorism financing.

The Committee for Confiscation, Management and Disposal of Assets of Terrorist Groups and Terrorists ("CMDAT") was established in 2018 and is responsible for classifying groups and individuals as "terrorist groups" or "terrorists", respectively. The Supreme Council for Countering Terrorism and Extremism ("SCCTE"), also established in 2018, is led by the President and aims to combat terrorism and identify funding flows supporting terrorist organisations. The SCCTE is funded through the national budget, as well as through independent loans and donations.

In April 2018, the Egyptian Criminal Code was amended to: (i) provide for the death penalty for offences of possessing, importing or producing explosives used for terrorist attacks; (ii) provide for the imprisonment for persons who were aware of a potential terrorist crime and did not report it to the authorities; and (iii) provide for the confiscation of any assets, properties, movables, equipment or other items used for committing terrorist attacks. Further amendments were made to the Egyptian Criminal Code in 2021 to, *inter alia*, provide for fines and/or imprisonment for the divulgence of defence secrets or organising or using any means of communication with the intention of obtaining, handing over or disseminating any defence secrets.

In December 2024, Law № 164 of 2024 was issued regulating the asylum of foreigners.

See "*—History—Recent Events*" and "*—Foreign Relations and International Organisations—Regional Security*".

## **Legal System**

Article 2 of the Constitution provides that the principles of Shari'a are the main source of legislation. Egypt's legal system is also based on the Napoleonic codes, including the French *Code Civil*, upon which the Egyptian civil code has been largely based. Marriage and family laws are based on the religious law of the individual concerned, which for most Egyptians is Islamic law. Islamic law is not forced upon non-Muslims, and non-Muslims have their own courts to settle marriage and family matters. Under Article 3 of the Constitution, certain affairs of Christians and Jews in the Republic are based on the general principles of their respective religions. While there have been moves to consolidate the influence of Sharia in the Constitution, commercial law remains based on modern commercial practices.

Egypt's Arbitration Law № 27 of 1994, as amended, serves as a framework for arbitration of domestic and international commercial disputes, as well as disputes between public enterprises and the private sector. Egypt acceded to the International Convention for the Settlement of Investment Disputes in 1972 and is a member of ICSID. Egypt adheres to the 1958 New York Convention on Enforcement of Arbitration Awards and the 1965 Washington Convention on the Settlement of Investment Disputes between States and the Nationals of Other States.

## **Foreign Relations and International Organisations**

The Republic's foreign policy is not formally aligned with or against any major bloc. Factors such as population size, historical events, military strength, diplomatic expertise and a strategic geographical position give the Republic extensive political influence in the Middle East, Africa and within the Non-Aligned Movement. In addition, Cairo has been at the crossroads of Arab commerce and culture for generations, and its intellectual and religious institutions are at the centre of the region's social and cultural development.

The Republic's foreign policy has not significantly changed since the 2011 Revolution, and Egypt maintains diplomatic relations with its trade and treaty partners. While the Republic has engaged in increasing cooperation with Arab countries, in particular, the Kingdom of Saudi Arabia and the UAE, this has not been at the expense of its existing relations with non-Arab states.

Egypt maintains diplomatic relations with substantially all of the countries that are members of the United Nations, and its participation in international organisations includes: the African Development Bank; the Arab Fund for Economic and Social Development; the Arab League; the Arab Monetary Fund; the Arab Petroleum Investment Corporation, the Council of Arab Economic Unity; the IMF and related organisations; the Non-Aligned Movement; the Organisation of African Unity; the Organisation of Arab Petroleum Exporting Countries; the United Nations and related organisations; the World Bank and the World Trade Organisation.

Egypt has been a member of the Greater Arab Free Trade Area ("GAFTA"), which aims to liberalise trade between Arab nations, since 1997. GAFTA also envisages the gradual reduction of taxes and the elimination of customs and non-tariff barriers on goods traded among the signatory nations. Since 1 January 2005, full customs duty exemptions and charges with equivalent effect among all signatory members have been in effect. Since June 1998, Egypt has been a member of the Common Market for Eastern and Southern Africa ("COMESA"), which eliminates tariffs with other COMESA

countries, with a view to the implementation of a common external tariff, based on a four band tariff structure of capital goods, raw materials, intermediate goods and final goods. In addition, the members are committed to establishing a monetary union.

In July 1999, Egypt and the United States signed a trade and investment free agreement (“**TIFA**”). TIFA’s objective is to enhance trade co-operation between the two countries, by facilitating greater reciprocal access to the respective markets of both countries through the removal of non-tariff barriers and other impediments to trade and investment flows. In April 2025, the President of the United States announced new tariffs on countries around the world, with a baseline 10% tariff on goods from Egypt, one of the lowest tariffs imposed.

Egypt’s partnership with the EU is based on an Association Agreement with the Member States of the EU, establishing the Euro-Mediterranean Partnership (also known as the Barcelona Process) (the “**Association Agreement**”), signed in June 2001 and which entered into force in June 2004. The Association Agreement establishes a free trade area with the elimination of tariffs on industrial products and concessions on agricultural products. In March 2024, building on the Association Agreement and partnership priorities agreed in 2022, the EU and Egypt signed a Joint Declaration launching a new Strategic and Comprehensive Partnership (the “**EU Strategic and Comprehensive Partnership**”). This partnership covers six main joint priorities: political relations, economic stability, trade and sustainable investments, migration and mobility, security, and people and skills. This partnership pledges a financial support package for Egypt of €7.4 billion for the period 2024-2027, with up to: (i) €5 billion in macro-financial assistance through concessional loans, (ii) €1.8 billion of additional investments, under the EU’s Southern Neighbourhood Economic and Investment Plan; and (iii) €600 million in additional grants, including €200 million for migration management. The EU is one of Egypt’s most important trading partners. During 2024/25, the EU purchased 27.0% of Egyptian exports, as compared to 29.1% in 2023/24 and 31.1% in 2022/23. In addition, FDI inflows from the EU were U.S.\$5.8 billion for 2024/25, representing approximately 24.3% of total FDI inflows, as compared to U.S.\$5.1 billion for 2023/24 and U.S.\$6.8 billion for 2022/23, representing approximately 29.5% of total FDI inflows. See “*External Sector—Foreign Trade*”. In October 2025, the President of the European Council and the President of the European Commission met with President Al-Sisi at the first ever EU-Egypt summit.

In February 2004, Egypt signed the Agadir Agreement with Morocco, Tunisia and Jordan, which came into force in March 2007. The Agadir Agreement aims, among other things, to establish a free trade area in accordance with the provisions of the General Agreement on Tariffs and Trade of 1994. It is open to further membership by all Arab countries that are members of the Arab League and GAFTA and linked to the EU through an association agreement or free trade agreement. In March 2017, Lebanon and Palestine acceded to the Agadir Agreement.

In December 2005, Egypt signed a free trade agreement with Türkiye, which entered into force in March 2007. The agreement provides that imports of Egyptian products into Türkiye (excluding agricultural goods) are free of duties and those duties and trade restrictions for Turkish products imported to Egypt are eliminated.

In August 2007, the free trade agreement between Egypt and the European Free Trade Association (“**EFTA**”) entered into force. The agreement aims to liberalise trade in industrial products and processed agricultural products between Egypt and the four EFTA members. The agreement also contains provisions on protection of intellectual property rights, as well as competition and technical cooperation.

In 2010, Egypt signed a free trade agreement with the *Mercado Común del Sur* (“**MERCOSUR**”), which is comprised of Argentina, Brazil, Paraguay and Uruguay. The agreement took effect from 1 September 2017. The agreement aims to enhance economic and trade relationships between Egypt and the MERCOSUR member states through the gradual liberalisation of trade and the promotion of bilateral investment.

In July 2024, Egypt signed a free trade agreement with Serbia, which entered into force on 1 September 2025.

Egypt has received international sovereign support for its economy, in particular, following a shortage in foreign exchange largely concurrent with the outbreak of the military conflict in Ukraine in 2022 and following the economic shocks caused by the COVID-19 pandemic. For example, in March 2022, Saudi Arabia made a U.S.\$5 billion deposit with the CBE, and the CBE also received U.S.\$4 billion deposit from Kuwait in the first quarter of 2022. In 2022, Qatar also pledged U.S.\$5 billion in new investment deals, as well as making deposits of U.S.\$3 billion (in March 2022) and U.S.\$1 billion (in October 2022 through the Qatar Investment Authority) with the CBE. In February 2022, the UAE made a U.S.\$3 billion deposit with the CBE. In March 2022 and in September 2016, Saudi Arabia deposited U.S.\$5 billion and U.S.\$2 billion, respectively, with the CBE to support the Republic’s foreign exchange reserves. See “*External Sector—Foreign Direct Investment*”.

The Government has also entered into concessional and other agreements with a number of international financial institutions and multilateral and national development agencies. See “*Public Debt—International Support*”. In December

2022, the IMF approved a 46-month arrangement under its EFF of U.S.\$3 billion, which was subsequently increased to U.S.\$8 billion in March 2024. This EFF is designed to be a comprehensive policy package to help the Republic maintain macroeconomic stability, restore buffers and improve private-sector-led economic growth.

The United States provides certain military aid and economic assistance to the Republic, with the amount varying from year-to-year. In 2020, the United States provided economic foreign assistance of U.S.\$122.7 million. In September 2021, the U.S. State Department notified the U.S. Congress that it was withholding U.S.\$130 million in conditioned military aid until the Republic met certain human rights criteria. No waiver was issued by the U.S. Secretary of State. Such withholding did not affect U.S.\$170 million of aid which was to be used for certain specified purposes. In September 2023, approximately U.S.\$85 million of aid was withheld. According to information published by the U.S. Department of State, total foreign assistance disbursed by U.S. agencies (including military aid and economic assistance) in each of 2021 (of which, 87% was military aid and 13% was economic assistance), 2022 (of which, 86% was military aid and 14% was economic assistance), 2023 (of which, 81% was military aid and 19% was economic assistance) and 2024 (of which, 1% was military aid and 99% was economic assistance) was U.S.\$1.5 billion, U.S.\$1.4 billion, U.S.\$1.5 billion and U.S.\$243 million.

### ***Regional Security***

The Republic has long been and remains a key partner in the search for peace in the Middle East and a peaceful resolution to the Israeli-Palestinian conflict.

On 13 August 2020, the UAE and Israel reached a deal to normalise relations, under which Israel has agreed to suspend its plans to annex parts of the West Bank. The UAE is now the third country in the MENA region to enter into an agreement of this nature with Israel; the first being Egypt in 1979, followed by Jordan in 1994. Although this agreement has served to reduce tensions in the region between Israel and the UAE and was publicly welcomed by Egypt's President al-Sisi, it led to a heightening of tensions in the MENA region between those countries who have welcomed the deal and those that disapproved of it, notably Palestine and Iran, whose leaders have publicly criticised the deal and, the former of which, recalled the Palestinian ambassador to the UAE. In September 2021, Israel's Prime Minister Naftali Bennett travelled to Egypt for the first official visit by an Israeli prime minister in over a decade.

In October 2023, Israel launched a major attack on Gaza, which has resulted in over 71,000 deaths, the majority of which have been civilians. This attack began when Hamas launched a surprise attack from the Gaza Strip against several targets in Israel, killing an estimated 1,200 civilians and taking approximately 250 hostages. Israel subsequently responded with large-scale military operations in the Gaza Strip and a blockade imposed by Israel. Israeli military operations continued until an initial ceasefire agreed in January 2024, before recommencing in March 2024. Subsequent ceasefire talks were held in Cairo and Qatar, but Israel continued its military operations in Gaza, including targeted assassinations of Hamas leadership and restricting food and humanitarian aid.

In November 2024, the International Criminal Court issued arrest warrants for Israel's prime minister and defence minister and a Hamas leader for alleged war crimes. In January 2025, a brief ceasefire was agreed that lasted until March 2025, when Israel resumed airstrikes. In August 2025, Israel escalated its military activities around Gaza City, which are continuing. Concurrently, in August 2025, the Integrated Food Security Phase Classification declared that a famine was underway in Gaza City, which is expected to spread to the other settlements in the Gaza Strip, citing the effects of the ongoing fighting and the Israeli blockade of aid, as well as widespread civilian displacement and the collapse of food production in the Gaza Strip.

In September 2025, 11 additional countries formally recognised the State of Palestine at the UN General Assembly, bringing the total to 157 out of 193 member states. At the meeting, the New York Declaration was adopted, which outlines "tangible, timebound and irreversible steps" towards a two-state solution.

In October 2025, a historic two-stage deal was agreed between Israel and Hamas, with the agreement signed during an international summit at Sharm El Sheikh. The first stage of the deal focused on halting large-scale hostilities, facilitating humanitarian aid deliveries and securing the release of remaining hostages. Israel has continued its military operation on a smaller scale and has imposed restrictions on humanitarian aid shipments. The precise timing of agreement and implementation of the second stage of the deal, which envisages Hamas disarmament, withdrawal of Israeli forces from Gaza and the deployment of an international mission to oversee security and reconstruction, remains uncertain.

Many Gazans, many of whom are displaced because of the conflict, are currently living in or near Rafah, a city close to Egypt's border. Egypt has taken steps to allow humanitarian entries to the Gaza Strip via the Rafah crossing. At the same time, Egypt has taken steps to reinforce the Rafah border crossing to preserve Egypt's sovereignty. Israeli authorities have recently permitted a small increase in the number of Palestinians being allowed to cross the border, primarily people with serious medical conditions.

Since the beginning of hostilities, Egypt has called for a ceasefire and a prioritisation on full humanitarian access to Gaza. In this respect, Egypt has acted as a key mediator with Qatar between Israel and Hamas and, *inter alia*, has directed international humanitarian aid through its border with Gaza. Together with Jordan and the United Nations, Egypt also sponsored a conference in June 2024 aimed at coordinating an urgent humanitarian response to the events in Gaza. Egypt has also opposed the displacement of Gaza's population and defended a two-state solution, while calling for the Gaza Strip to be reconstructed without displacing residents and governed by technocrats with security forces to be trained under Egyptian and Jordanian oversight.

Following Israel's military invasion of the Gaza Strip, Hezbollah began launching rockets at targets in Israel. Israel retaliated with border raids and aerial attacks, including over 1,300 airstrikes on Hezbollah positions in southern Lebanon and Beirut's southern suburbs. These attacks have had the effect of degrading Hezbollah's infrastructure and killing several senior Hezbollah officials. A ceasefire was agreed in November 2024, but significant violations continue.

Since 2022, Israel has conducted regular and major airstrikes on targets in Syria that Israel said were linked to Iran or Syria's military infrastructure, including in Damascus. On 8 December 2024, opposition forces took control of Syria, with the former President Bashar al-Assad leaving the country. In December 2024, Israeli forces entered the United Nations buffer zone separating the Golan Heights from Syria and conducted other air- and ground-based military operations in Syria, which have continued into 2025. In January 2025, an Egyptian aid plane delivered Egypt's first humanitarian aid delivery since the change in regime. Israeli military activity in Syria has intensified following the fall of the Assad regime in December 2025. As of late January 2026, Israel maintains an active ground presence in southern Syria and continues to conduct airstrikes across the country.

In July 2024, Israel launched its first attack on Yemen, striking Houthi-controlled targets. In December 2024, Israel launched two further attacks on Houthi targets in retaliation for missile attacks aimed at Israel. Israeli air strikes resumed in the late Spring and Summer of 2025, following a Houthi missile falling near Israel's principal international airport. Most recently, on 28 August 2025, Israel struck a gathering of Houthi officials killing several senior leaders, including the prime minister and the defence minister.

In 2023 and 2024, Israel conducted a number of strikes on targets in Iran, some of which have been in response to Iranian attacks, including an April 2024 Iranian attack on Israel involving drones and cruise and ballistic missiles. In October 2024, Israel conducted a major air operation against military targets in Iran in retaliation for Iranian missile attacks on Israel that were, in turn, launched in retaliation for the assassinations of Iranian-allied Hezbollah and Hamas leaders. In June 2025, Israel launched a larger-scale military operation against Iran, including attacks against Iran's suspected nuclear sites, in which the United States also participated.

Many of these military conflicts are ongoing. While the impact on Egypt of these conflicts has to date been limited, there can be no assurance that Egypt will not be negatively impacted in the future, if any of these conflicts escalates.

In August 2024, Egypt signed a co-operation agreement with Somalia for Egyptian military personnel to be deployed to Somalia, as well as to join African Union forces in the country.

## **Press and Media**

Egypt has a varied press with publications in Arabic, English and French.

Article 70 of the Constitution provides for freedom of the press, printing and paper, visual, audio and electronic publication. According to the same article, every Egyptian, whether a natural or legal, public or private person, shall have the right to own and publish newspapers and establish visual, audio and digital media outlets. Newspapers may be published once the required legal notifications have been made.

Article 211 of the Constitution provides for the establishment of a Supreme Council for the Regulation of the Media, an independent entity with the power to regulate audio and visual media, the printed and digital press and other media outlets. Articles 212 and 213 of the Constitution also provide for the establishment of a National Press Organisation and a National Media Organisation regulating state-owned media outlets.

Since August 2018, Law № 180 of 2018 (the "**Press Law**") has regulated press activities (including audiovisual and electronic media) in Egypt. Article 3 of the Press Law states that Government scrutiny of the press is prohibited, save for during war or emergency situations for national security purposes. A National Media Organisation and National Press Organisation have also been established.

## Health and Sanitation

Article 18 of the Constitution guarantees every citizen the right to health and to comprehensive health care. It also requires the State to maintain and support public health facilities, to allocate funds representing a minimum of 3% of the gross national product to health spending and to establish a comprehensive health insurance system.

The Government is committed to fulfilling the constitutional mandate to increase health and education spending and aims to establish a programme-based budgeting framework to improve monitoring and evaluation of such spending. In this respect, the Government allocated LE 200 billion for public health expenditure in the 2024/25 budget, as compared to actual spending of LE 179.6 billion in 2023/24 and LE 146.5 billion in 2022/23.

The Egyptian healthcare system is served by the Government and private sector service providers. Government providers include, among others, the Ministry of Health, university hospitals and other ministries. There are more than 540 hospitals in Egypt, including more than 370 hospitals offering curative and critical care, eight curative care organisations, more than 20 general organisations for teaching hospitals and institutes, more than 80 specialist centres, 40 health insurance organisation hospitals and 19 centres for the treatment of mental health and addiction.

In January 2018, a new health insurance law (Law № 2 of 2018) (the “**Universal Health Insurance Law**”) was passed, which, together with its executive regulations, applies to Egyptian nationals residing in Egypt (on a mandatory basis) and Egyptian nationals who reside abroad (on an optional basis). The Universal Health Insurance Law does not apply to persons serving in, or retired from, the armed forces or their families. The Universal Health Insurance Law provides for the establishment of: (i) The General Authority for Health Insurance, which has the authority to manage and fund the implementation of a medical insurance system; (ii) the General Authority for Medical Care, which is affiliated with, and supervised by, the Ministry of Health and whose main objective will be to provide healthcare services and treatment to all insured nationals residing in Egypt; and (iii) the General Authority for Accreditation and Health Control, which aims, *inter alia*, to determine and monitor minimum quality standards to be applied to all medical institutions and their staff. The Universal Health Insurance Law is being implemented across Egypt in six phases, with the aim of covering all Egyptian governorates by 2030. Implementation of the system started in Port Said in 2019 and was expanded to Luxor, Ismailia and South Sinai in February 2021 and to Suez and Aswan in November 2022, completing the first phase of the rollout. As of June 2024, according to data published by the Egyptian Healthcare Authority, more than five million people in the six governorates have registered for the universal health insurance system, and 321 healthcare facilities are being run by the Egyptian Healthcare Authority, with the provision of more than 44 million medical and therapeutic services to beneficiaries of the scheme since 2019.

The Government has also introduced initiatives to screen the population against common health problems, including diabetes, high blood pressure and hepatitis C. The 100 Million *Seha* (“**100 Million Healthy Lives**”) campaign, which was launched nationally in October 2018, aimed to detect and eliminate hepatitis C in Egypt by 2023. In October 2023, the World Health Organisation congratulated Egypt for its “*unprecedented progress towards eliminating hepatitis C, becoming the first country to achieve “gold tier” status on the path to elimination of hepatitis C as per WHO criteria*”.

In August 2021, Law № 139 of 2021 on the establishment of the Emergency Medical Fund was issued. This law regulates the establishment of an independent emergency medical fund with public legal personality, which reports to the Prime Minister. The Emergency Medical Fund was established to support and finance medical services provided to citizens and to ensure that such medical services are sustainable in the event of crises, medical emergencies and pandemics. Law № 139 of 2021 was amended in February 2024 to provide, *inter alia*, for the formation of a scientific committee with expertise in hereditary and rare diseases to propose diseases eligible for financial support for treatment.

In November 2021, the House of Representatives approved Law № 152 of 2021, which seeks to regulate the procedures and measures necessary to be taken in the context of epidemics and pandemics. It permits the Prime Minister to declare a state of pandemic emergency and impose temporary restrictions, including restrictions on group gatherings. The law also obliges citizens to abide by all protective measures declared by health authorities.

In June 2024, Law № 87 of 2024, which regulates the granting of public facility concessions to establish, manage, operate and develop healthcare facilities, was issued. The law permits private entities to manage and develop public healthcare facilities with the aim of improving the quality and efficiency of healthcare services.

In April 2025, Law № 13 of 2025 was enacted, which establishes a legal framework for medical liability and patient protection, with the aim of balancing accountability and safeguarding the rights of healthcare providers.

## Education

Education has long been considered an important factor in Egypt's development, and the Government allocated LE 295 billion to education in the 2024/25 budget, as compared to actual expenditure of LE 265 billion and LE 210 billion on education in 2023/24 and 2022/23, respectively.

Article 19 of the Constitution guarantees every citizen the right to education. Education is compulsory until the end of secondary education (or equivalent) and the State must provide free education. In addition, Article 80 of the Constitution provides that every child shall be entitled to an early education in a childhood centre until the age of six. Article 19 also requires the state to allocate funds representing a minimum of 4% of the gross national product to education spending. The Government is committed to fulfilling the constitutional mandate to increase education and health spending.

The table below sets out the number of students and schools by educational stage (excluding Al-Azhar) for 2023/24.

<b>Number of Students and Schools by Educational Stage</b>				
	<b>Total</b>	<b>Females</b>	<b>Males</b>	<b>Schools</b>
	<i>(number)</i>			
<b>Pre-University Education (excluding Al-Azhar)</b>				
Pre-Primary .....	1,266,917	616,944	649,973	13,315
Primary .....	13,626,402	6,656,472	6,969,930	20,073
Community Education.....	142,404	94,038	48,366	4,822
Preparatory .....	6,136,701	2,981,330	3,155,371	13,979
Public Secondary .....	2,239,147	1,226,251	1,012,896	4,757
Industrial Secondary .....	1,020,822	346,071	674,751	1,789
Commercial Secondary.....	861,478	492,215	369,263	1,092
Hotel's Secondary Business .....	72,464	26,689	45,775	164
Agricultural Secondary.....	244,619	36,350	208,269	341
Handicapped Schools .....	46,994	17,100	29,894	1,180
<b>Total.....</b>	<b>25,657,948</b>	<b>12,493,460</b>	<b>13,164,488</b>	<b>61,512</b>

*Source: CAPMAS*

The table below sets out the number of students and schools at Al-Azhar by educational stage for 2023/24.

<b>Number of Students and Schools at Al-Azhar by Educational Stage</b>				
	<b>Total</b>	<b>Females</b>	<b>Males</b>	<b>Schools</b>
	<i>(number)</i>			
<b>Al-Azhar Pre-University Education</b>				
Pre-primary.....	210,510	101,396	109,114	1,884
Primary .....	1,604,774	763,567	841,207	3,729
Preparatory .....	570,679	277,664	293,015	3,610
Azhari Secondary .....	439,913	203,192	236,721	2,371
Recitations.....	24,704	11,064	13,640	123
<b>Total.....</b>	<b>2,850,580</b>	<b>1,356,883</b>	<b>1,493,697</b>	<b>11,557</b>

*Source: CAPMAS*

In 2023/24, 2.4 million students were enrolled in Egyptian state universities and 0.2 million students were enrolled in private universities in Egypt. Government programmes target increasing the gross enrolment ratio in higher education to 43.7% of persons aged 18 to 23 years by 2030 (as compared to 37% in 2019).

In April 2018, the World Bank announced its five-year "Supporting Egypt Education Reform", comprising a U.S.\$500 million loan to support investment in Egypt's national education sector reform programme (which was also launched in 2018), including, *inter alia*, through improving access to kindergarten and early childhood education, supporting the adoption of digital technology and resources in the classroom, developing a reliable student assessment and examination system and enhancing the capacity of teachers. See "*Public Debt—Debt Restructuring—International Support—World Bank*".

Funding of the education sector is a key budget priority in the 2025/26 budget, allocating approximately LE 315.1 billion of total spending for educational services. The education budget for 2025/26 focuses on expansion of technical schools, reducing class sizes and developing applied technology schools in partnership with the private sector.

**Legal Proceedings**

As at the date of this Base Offering Circular, there are five investment treaty arbitrations and international litigation proceedings against Egypt, including one ICSID arbitration , three UNCITRAL arbitrations before the Permanent Court of Arbitration and one arbitration in accordance with the Agreement on Promotion, Protection and Guarantee of Investments among Member States of the Organization of the Islamic Conference, where the tribunal has not yet been constituted. Egypt is defending these claims and does not believe that these claims, taken singly or collectively, as and when adjudicated, will have a significant effect on Egypt's financial position.

## THE ECONOMY

### Background

Successive Governments appointed by President Nasser between 1954 and 1970 adopted socialist and inward-looking policies aimed at reducing foreign influences, which were believed to be responsible for the inequalities in Egyptian society. The upper class and wealthy landowners did not support Nasser's plans, and capital flight was pervasive. Consequently, the Government became primarily responsible for industrial development in Egypt. As the Government's role in the economy grew, inefficiencies accumulated, quality and innovation suffered, and enterprises became overstuffed.

President Sadat's "Open-Door Policy", introduced in 1974, took steps towards economic liberalisation and developing a closer relationship with Europe and the United States. His policy encouraged private sector activity and sought foreign investment through the passage of new laws, including the adoption of Law 43, which provided guarantees against nationalisation, legalised foreign investments in most economic sectors, granted tax incentives and created free trade zones.

In 1981, President Mubarak embarked on a major economic reform programme in order to improve the Egyptian economy by increasing exports, reducing unemployment and poverty and increasing the private sector's role in the economy. His policies encouraged private sector activity in the Egyptian economy and attracted investment through legalising foreign investment in most sectors of the economy, which have continued to benefit and diversify the economy.

Given the diversified nature of the Egyptian economy, a broad range of sectors, including agriculture, manufacturing and tourism, have contributed to the overall recovery of the economy in recent years, thereby reducing the economy's reliance on any one sector. The IMF has projected Egypt's real GDP growth rate at 4.0% for 2025.

### Government Programme, Recent Developments and Reforms

Egypt possesses one of the more developed and diversified economies in the Middle East, with sectors such as tourism, agriculture, industry and services at almost equal shares in national production.

#### *National Structural Reform Programme*

Following the success of its 2016 economic reform programme, which was in place until 2020, in 2020/21, the Government launched the National Structural Reform Programme (the "NSRP"). The NSRP targets the root causes of imbalances in the real sector and business environment in order to encourage inclusive growth, create new job opportunities, diversify and develop production patterns, improve the business climate, localise manufacturing and enhance the competitiveness of Egypt's exports, while aiming to achieve sustainable and inclusive economic development. The main policy aim of the programme is to increase the relative weight of three leading sectors in the Egyptian economy: manufacturing, agriculture and information and communications technology, the Government is aiming to boost exports in these sectors, create jobs and encourage the growth of SMEs active in these sectors. Additional policy goals, which include specified targets and indicators, include: (i) improving labour market efficiency and the technical and vocational education training system; (ii) promoting the business environment and enhancing the role of the private sector; (iii) improving the governance and the efficiency of public institutions; (iv) promoting financial inclusion and facilitating access to finance; and (v) bolstering human capital development, including education, health and social protection.

#### *Egypt Vision 2030*

In March 2016, the Government issued Egypt Vision 2030, the National Strategy for Sustainable Development, focusing on economic, social and environmental issues. As a result of global, regional and national economic challenges witnessed since 2016, the Ministry of Planning, Economic Development and International Co-operation has updated Egypt Vision 2030 to better align with current conditions, as well as to ensure better alignment with the UN 2030 Agenda and the Africa 2063 Agenda. The updated version of Egypt Vision 2030 was published in November 2023.

The four guiding principles of Egypt Vision 2030 are human centred development, equity and accessibility, resilience and adaptation and sustainability. Egypt Vision 2030 has the following key strategic goals:

- *Improving Egyptian's quality of life and raising living standards:* through poverty eradication, food provision, access to distinct health services, a quality education system, access to adequate housing and facilities for an enriched cultural and sports life.

- *Social justice and equality*: through social protection provision, gender gap reduction, measures to support inclusion and equal opportunities and the promotion of spatial and local development.
- *An integrated and sustainable environmental system*: through facing climate change challenges, introducing policies for the sustainability of natural resources, waste management and preserving biodiversity and ensuring the sustainability of ecological systems.
- *A diversified, knowledge-based and competitive economy*: through improving the business climate and enhancing competitiveness, improving employment opportunities, promoting financial inclusion, revitalising manufacturing, supporting SMEs and attaining fiscal sustainability.
- *Ensuring well-developed infrastructure*: through secure and sustainable transportation systems, promoting sustainable energy resources and systems and, developing communication and information systems.
- *Establishing and strengthening governance partnerships*: through administrative reform, reinforcing transparency and combating corruption, promoting accountability and responsibility, empowering local administration, strengthening partnerships, enhancing regional and international co-operation and preserving stability and security. As part of the governance-related targets set out in Egypt Vision 2030, the programme targets: (i) improving Egypt's Control of Corruption Index score (as collated as part of the World Bank's Worldwide Governance Indicators) from 27.88 in 2019 to 45 in 2030 (with a higher score indicating less corruption and greater transparency); (ii) improving Egypt's Rule of Law Index score (as collated as part of the World Bank's Worldwide Governance Indicators) from 37.98 in 2019 to 45 in 2030; and (iii) improving trade openness (as a percentage of GDP) from 32.13% in 2019/20 to 40.82% in 2030.

To implement these goals, Egypt Vision 2030 identifies seven enablers: data generation and availability, financing, digital transformation, technology and innovation, a supportive legislative and institutional environment, supportive cultural values and population growth management.

### **IMF EFF**

In December 2022, the Executive Board of the IMF approved a three-year extended arrangement under the EFF for Egypt of SDR 2,350.17 million (approximately U.S.\$3.0 billion). The approval of the EFF allowed for the immediate disbursement of SDR 261.13 million (approximately U.S.\$347 million) in December 2022. Egypt's reform programme backed by the EFF aims to: (i) safeguard macroeconomic stability and debt sustainability; (ii) improve resilience to external shocks; (iii) strengthen social safety nets; and (iv) step-up reforms that underpin higher private-sector-led growth and job creation. The policy goals under the EFF are moving to a flexible and sustainable exchange rate regime while prioritising the primary goal of achieving price stability and building up sustainable adequate levels of foreign exchange reserves; continued fiscal consolidation; and broadening and deepening structural and governance reforms, including to promote growth of the private sector. See "*—Strategic Priorities and Reforms*".

In March 2024, the Executive Board of the IMF completed the first and second reviews of the extended arrangement under the EFF and approved an SDR 3,760 million (approximately U.S.\$5.0 billion) increase in the amount of the arrangement, permitting the immediate disbursement of SDR 618.10 million (approximately U.S.\$820 million) in March 2024. The third review under the EFF was approved by the Executive Board of the IMF in July 2024, permitting immediate disbursement of a further SDR 618.10 million. In March 2025, the Executive Board of the IMF completed the fourth review under the EFF, permitting the immediate disbursement of SDR 927.87 million (approximately U.S.\$1.2 billion) under the EFF. At the same time, the Executive Board of the IMF approved the Government's request for an arrangement under the IMF's RSF to run concurrently with the EFF, with access to SDR 1 billion (approximately U.S.\$1.3 billion). In December 2025, the IMF and the Egyptian authorities reached staff level agreement on the fifth and sixth reviews under the EFF, as well as the first review under the RSF. See "*Public Debt—International Support*".

### **Strategic Priorities and Reforms**

In addition to the Government's economic targets, the Government has announced a number of additional reforms to support macroeconomic growth and stability through the implementation of monetary, fiscal and structural reforms, as well as undertaking measures to enhance social protection and human development.

The Government's current strategic priorities target:

- *Maintaining fiscal and economic stability*

The Government is targeting a primary budget surplus of 4.0% for 2025/26. The Government has introduced a number of measures to promote fiscal and economic stability, including imposing public expenditure control measures. Recent reform measures include:

- introducing an annual cap on public investments, which was LE 1 trillion in the 2024/25 budget (targeting a 15% reduction in budget-funded investments) and LE 1.16 trillion in the 2025/26 budget;
- introducing limits on general Government debt (both in nominal terms and as a percentage of GDP) (see “—*Fiscal consolidation and debt reduction*” and “*Public Debt—Public Debt Management*”);
- increasing fuel and electricity prices to better align with production costs, paying down arrears owned to international oil companies and targeting energy sector reform through the implementation of renewable energy projects (see “—*Production Sector—Extractive Industry—Energy Sector Reform*”);
- implementing budget and financial management reforms through the adoption of the Unified Public Finance Law (as defined below) in 2022, which enacts programme-based budgeting (tying programmes to specific performance indicators and linking funding directly to performance and outcomes) and introduces the transition to a medium-term budgetary framework;
- amendments to the Unified Public Finance Law were introduced in March 2024, which provide for the gradual integration (over a five-year period) of the budgets of all 59 Economic Authorities (as defined below) into the definition of the “general Government” budget, merging the budgets of Economic Authorities into the State budget (see “*Public Finance—Unified Public Finance Law*”);
- adopting a Medium-Term Revenue Strategy (“**MTRS**”), which is updated every four years, aimed at creating more fiscal space to reduce the deficit and finance investments; the MTRS targets a 0.5% increase of tax revenues-to-GDP *per annum*;
- measures to reduce inflation expectations and contain demand-side pressures and secondary effects from supply shocks; and
- together with the CBE, unifying the official exchange rate and the parallel market exchange rate in March 2024, following which foreign currency demand backlogs have been largely cleared and daily interbank foreign exchange turnover has increased.

- *Enhancing economic private-led growth*

The Government is introducing measures with the aim of levelling the playing field between the private and public sector and increasing private sector-led growth through the implementation of the State Ownership Policy (as defined below). The Government is also continuing with its IPO programme to sell stakes in state-owned enterprises. The IPO Unit is the co-ordinating and executive unit that supports the IPO programme, including through the strengthening of governance. See “—*Privatisation and Restructuring of State-Owned Companies*”. In addition, in October 2024, the Government announced a tax facilitation package aimed at supporting small businesses and start-ups. In December 2025, the Government announced a second tax facilitation package. See “*Public Finance—Fiscal Policy and Budget Performance—Fiscal Reforms*”. Initiatives have also been introduced to support exporters to encourage increased non-oil exports. See “*External Sector*”.

- *Increasing fiscal space for social protection*

The Government is implementing measures to increase fiscal space for social protection, particularly in response to global economic challenges and rising inflation. Such initiatives reflect the Government’s focus on both expanding social safety nets and enhancing revenue collection. The Government’s social protection measures are focused on increasing Government spending on human development, promoting job creation and improving the focus of social spending so as to benefit lower-income groups. Fuel subsidy reform is also intended to reduce the budget deficit and make available more resources for social programmes to support vulnerable populations. Examples of recent reforms include, in 2024, implementing a series of increases to fuel prices, with the aim of lowering the annual subsidy bill, while expanding the coverage of direct subsidies, such as the *Takaful* and *Karama* programmes and *Haya Karima* initiative, to provide for better targeted social spending. In addition, in each of 2022, 2024 and 2025, the Government introduced social assistance packages (of LE 68.3 billion in 2022, LE 180 billion in 2024 and LE 160 billion in 2025), which, *inter alia*, provided for public sector wage and pension increases to help combat increases in the cost of living. See “*Public Finance—Social Spending and Subsidies*”. The Government also remains committed to fulfilling the constitutional mandate to increase health and education

spending and aims to establish a programme-based budgeting framework to improve the monitoring and evaluation of such spending. In this respect, the Government allocated LE 246 billion and LE 200 billion for public health expenditure in the 2025/26 and 2024/25 budgets, respectively, as compared to actual spending of LE 191 billion in 2023/24, LE 179.6 billion in 2023/22 (reflecting a budgeted 22.6% increase, as compared to 2023/24 levels) and LE 146.5 billion in 2022/23.

- *Fiscal consolidation and debt reduction*

The Government's medium-term debt strategy targets reducing the central Government debt to GDP ratio to a range of 71%-73% in the medium-term (by the end of 2028/29), as compared to 83.8% as at 30 June 2025. In order to meet this target, the Government is pursuing fiscal consolidation through improved revenue collection, including by, *inter alia*, widening the tax base and facilitating tax administration through digitalisation and artificial intelligence tools. Reforms introduced to support this objective include diversifying the financing mix for Government borrowing needs, including through sustainable financing and the use of alternative debt instruments to lower the Government's cost of borrowing and prioritising concessional external financing in coordination with Ministry of Planning, Economic Development and International Co-operation, with an overall target of reducing budget sector external debt by U.S.\$1-2 billion annually.

Egypt issued its inaugural and follow-on samurai (Japanese yen-denominated) bonds in March 2022 and December 2023, its inaugural and follow-on Sukuks in 2023 and 2025 and its inaugural panda (Chinese renminbi-denominated) bonds in 2023, in addition to a Eurobond under the Programme in February 2025. The Government aims to increase the average time to maturity of budget sector debt to between 4.5 and 5 years by the end of 2027 (as compared to approximately 3.4 years as at 30 June 2024 and 3.1 years as at 31 March 2025).

- *Attracting international support*

The Government continues to implement reforms to attract increased FDI, as well as to be able to benefit from concessional rate funding from international partners.

In 2023/24, net FDI inflows increased by U.S.\$36.0 billion, or 358.9%, to U.S.\$46.1 billion, the highest annual net FDI inflows recorded to date. This increase was primarily due to the funds received from the ADQ Ras El-Hekma Investment, a multi-billion FDI project for the development of the Ras El-Hekma peninsula. In 2024/25, net FDI inflows decreased by U.S.\$33.8 billion, or 73.5%, to U.S.\$12.2 billion, as compared to U.S.\$46.1 billion in 2023/24. However, if the effect of the ADQ Ras El-Hekma Investment was removed from 2023/24 FDI, net FDI inflows increased from U.S.\$11.1 billion in 2023/24 (excluding FDI from the ADQ Ras El-Hekma Investment) to U.S.\$12.2 billion in 2024/25. See "*External Sector—Foreign Direct Investment—Investment Projects and Initiatives—ADQ Ras El-Hekma Investment*".

In December 2022, the Executive Board of the IMF approved a three-year extended arrangement under the EFF for Egypt of SDR 2,350.17 million (approximately U.S.\$3.0 billion), which was subsequently increased to U.S.\$8 billion in 2024. See "*—IMF EFF*". The Government plans to continue to seek external financing on favourable terms, in particular from international development partners that provide financial assistance, technical support and policy guidance. See "*Public Debt*".

## **Privatisation and Restructuring of State-Owned Companies**

The role of the private sector in the Egyptian economy has increased considerably since 1991 and the Government has pursued various restructurings and privatisations of state-owned companies. On 13 June 2022, the Prime Minister launched the Government's State Ownership Policy (the "**State Ownership Policy**"), which sets out the sectors and industries that the Government either plans to exit from or further expand in. The State Ownership Policy was finalised in September 2022 after three months of public consultation. Work is underway to update the State Ownership Policy documentation to reflect regional economic and geopolitical developments and with the aim of strengthening private-sector participation.

In 2025, Parliament enacted Law № 170 of 2025 on state-owned companies, which provides a statutory framework for the governance, restructuring and divestment of state-owned enterprises and incorporates a number of the principles set out in the State Ownership Policy.

The Government's reform programme focuses on professionalising state-owned company boards, promoting competitive neutrality and separating ownership from regulatory functions. Representatives from the Ministry of Finance, the Information and Decision Support Center, the Prime Minister's Office, the Ministry of Public Business Sector ("**MBPS**"), the Egyptian Competition Authority and Ministry of International Co-operation serve on a coordination committee for implementation of the State Ownership Policy.

The restructuring and re-engineering of state-owned companies and the introduction of principles of corporate governance best practices are key objectives of the Government. In particular, the MBPS has implemented a public enterprises' reform programme to rehabilitate factories, production facilities and other under-utilised assets, as well as to introduce a set of regulatory, managerial, governance and business reforms to complement the technical restructuring efforts. Regulatory reforms implemented under this programme include reforms providing for greater shareholder representation on boards, as well as the separation of the roles of chairman and chief executive officer. Examples of production line restructurings implemented under this programme include: (i) the implementation of a restructuring programme for the spinning and weaving sector; (ii) the technical restructuring of Al Nasr Automotive Company, with the Al Nasr factory recommencing operations, after a 15- year pause, in 2024 to produce electric minibuses (see “—Commodity Sectors—Manufacturing”); (iii) the recondition of the EgyptAlum Company smelter; and (iv) the preparation of various green energy projects.

In 2023/24, the Government finalised divestment deals worth U.S.\$2.2 billion, of which U.S.\$2 billion were captured in the CBE's foreign currency reserves by the end of April 2024.

In August 2025, Law № 170 of 2025 on state ownership in state-owned or state-run companies, rescinded previous restrictions on the trading of state-owned company shares. In accordance with the State Ownership Policy, the law also mandates the establishment of a specialised State-Owned Enterprise Unit under the authority of the Prime Minister, which is tasked with preparing restructuring plans, conducting financial and strategic assessments of public enterprises and co-ordinating stakeholder communications during privatisation processes.

Also in August 2025, Law № 168 of 2025 was issued establishing a unified legal framework for the disposal of state-owned private property, with the aim of enhancing transparency and oversight in transactions involving state-owned assets that are not classified as public property (such as, land, buildings and moveable property held by ministries or public bodies). Oversight of the framework, which prohibits any sale, lease, usufruct or licensing of such property without prior approval, is centralised under a committee chaired by the Prime Minister.

The following table sets forth the main indicators of the state-owned companies.

<b>State-Owned Public Enterprises</b>					
	2020/21 <sup>(1)</sup>	2021/22 <sup>(1)</sup>	2022/23 <sup>(1)(2)</sup>	2023/24 <sup>(1)(2)</sup>	2024/25 <sup>(1)(2)(3)</sup>
Number of state-owned company affiliates .....	79 <sup>(4)</sup>	76 <sup>(5)</sup>	68 <sup>(6)</sup>	65 <sup>(7)</sup>	63 <sup>(8)</sup>
Number of profitable state-owned companies .....	40	51	47	47	49
Number of Workers .....	152,397	146,846	122,678	106,929	98,096
Salaries ( <i>LE millions</i> ) .....	14,938	15,000	12,857	11,445	12,560
Total Operating Revenue ( <i>LE millions</i> ) .....	81,353	101,417	92,355	106,045	125,812
Net Profit (net of losses) ( <i>LE millions</i> ) .....	4,749	13,219	17,972	27,763	23,826
Dividends paid to Ministry of Finance ( <i>LE millions</i> ) .....	2,807	3,301	1,443	1,648	1,867

**Notes:**

- (1) Data does not include dividends paid to Ministry of Finance from the Holding Company for Maritime and Land Transport.
- (2) Data does not include dividends paid to Ministry of Finance from Misr Insurance Holding Company.
- (3) Dividend data for 2024/25 is preliminary, pending the approval of the general assembly of the Holding Company for Construction and Development.
- (4) The number of subsidiaries was reduced to 79. This decrease was the result of the transfer of two subsidiaries (in the pharmaceuticals sector) to affiliates of the Unified Procurement Authority, the mergers of 22 subsidiaries in the cotton, spinning and weaving sector, the mergers of seven subsidiaries in the construction and development sector, the liquidation of the Egyptian Iron and Steel Company and the establishment of a the Iron and Steel for Mines and Quarries Company, Tanta Linen and Oils Company becoming an affiliate of a chemical industry sector holding company and a decrease of nine companies, as a result of the transfer of the Holding Company for Maritime and Land Transport and its affiliates to Ministry of Transport.
- (5) The number of subsidiaries was reduced to 76. This decrease was the result of the merger of two companies in the Nasr Company for Import and Export “Gosoor”, and the merger of the Engineering Automotive Company in the Nasr Automotive Industry Company.
- (6) The number of subsidiaries was reduced to 68 companies as a result of: (i) transferring the affiliation of Al-Nasr Export and Import Company “Gosoor” to the General Authority for Exhibitions; (ii) merging Al-Max Salt Company with Al-Nasr Salt Company, as well as merging the Egyptian Shoe Company “Bata” with the Plows and Engineering Company; (iii) the liquidation of Al-Nasr Company for Coke and Basic Chemicals; (iv) merging the Arabian Foreign Trade Company with Al-Nasr Buildings and Construction Company “EGYCO”; and (v) transferring the affiliation of the Misr Insurance Holding Company and its subsidiaries to the Sovereign Fund of Egypt.
- (7) The number of subsidiaries was reduced to 65 companies as a result of the liquidation of one company (Rakta), Merging the Egyptian Auto Trade Company into the Nile Company for Auto Manufacturing and Repair, and the sale of a partial stake in the Eastern Company for Tobacco, which resulted in the company no longer being accounted for as a subsidiary.
- (8) The number of subsidiaries was reduced to 63 companies, as a result of the liquidation of two companies (Transport & Engineering and Metalco).

## Gross Domestic Product

Real GDP growth was 3.3% in 2020/21 (in excess of the 2.8% estimated growth rate), before increasing to 6.6% in 2021/22 and decreasing to 3.8% in 2022/23 and 2.4% in 2023/24.

The lower rate of GDP growth in 2020/21 was primarily due to the impact of the COVID-19 pandemic (which also impacted GDP growth in 2019/20). The decline in real GDP growth in 2023/24, as compared to 2022/23, was primarily due to consecutive external shocks, namely ongoing geopolitical tensions and continuing global economic uncertainty, which negatively impacted economic activity.

According to preliminary data published by the Ministry of Planning, Economic Development and International Co-operation, for the year ended 30 June 2025, real GDP grew by 4.4%, driven by positive performances in key sectors, in particular the non-petroleum manufacturing sector, driven by the Government's reform programme, despite the decline in Suez Canal activity as a result of geopolitical tensions in the region.

According to preliminary data published by the Ministry of Planning, Economic Development and International Co-operation, for the three months ended 30 September 2025, real GDP grew by 5.3% (as compared to 3.5% in the corresponding period in 2024). The Ministry of Planning, Economic Development and International Co-operation has attributed this real GDP growth to structural reforms that are bolstering the real economy and steering growth in high-productivity sectors, such as manufacturing, tourism and telecommunications.

The commodity sector includes agriculture, forestry and fishing, extractive industry, manufacturing, electricity, water and construction and building. It contributed LE 8,816.9 billion to GDP in 2024/25 (or 50.7% of GDP), as compared to LE 6,433.4 billion in 2023/24 (or 48.6% of total GDP), making it the largest contributor to GDP in both years. In 2024/25, the commodity services sector grew, in nominal terms, by 37.0%.

Production services include transport and warehousing, telecommunications, information, revenues from the Suez Canal, wholesale and retail trade, financial intermediation, insurance, social insurance and tourism. The production services sector contributed LE 5,278.3 billion to GDP in 2024/25 (or 30.3% of GDP), as compared to LE 4,083.5 billion in 2023/24 (or 30.9% of total GDP). In 2024/25, the production services sector grew, in nominal terms, by 29.3%, primarily due to growth in the transport and warehousing and wholesale and trade sectors (which grew, at a nominal rate, of 61.1% and 25.1%, respectively), which was partially offset by a contraction (in nominal terms) of approximately 22.9% of economic activity in the Suez Canal, in turn, due to continued Red Sea maritime traffic disruptions.

Social services include general Government services, education, health, real estate and other services. The social services sector contributed LE 3,212.6 billion to GDP in 2024/25 (or 18.5% of total GDP), as compared to LE 2,719.4 billion in 2023/24 (or 20.5% of total GDP). In 2024/25, the social services sector grew, in nominal terms, by 18.1%. General Government expenditures represented 26.8% of this sector in 2024/25, or LE 862.5 billion, and grew, in nominal terms, by 20.0%, as compared to LE 718.7 billion in 2023/24.

According to statistics published by the World Bank, GDP *per capita* in current prices was U.S.\$3,827.4 in 2021, U.S.\$4,233.3 in 2022, U.S.\$3,456.8 in 2023 and U.S.\$3,338.5 in 2024.

The following table sets forth the composition of Egypt's GDP at market prices (including net indirect taxes) for the periods indicated.

	<b>Nominal Gross Domestic Product<sup>(1)</sup></b>				
	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25<sup>(2)</sup></b>
	<i>(LE billions, except where indicated)</i>				
<b>Nominal GDP</b> (GDP at current prices) .....	<b>6,663</b>	<b>7,843</b>	<b>10,155</b>	<b>13,903</b>	<b>18,136</b>
<b>Domestic Demand</b> .....	<b>7,246</b>	<b>8,376</b>	<b>10,383</b>	<b>14,855</b>	<b>20,258</b>
Final Consumption .....	6,032	6,819	8,708	13,048	17,920
Private Consumption .....	5,528	6,249	8,019	12,176	16,932
Public Consumption .....	504	570	689	872	988
Investment <sup>(3)</sup> .....	1214	1,557	1,675	1,807	2338
<b>Net Exports</b> .....	<b>(582)</b>	<b>(534)</b>	<b>(227)</b>	<b>(952)</b>	<b>(1,581)</b>
Exports of Goods and Services <sup>(4)</sup> .....	704	1,183	1,940	2,277	3,595
Imports of Goods and Services.....	1,286	1,717	2,168	3,229	5,716

*Source: Ministry of Planning, Economic Development and International Co-operation*

**Notes:**

- (1) The figures in this table have been revised and differ from previously published data. See "Presentation of Information".
- (2) Preliminary.
- (3) Includes fixed capital formation and change in inventory.
- (4) Includes shares of foreign partners in the oil sector.

The following table sets forth the composition of Egypt's GDP at constant prices (including net indirect taxes) for the periods indicated.

	<b>Gross Domestic Product at Constant Prices<sup>(1)(2)</sup></b>				
	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25<sup>(3)</sup></b>
	<i>(LE billions, except where indicated)</i>				
<b>Real GDP</b> .....	<b>7,353</b>	<b>7,843</b>	<b>8,137</b>	<b>8,333</b>	<b>8,699</b>
Final Consumption .....	6,921	6,819	7,027	7,547	8,181
Private Consumption .....	6,232	6,249	6,473	6,992	7,636
Public Consumption .....	689	570	554	555	545
Investment <sup>(4)</sup> .....	1,373	1,557	1,293	1,213	1,147
<b>Net Exports</b> .....	<b>(591)</b>	<b>(534)</b>	<b>(183)</b>	<b>(428)</b>	<b>(629)</b>
Exports of Goods and Services.....	780	1,183	1,554	1,389	1,718
Imports of Goods and Services.....	1,371	1,717	1,737	1,817	2,347

*Source: Ministry of Planning, Economic Development and International Co-operation*

**Notes:**

- (1) The figures in this table have been revised and differ from previously published data. See "Presentation of Information".
- (2) Real GDP at constant prices is calculated using 2021/22 as the base year.
- (3) Preliminary.
- (4) Including change in inventory.

## Principal Sectors of the Economy

The following table sets forth the composition of Egypt's nominal GDP at factor cost, by economic activity, at current prices for the periods indicated.

	Gross Domestic Product by Economic Activity <sup>(1)(2)</sup>				
	2020/21	2021/22	2022/23	2023/24	2024/25
	<i>(LE millions, except where indicated)</i>				
<b>GDP</b> .....	<b>6,336,733</b>	<b>7,457,122</b>	<b>9,645,960</b>	<b>13,236,293</b>	<b>17,396,769</b>
<b>Nominal GDP Growth Rate (%)</b> .....	<b>7.8</b>	<b>17.7</b>	<b>29.4</b>	<b>37.2</b>	<b>31.4</b>
<b>Total Commodity Sector</b> .....	<b>2,840,118</b>	<b>3,423,815</b>	<b>4,400,821</b>	<b>6,433,390</b>	<b>8,816,874</b>
<i>Growth (%)</i> .....	<i>6.0</i>	<i>20.6</i>	<i>28.5</i>	<i>46.2</i>	<i>37.0</i>
Agriculture, Forestry and Fishing .....	762,054	858,421	1,076,504	1,906,346	3,002,890
Extractive Industry .....	411,261	565,562	772,741	1,020,734	1,082,612
<i>Petroleum</i> .....	<i>162,707</i>	<i>253,836</i>	<i>375,670</i>	<i>517,151</i>	<i>468,976</i>
<i>Natural Gas</i> .....	<i>157,026</i>	<i>208,178</i>	<i>261,978</i>	<i>298,082</i>	<i>278,074</i>
<i>Other</i> .....	<i>91,528</i>	<i>103,549</i>	<i>135,093</i>	<i>205,502</i>	<i>335,562</i>
Manufacturing Industry .....	1,031,800	1,252,489	1,529,800	1,931,558	2,629,555
<i>Petroleum Refinement</i> .....	<i>220,022</i>	<i>263,191</i>	<i>321,279</i>	<i>362,717</i>	<i>521,844</i>
<i>Other</i> .....	<i>811,778</i>	<i>989,298</i>	<i>1,208,521</i>	<i>1,568,841</i>	<i>2,107,710</i>
Electricity .....	118,311	137,444	173,220	190,887	252,513
Water .....	35,494	41,001	52,287	59,640	65,651
Construction and Building .....	481,197	568,898	796,269	1,324,225	1,783,653
<b>Total Production Services</b> .....	<b>1,875,238</b>	<b>2,198,776</b>	<b>2,992,808</b>	<b>4,083,468</b>	<b>5,278,314</b>
<i>Growth (%)</i> .....	<i>8.4</i>	<i>17.3</i>	<i>36.1</i>	<i>36.4</i>	<i>29.3</i>
Transport and Warehousing .....	334,546	385,388	492,892	636,508	1,025,214
Telecommunications .....	147,953	178,327	236,301	328,928	423,243
Suez Canal .....	92,773	114,626	235,296	225,269	173,683
Wholesale and Retail Trade .....	913,190	1,040,120	1,423,872	1,904,896	2,382,247
Financial Intermediation .....	228,236	254,132	317,759	447,206	603,881
Insurance and Social Insurance .....	44,578	49,828	63,332	86,005	18,874
Tourism (Hotels and Restaurants) .....	113,962	176,355	300,567	454,655	651,172
<b>Total Social Services</b> .....	<b>3,961,460</b>	<b>1,834,531</b>	<b>2,252,332</b>	<b>2,719,435</b>	<b>3,212,583</b>
<i>Growth (%)</i> .....	<i>10.7</i>	<i>(53.7)</i>	<i>22.8</i>	<i>20.7</i>	<i>18.1</i>
Real Estate .....	725,780	815,086	989,531	1,134,411	1,255,721
General Government .....	437,417	488,465	567,372	718,709	862,487
Education .....	144,531	169,984	225,932	256,192	299,695
Health .....	172,879	201,344	261,835	339,168	465,935
Other Services <sup>(3)</sup> .....	2,480,852	159,654	207,662	270,955	328,745

Source: Ministry of Planning, Economic Development and International Co-operation

### Notes:

- (1) The figures in this table have been revised and differ from previously published data. See "Presentation of Information".
- (2) In current prices.
- (3) Includes the information sector for the fiscal years 2019/20, 2020/21, 2021/22, 2022/23, 2023/24. Excludes the information sector for the periods July 2023 to March 2024 (information sector accounted for LE 36,490 million) and July 2024 to March 2025 (information sector accounted for LE 43,002 million).

The following table sets forth the growth rate of gross value added at factor cost, in constant prices and by economic activity, for the years indicated.

<b>Real GDP Growth Rate at Factor Cost</b>					
	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>
	(%)				
<b>Real GDP Growth Rate at Factor Cost.....</b>	<b>2.0</b>	<b>6.2</b>	<b>3.6</b>	<b>2.3</b>	<b>4.4</b>
Agriculture, Forestry and Fishing.....	4.8	4.0	4.1	3.8	2.8
Mining and Quarrying.....	0.6	2.0	(1.3)	(4.7)	(9.0)
<i>Petroleum</i> .....	(6.6)	(2.5)	0.2	(1.8)	(7.5)
<i>Natural Gas</i> .....	5.0	4.5	(5.7)	(13.1)	(19.4)
<i>Other</i> .....	3.6	3.7	4.1	3.7	3.4
Manufacturing Industry.....	(5.9)	9.6	(3.4)	(5.4)	(11.2)
<i>Petroleum Refinement</i> .....	(3.8)	8.7	(2.9)	(6.1)	(1.9)
<i>Other</i> .....	(6.5)	9.8	(3.5)	(5.2)	14.7
Electricity.....	2.9	4.3	2.8	5.2	5.3
Water.....	3.6	3.3	3.6	3.5	1.7
Construction and Building.....	6.7	7.0	5.2	5.7	4.1
Transport and Warehousing.....	4.6	4.4	4.3	5.4	7.0
Communication.....	16.1	16.5	16.3	14.4	13.8
Information.....	4.0	3.5	4.0	3.9	3.8
Suez Canal.....	0.7	11.7	18.4	(30.1)	(52.0)
Wholesale and Retail Trade.....	4.4	4.4	4.2	6.1	3.7
Financial Intermediation.....	3.6	3.4	3.8	4.5	12.2
Social Security and Insurance.....	3.2	3.3	3.3	3.0	5.6
Accommodation and Food Services.....	(26.5)	45.7	28.0	9.9	17.3
Real Estate Activities.....	3.8	3.2	3.8	3.7	2.5
General Government.....	4.9	4.4	3.2	4.1	4.1
Social Services.....	5.1	4.8	5.8	5.6	4.7
Education.....	4.7	5.0	5.6	5.9	5.1
Health.....	5.5	5.1	6.3	5.5	4.5
Other Services <sup>(3)</sup> .....	5.0	4.1	5.3	5.3	4.4

*Source: Ministry of Planning, Economic Development and International Co-operation*

In the three months ended 30 September 2025, the sectoral growth rate of the accommodation and food services sector was 13.8% (as compared to 8.2% in the corresponding period in 2024), of the social security and insurance sector was 8.9% (as compared to 3.5% in the corresponding period in 2024), of the financial intermediaries and auxiliary services sector was 10.2% (as compared to 8.7% in the corresponding period in 2024), of the wholesale and retail trade sector was 4.6% (as compared to 4.4% in the corresponding period in 2024), of Suez Canal was 8.6% (as compared to a contraction of 68.4% in the corresponding period in 2024), of the information and communications technology sector was 14.5% (as compared to 12.5% in the corresponding period in 2024), of the transportation and storage sector was 3.9% (as compared to 15.6% in the corresponding period in 2024), of the construction sector was 3.3% (as compared to 5.9% in the corresponding period in 2024), of the non-oil manufacturing sector was 14.5% (as compared to 7.1% in the corresponding period in 2024), of the manufacturing industries sector was 12.0% (as compared to 5.8% in the corresponding period in 2024) and of the agriculture, forestry and fishing sectors was 2.0% (as compared to 2.7% in the corresponding period in 2024), while the petroleum refining sector contracted by 1.3% (as compared to a contraction of 0.8% in the corresponding period in 2024).

### **Investment by Sector**

National projects currently being implemented include large investments in infrastructure, in particular, energy sector and transportation projects, including wind farms and other renewable energy projects. The Government is allocating significant investments to green projects with a focus on smart transportation and renewable energy.

The following table sets forth the distribution of total public investments in projects in the Egyptian economy for the years indicated:

#### Distribution of Public Investments (Selected Sectors)

	Agriculture	Petroleum	Petroleum Refining	Electricity	Construction	Information Communication	Real Estate	Education	Health	Other	Total Public Investments
	(LE millions)										
2024/25 ...	39,166	14,437	13,448	79,851	38,834	28,695	72,041	65,336	42,120	530,141	<b>924,069</b>
2023/24 ...	38,759	61,701	12,738	167,148	21,309	32,183	34,411	53,306	39,883	464,475	<b>925,913</b>
2022/23 ...	31,778	48,534	12,544	95,089	17,936	28,218	29,052	66,005	29,546	525,151	<b>871,322</b>
2021/22 ...	37,819	37,161	10,183	62,084	34,916	26,943	24,928	58,830	37,370	520,075	<b>850,309</b>
2020/21 ...	29,102	116,396	3,731	33,162	42,696	23,284	18,472	39,807	24,932	301,575	<b>633,157</b>

The share of private sector investments comprising total investments grew to LE 368.7 billion in the three months ended 30 September 2025 (as compared to LE 232.9 billion in the corresponding period in 2024) or to 66.0% (as compared to 65.5%).

In 2019, President Al-Sisi launched the *Haya Karima* Initiative (also known as the Decent Life Initiative), which aims to develop Egypt's rural villages and alleviate poverty. The Government allocated LE 350 billion to the first phase of this project, and in 2022/23, LE 90.4 billion was invested, primarily aimed at projects focused on water and sanitation (57%), health services (9%), electricity (9%) and roads (7%). The second phase of the project includes budget allocations of LE 25 billion in 2025/26. Projects targeted by the *Haya Karima* Initiative aim to benefit 1,667 villages across 20 governorates with a population of 21 million citizens (with 29% of targeted villages located in Upper Egypt). The project also aims to rehabilitate villages to comply with environmental standards in the water, energy and resource-use sector across all rural governorates (and targeting approximately 60% of Egypt's total population). 15 projects have been identified for the 2025/26 phase of the initiative, with a U.S.\$21.8 million wastewater project for the National Authority for Drinking Water and Wastewater comprising the largest project (representing approximately 29% of the total targeted project cost for the period).

In 2024, a cabinet-level committee was established to gather data, analyse and report on all public investment in Egypt. All public agencies are required to report to the committee in September and March with respect to the implementation amount and percentages relative to the pre-agreed targets for the January-June and July-December periods. These measures form part of the Government's measures to better monitor and control public sector activity and fiscal risks.

#### Commodity sector

Egypt's commodity sector is well diversified and represented 50.7% of GDP in 2024/25, as compared to 48.6% of GDP in 2023/24. The commodity sector includes agriculture, forestry and fishing, extractive industry, manufacturing, electricity, water and construction and building.

#### *Agriculture, forestry and fishing*

The agricultural, forestry and fishing sector accounted for 17.3% of GDP in 2024/25 and 14.4% of GDP in 2023/24. In 2024/25 the sector grew by 57.5% (in nominal terms), as compared to 2023/24.

Approximately 96% of Egypt's total area is desert. The lack of forests, permanent meadows or pastures places a heavy burden on the available arable land.

Agricultural land in Egypt is primarily located in the Nile River valley and the Delta. According to statistics published by CAPMAS, in 2023, total cultivated land was approximately 10.4 million *feddans* (approximately 4.4 million hectares), of which approximately 9.4 million *feddans*, or 89.6% of the total area, was arable land. Other than along the Mediterranean coast, all agricultural land in Egypt is irrigated. Agricultural landholdings are fragmented, with average farm sizes of 2 *feddans* (0.8 hectares). Land under cultivation in Egypt is generally productive, with some land able to yield harvests two or three times per year, however increasing salinity affects up to 35% of land under cultivation. Certain principal field crops are corn, rice, wheat, sugar, sorghum, and broad beans (*fava ful*). Despite a considerable output, cereal production in Egypt falls short of total consumption needs. Accordingly, a proportion of foreign exchange is spent annually on the import of cereals and milling products. Other important crops include sugar cane, tomatoes, sugar beets, potatoes and onions. Many varieties of fruit are grown, and some, such as citrus fruits, are exported.

## Staple Production and Imports

Although Egypt is the world's largest wheat-importing country, wheat occupied approximately 3.1 million *feddans* of the cultivated area in 2024/25 and is the major staple crop. Egypt has one of the highest *per capita* wheat consumption levels in the world, consumed mainly as bread. According to statistics published by CAPMAS, wheat production increased by 1.1% in 2024/25 to 9.2 million tonnes, as compared to 9.1 million tonnes in 2022/23. In 2023/24, Egypt continued to rely on the import substantial quantities of wheat from the United States, Romania, France, Ukraine, Russia and Argentina, among others. The self-sufficiency percentage of wheat in 2025 was estimated at 48%. In 2022/23, funding allocated to the General Authority for Supply Commodities increased by approximately LE 25 billion, or 25.8%, to account for higher wheat prices and the effects of foreign exchange, permitting the authority to continue with its imported wheat purchases. In 2024/25, wheat imports from Russia and Ukraine represented 76.4% of total imports of wheat, and approximately 71% of vegetable oil imports were sourced from Russia and Ukraine. As at 30 June 2025, Egypt had 6.3 months of strategic wheat reserves. While there is no immediate risk of a food shortage in Egypt, there are pressures which may contribute to a slowdown of fiscal consolidation efforts. The Government has adopted policies to ensure the sufficiency, stability, and sustainability of wheat reserves, including building more efficient wheat silos and looking to alternative wheat suppliers.

The Government has sought to reduce its reliance on imports, in particular wheat imports, through the adoption of measures to ensure that the maximum amount possible of each harvest reaches mills safely and in good condition. Upgrades to Egypt's network of silos, as well as planned improvements in logistics, are expected to reduce harvest wastage, which has resulted in a reduction of the share of imported wheat consumed in Egypt. In addition, the Government is actively working to diversify the countries from which wheat is imported in order to reduce geo-political risks associated with relying on a small number of wheat exporting countries. See “—Agricultural Policy”.

Egypt has one of the highest *per capita* consumption rates of sugar in the world at 34 kg per year. According to the U.N. Food and Agricultural Organisation, the global average sugar consumption *per capita* is 23 kg per year. According to statistics published by the U.S. Department of Agriculture, Egypt consumed 3.7 million metric tonnes of sugar in 2024, with approximately 830,000 metric tonnes of raw sugar imported from sugar-producing nations. Both sugarcane and sugar beet are grown on approximately 588,000 acres, mainly in Upper Egypt and the Delta. A number of sugar beet production projects have been announced since 2013, which are ongoing.

Rice is a major summer crop in Egypt, rice production in 2024/25 is 6.0 million tonnes. The Egyptian rice crop is irrigated, and cultivation is largely located in the northern part of the Delta. Egypt is a net exporter of rice.

A key feature of agricultural policy since 2015 has been land reclamation to expand Egyptian farmland. In March 2021, President Al-Sisi launched the New Delta reclamation project, which aims to reclaim over 1 million *feddans* of desert land west of the Nile Delta. In December 2023, the Minister of Agriculture and Land Reclamation announced the addition of over 3.5 million *feddans* of agricultural land through desert reclamation. These areas span various projects, including the Toshja Al-Khair project (which covers 1.1 million *feddans*), the New Delta Gian project (which covers 2.2 million *feddans* in Mostakbal Misr), the development project in North and Central Sinai (covering 456,000 *feddans*) and the rehabilitation of the Egyptian countryside project (covering 1.5 million *feddans* over the past ten years).

Egypt is susceptible to climate-changed induced freshwater scarcity. The Government targets transitioning coastal water to desalinated water as their primary water source and plans to implement a total desalination capacity of 8.8 million m<sup>3</sup> per day by 2050 with the assistance of private sector investment. In March 2023, the European Bank for Reconstruction and Development (the “**EBRD**”) and the International Finance Corporation (the “**IFC**”) signed an advisory agreement to support Egypt in structuring and implementing private public partnership (“**PPP**”) desalination projects. The Ministry of Planning, Economic Development and International Co-operation's Investment Plan for 2025/26 includes desalination projects with an aggregated total investment value of LE 3,240 million.

In June 2023, the World Food Programme approved the Egypt Country Strategic Plan (2023-2028), which identifies three strategic outcomes: (i) that crisis-affected populations in Egypt, including refugees, meet their essential food and nutrition needs and have enhanced self-reliance all year round; (ii) that targeted groups in Egypt benefit from more resilient, sustainable, and climate-adaptive livelihoods and food systems by 2028; and (iii) that the Government has enhanced capacity, programmes and systems ensuring populations in vulnerable situations benefit from improved access to, and quality of, food, nutrition, health and educational services by 2028.

## *Agricultural Policy*

Agricultural policy is a key component of the Government's development plans for the economy. Government objectives for the agricultural sector include: (i) ensuring the sustainable use of natural, agricultural resources; (ii) increasing agricultural productivity; (iii) raising the food security of strategic food commodities; (iv) increasing the competitiveness of Egyptian agricultural products in local and international markets; (v) improving the climate for agricultural investment; and (vi) improving the living standards of rural inhabitants and reducing poverty rates in rural areas. In particular, the Government's Agricultural Development Strategy aims to improve agricultural productivity by 2030 through: (i) planting newly-developed crop varieties, which are resistant to drought, salinity and pests; (ii) planting earlier-maturing crop varieties; (iii) increasing clover productivity; (iv) developing long- to medium-staple cotton varieties, which yield higher economic returns; and (v) improving integrated farm management and cultural practices.

In May 2024, President Al-Sisi launched the first phase of the Future of Egypt project, an agricultural development project, which aims to improve Egypt's food security and reduce its reliance on imports. Key aims of the project are to reclaim approximately 1.8 million hectares of land by 2030, modernise irrigation systems and increase agricultural production. As part of the project, 24 grain silos, with a combined storage capacity of more than 100,000 have been constructed and were put into operation for the 2024 wheat season, and an industrial zone for food manufacturing is planned (including a refrigeration unit and factories for processing potatoes, sugar and other products). In May 2025, President Al-Sisi inaugurated the first phase of the Future of Egypt industrial city.

## *Manufacturing*

The manufacturing sector accounted for 15.1% of Egypt's GDP in 2024/25, as compared to 14.6% of GDP in 2023/24. Egypt's largest manufacturing industries are food processing and textiles, which benefit from Egypt's competitive advantage in these sectors. Other major manufacturing industries include metallurgy, fertilisers, automotive assembly, pharmaceuticals and cement. In 2024/25, the sector grew, in nominal terms, by 36.1%, as compared to 2023/24.

Egypt has one of the largest oil refining sectors in Africa and accounted for approximately 23% of total domestically-refined crude oil in Africa. There are seven refineries in Egypt, all of which are operated by the Egyptian General Petroleum Corporation ("EGPC"), with the exception of the MIDOR Refinery in Alexandria, which is 78%-owned by EGPC, with the remainder held by other state-owned energy companies. EGPC's refineries sell a full range of refined petroleum products, including liquefied petroleum gas ("LPG"), naphtha, gasoline, gas oil (*i.e.*, diesel fuel) and fuel oil.

Since 2001, a number of international cement companies, including Italcementi, Cemex, Titan, Lafarge and Cimpor, have invested in the Egyptian cement industry. The Egyptian cement industry is affected by the prices and supplies of natural gas. See "*Extractive Industries*". There are 24 cement factories in Egypt.

With a large domestic market and a substantial local manufacturing base, Egypt's automotive retail sector is one of the largest in the MENA region.

In 2022, the Government launched a national strategy for development of the automotive industry, the Egyptian Automotive Industry Development Programme, which includes offering incentives to manufacture electric vehicles locally. In November 2023, the General Authority for Investment and Free Zones ("GAFI"), the Environmentally Friendly Automotive Industry Fund and the Automotive Industry Unit entered into an agreement with Global Auto Group to produce cars locally. Also in November 2023, the Suez Canal Economic Zone, the Sovereign Fund of Egypt and the East Port Said Development Company signed an agreement with Volkswagen to conduct feasibility studies for the establishment of the East Port Said Automotive Zone. In November 2024, the Al-Nasr automotive factory was relaunched, following a 15-year closure, and agreements were signed with international companies to manufacture electric minibuses at the factory. In December 2024, the Government signed agreements to establish an MG car manufacturing facility in Egypt. In August 2025, Egypt signed a U.S.\$1 billion agreement with China's Sailun Group to build a large-scale tyre manufacturing facility in the Suez Canal Economic Zone, with the aim of satisfying domestic demand and positioning Egypt as a regional export hub for Africa, the Middle East and Europe.

## *Extractive Industry*

Petroleum and related products comprise one of Egypt's key economic sectors. The extractive industry (excluding petroleum refining) accounted for 6.2% of GDP in 2024/25 and 7.7% of GDP in 2023/24. In 2024/25, the extractive industry increased by 6.1% (in nominal terms), as compared to 2023/24, principally due to increased petroleum and natural gas extraction, as well as investments by international oil companies in the extractive sector.

Fluctuations in world oil prices impact the contribution of this sector to GDP. According to statistics published by the U.S. Energy Information Administration (the “EIA”), the average spot price of Brent crude oil was U.S.\$70.86 in 2021, U.S.\$100.93 in 2022, U.S.\$82.41 in 2023, U.S.\$80.52 in 2024 and U.S.\$69.14 in 2025. In addition to petroleum and natural gas, Egypt’s natural resources include iron ore, phosphates, manganese, limestone, gypsum, coal, lead, talc and zinc. Iron ore is mined in the western desert and near Aswan in southern Egypt. Phosphates are mined in the Sinai Peninsula.

Revenues from oil and gas and related products increased by 205% to LE 968 billion in 2023 from LE 472 billion in 2019, primarily due to increases in global oil prices over the period.

EGPC, the main state-owned entity acting in the oil and gas sector, accounts for approximately 51% of domestic oil production. Multinational companies, such as, Apache Corporation, Chevron, ENI, Shell, BP, Dana Gas, GDF Suez Group, Hess, RWE, Petronas, Total Energies, Lukoil, Edison/Energiean, Exxon Mobil and BG, have operated both upstream and downstream activities in Egypt’s petroleum and natural gas industry for many years, helping to achieve significant developments in the sector and the discovery of further reserves. The Government encourages foreign entities to conduct exploration for new oil and gas fields throughout the Republic. Once a new field has been identified, the foreign entity and either EGPC or EGAS generally enter into a development lease agreement and establish a joint operating company to develop the new field.

Exploration, extraction and mining of, *inter alia*, metals, mineral water, evaporative salt and precious stones is governed by the law on mineral wealth (passed in December 2014), which was supplemented by a new mining law (aimed at attracting increased foreign investment) passed in 2019.

In December 2023, the Ministry of Petroleum and Mineral Resources announced that Egypt had signed 29 oil and gas exploration agreements in 2023, involving investments of at least U.S.\$1.2 billion. In addition, the Government announced the successful drilling of 87 new wells. In December 2024, the Government approved two draft petroleum commitment agreements with international oil and gas companies for natural gas and crude oil exploration and production in the East Port Said offshore area and the East Obayed concession in the Western Desert, with a total minimum investment of U.S.\$133.8 million.

The key pillars of the Ministry of Petroleum and Mineral Resources’ strategy are: (i) meeting citizens’ needs for petroleum products by focusing on production and exploration activities; (ii) maximising utilisation of petroleum resources through refineries and petrochemicals to create added value; (iii) enhancing regional co-operation to attract investments in Egypt and the region; (iv) re-launching the mining sector and maximising its added value; (v) working with the Ministry of Electricity and Renewable Energy to provide an energy mix and to encourage economic growth; and (vi) creating an attractive investment environment, while maintaining safety, energy efficiency and reducing emissions.

### *Petroleum*

Petroleum production accounted for 2.7% of GDP in 2024/25 and 3.9% of GDP in 2023/24. In 2024/25, the sector contracted by 9.3% (in nominal terms), as compared to 2023/24.

According to data published by the Ministry of Petroleum, there was U.S.\$6.4 billion of foreign investment in the petroleum sector in 2024/25, as compared to U.S.\$5.6 billion in 2023/24, U.S.\$5.7 billion in 2022/23, U.S.\$4.8 billion in 2021/22 and U.S.\$5.2 billion in 2020/21.

The number of oil sector agreements in place between Egypt and international oil companies or other countries increased to a total of 597 such agreements in 2023/24, from 580 such agreements in 2022/23. New field exploration activity increased in 2023/24 to 67 exploration projects underway during the year, as compared to 78 exploration projects in 2022/23 and 43 exploration projects in 2021/22.

According to statistics published by EGPC, Egypt’s oil is produced in the Western Desert, the Gulf of Suez, the Eastern Desert, Sinai, the Mediterranean Sea, the Delta and Upper Egypt. Most of Egypt’s oil production is derived from relatively small oil fields that are connected to larger, regional production systems. Oil fields in Egypt are considered mature as they have been producing oil since the 1960s. As Egypt’s current oil fields continue to mature, production from these fields has fallen. EGPC is the economic corporation responsible for the development and exploitation of Egypt’s petroleum resources and for ensuring the supply of various petroleum products within Egypt. In order to increase production from existing brownfields, EGPC is encouraging partner companies to invest in new brownfield technologies to enhance oil production. Two companies operate alongside EGPC: EGAS, which focuses on natural gas activities and the exploitation of gas reserves, and Egyptian Petrochemical Holding Company (“**ECHEM**”), which focuses on the petrochemicals business. South Valley Egyptian Petroleum Holding Company (“**GANOPE**”) has also been established

to develop oil and gas activities in Southern Egypt. EGAS, ECHEM and GANOPE are wholly-owned subsidiaries of EGPC.

In recent years, the country has experienced shortages of fuel that have prompted an increased demand for alternative sources of supply.

The following table sets forth details of the countries from which Egypt imported crude oil for the years indicated.

<b>Imports of Crude Oil</b>		
	<b>2022/23</b>	<b>2023/24</b>
	<i>(U.S.\$ millions)</i>	
Kuwait .....	1,711.7	186.1
Iraq .....	0.0	173.6
Saudi Arabia .....	1,370.2	349.3
UAE .....	142.3	—
<b>Total</b> .....	<b>3,224.2</b>	<b>709.1</b>

*Source: Ministry of Petroleum*

The following table sets forth details of the countries from which Egypt imported oil products for the years indicated.

<b>Imports of Oil Products</b>		
	<b>2022/23</b>	<b>2023/24</b>
	<i>(U.S.\$ millions)</i>	
UAE .....	501.3	602.6
Algeria .....	0.0	0.0
Saudi Arabia .....	1,705.2	3,531.8
Kuwait .....	1,088.0	1,065.2
Greece .....	280.4	306.1
Spain .....	55.9	30.5
Italy .....	459.4	680.2
Belgium .....	83.9	63.3
Türkiye .....	134.4	144.0
Georgia .....	0.0	0.0
Russian .....	326.8	0.0
Netherlands .....	245.9	235.9
India .....	782.9	189.8
Romania .....	20.8	0.0
Malta .....	0.0	30.3
Holland .....	0.0	0.0
Libya .....	0.0	0.0
Singapore .....	37.4	217.8
Bulgaria .....	423.2	416.2
Norway .....	0.0	0.0
Midor (ITT) .....	0.0	0.0
United States .....	855.6	1,039.4
Pakistan .....	0.0	20.6
Lithuania .....	0.0	59.2
Israel .....	0.0	58.4
Colombia .....	0.0	22.6
Bahrain .....	0.0	135.2
Oman .....	0.0	59.4
Sweden .....	0.0	91.3
Cyprus .....	0.0	28.8
<b>Total</b> .....	<b>7,001.3</b>	<b>9,028.1</b>

*Source: Ministry of Petroleum*

In addition, the increase in global fuel prices has led to increased fuel subsidies in recent years. The Government's subsidy reform programme targets the gradual elimination fuel subsidies. See "*Public Finance—Social Spending and Subsidies*".

As at 30 June 2020, outstanding arrears owed by EGPC to international oil and gas companies were approximately U.S.\$0.09. Outstanding arrears owed to international oil and gas companies have increased in recent years as a result of foreign exchange shortages, an elevated cost of borrowing, cyclical downturns in the domestic production of gas, higher domestic consumption reducing the scope for gas exports, price deviations from cost recovery and increased subsidies from EGPC to the electricity sector. In 2020/21, EGPC paid U.S.\$0.9 billion, and in 2021/22, EGPC paid U.S.\$12.4 billion in outstanding arrears owed to international oil and gas companies, with the balance of arrears standing at U.S.\$1.2 billion as at 30 June 2022 and U.S.\$0.8 billion as at 30 June 2021. In June 2023, EGPC paid U.S.\$11.0 billion in outstanding arrears to international oil and gas companies. The remaining outstanding arrears were U.S.\$6.1 billion as at 30 June 2024. The Government is developing a repayment strategy to prevent the accrual of new arrears and the clearing of existing arrears. The Government's strategy also includes adjusting energy prices to reach cost recovery levels,

which is expected to improve EGPC’s financial condition. The Government increased energy prices on two occasions in 2024. The current financial condition of EGPC has resulted in banks requiring Government guarantees for all EGPC borrowing, which has increased levels of debt guaranteed by the Government. The settlement or rescheduling of arrears in 2024 has permitted new agreements to be made with international companies, including Eni, Apache and BNP. In November 2024, Eni announced the restart of exploration operations in the Zohr field.

See “—Energy Reform Strategy” and “Public Finance—Social Spending and Subsidies”.

The following table sets forth the amount of petroleum and product production and consumption for the periods indicated. These reflect the changes to the activity of the oil sector. There were also various changes in the rate of activity in respect of the oil sector.

<b>Petroleum and Product Production and Consumption<sup>(1)</sup></b>				
	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<i>(millions of tonnes)</i>			
<b>Production</b>				
Crude Oil, LPG and Condensates .....	29.3	28.6	28.8	28.2
Natural Gas .....	49.9	52.3	47.9	41.3
<b>Total Production</b> .....	<b>79.2</b>	<b>80.9</b>	<b>76.7</b>	<b>69.5</b>
<b>Domestic Consumption</b>				
Petroleum and Petrochemical Products.....	25.9	32.4	34.2	34.6
Natural Gas .....	47.4	47.5	45.5	47
<b>Total Consumption</b> .....	<b>73.3</b>	<b>79.9</b>	<b>79.7</b>	<b>81.6</b>

*Source: Ministry of Petroleum*

**Note:**

(1) The figures in this table have been revised and differ from previously published data.

*Natural gas*

Natural gas production accounted for 1.6% of GDP in 2024/25 and 2.3% of GDP in 2023/24. In 2024/25, the sector contracted by 6.7% (in nominal terms), as compared to the previous year.

The Ministry of Petroleum estimates that over 80% of Egypt’s natural gas reserves are located in the Mediterranean and Nile Delta. Production of natural gas in Egypt increased from 2.333 trillion cubic feet (“TCF”) in 2018/19 to 1.57 TCF in 2024/25. In 2024/25, gas produced from reserves in the Mediterranean region accounted for approximately 77.4% of total sales of natural gas, as compared to the Western Desert (17.8%), the Delta (3.7%) and the Suez Gulf and Sinai region (1.1%).

Exploration projects for, and discoveries of, natural gas have increased in recent years. In 2023/24, there were 16 discoveries of natural gas (four located in the Mediterranean Sea, ten in the Western Desert and two in the Nile Delta), which are expected to increase Egypt’s reserves by 0.9 TCF of natural gas and 26.9 mmstb of condensate. In the six months ended 30 June 2025, EGAS completed seven exploratory and evaluation wells.

In January 2023, Eni and Chevron announced the discovery of a natural gas well in an offshore field in the Egyptian eastern Mediterranean Sea. EGAS is evaluating the quantity of reserves in the well.

As at 31 October 2024, 40 concession agreements were in effect, 30 of which were between EGAS and international companies for gas and crude oil exploration (representing 23 offshore concession agreements and seven onshore concession agreements) and ten of which were between EGPC and international companies supervised by EGAS (representing eight offshore concession agreements and two onshore agreements).

In 2022/23, eight natural gas development projects were initiated by EGPC or private investors to expand existing facilities or develop new gas fields. These projects had a total investment cost of U.S.\$0.6 billion. In the six months ended 30 June 2025, EGAS implemented five projects to develop gas fields, placing eight new development wells on the production map.

Egypt has a well-developed natural gas grid of high-pressure pipelines, with a total length of 7,920 km. In 2022/23, additional pipelines were constructed, resulting in increasing the national natural gas grid to 8,200 km (including high-pressure pipelines, branch pipelines, exporting pipelines and pipelines with above seven bar pressure).

Natural gas accounts for a greater proportion of energy production in Egypt than crude oil. The use of natural gas by power stations and industrial areas has increased. The share of natural gas consumed in the transportation sector has also been rising since the development of compressed natural gas (“CNG”) infrastructure and vehicles. The electricity sector accounted for approximately 57.5% of local gas consumption in 2023/24, while the industrial sector accounted for approximately 24.8%, the petroleum sector accounted for approximately 9.4% and the residential and CNG sectors accounted for approximately 6.0% and 2.3%, respectively, of total consumption.

According to figures compiled by the Ministry of Petroleum and Natural Resources, in 2018/19 Egypt reached a point of self-sufficiency in respect of natural gas when local production reached an average daily production level of 6,392 million cubic feet per day (“**mmscfd**”). In 2022/23, the average production level was 6,168 mmscfd, which decreased to 5,296 mmscfd during 2023/24 as a result of a natural decline in certain reservoirs. The total number of residential consumers connected with natural gas reached 14.9 million consumers in June 2024. During the fiscal year 2023/24, 675,000 residential consumers were connected to natural gas. Egypt continues to import some natural gas where domestic production is not sufficient.

The following table sets forth details of the countries from which Egypt imported liquefied natural gas for the years indicated.

<b>Imports of Natural Gas and Liquefied Natural Gas</b>				
	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	<i>(U.S.\$ millions)</i>			
Israel.....	1,508.5	2,247.9	2,554.2	2,595.2
France.....	0.0	0.0	40.6	0.0
Spain.....	0.0	0.0	91.1	0.0
United States.....	0.0	0.0	118.8	3,684.3
Equatorial Guinea.....	0.0	0.0	0.0	110.3
Trinidad.....	0.0	0.0	0.0	54.5
Netherland.....	0.0	0.0	0.0	43.6
Nigeria.....	0.0	0.0	0.0	154.2
Spain.....	0.0	0.0	0.0	47.7
Norway.....	0.0	0.0	0.0	58.5
<b>Total.....</b>	<b>1,508.5</b>	<b>2,247.9</b>	<b>2,804.6</b>	<b>6,748.3</b>

*Source: Ministry of Petroleum*

The following table sets out the countries from which Egypt imported butane gas for the years indicated.

<b>Imports of Butane Gas</b>				
	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	<i>(U.S.\$ millions)</i>			
Saudi Arabia.....	387.2	219.9	0.0	0.0
Algeria.....	8.5	0.0	0.0	0.0
Libya.....	22.9	0.0	0.0	0.0
Switzerland.....	0.0	0.0	0.0	0.0
Italy.....	2.8	0.0	0.0	0.0
United States.....	825.8	855.6	1,039.4	1,193.1
Norway.....	38.6	0.0	0.0	0.0
Spain.....	8.2	0.0	0.0	0.0
United Kingdom.....	0.0	0.0	0.0	0.0
Singapore.....	0.0	0.0	0.0	0.0
Argentina.....	0.0	36.1	0.0	0.0
UAE.....	188.6	N/A <sup>(1)</sup>	71.8	85.5
Panama.....	0.0	N/A <sup>(1)</sup>	0.0	0.0
Netherlands.....	0.0	31.9	0.0	0.0
<b>Total.....</b>	<b>1,482.6</b>	<b>1,143.5</b>	<b>1,111.1</b>	<b>1,278.7</b>

*Source: Ministry of Petroleum*

**Note:**

Figure not currently available.

Egypt has been at the forefront of promoting the adoption of natural gas vehicles, starting with a pilot programme in 1985 supported by the Ministry of Petroleum. Subsequently, a number of private companies have entered the market. In 2024/25, 47,541 vehicles were converted to run on natural gas, resulting in over 600,953 CNG-powered vehicles on Egyptian roads. Egypt established 17 CNG conversion centres and 34 CNG fuelling stations during 2024/25, as compared to 24 CNG conversion centres and 75 CNG fuelling stations in 2023/24, bringing the total number to approximately 154 conversion centres and 821 fuelling stations as at 30 June 2025.

In 2001, Egypt agreed to supply Jordan with 2.3 billion cubic metres of natural gas per year for 30 years through the Arab Gas Pipeline (“AGP”), which commenced in 2003. The AGP originates in Egypt and connects to Jordan, Syria and Lebanon. Following a period of non-operation, the AGP resumed deliveries of natural gas in September 2018. The Egyptian National Grid is also connected to a pipeline to Ashkelon in Israel. In January 2020, natural gas was received from Israel’s natural gas fields for liquefaction in Egypt’s LNG facilities and further re-export to Europe.

### Electricity

Electricity generation accounted for 1.5% of GDP in 2024/25 and 1.4% of GDP in 2023/24. In 2024/25, the sector grew by 32.3% (in nominal terms), as compared to 2023/24.

The following table sets forth electricity generation and consumption for the periods indicated.

<b>Electricity Generation and Consumption</b>					
	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25<sup>(1)</sup></b>
	<i>(millions of megawatt hours)</i>				
<b>Domestic Electricity Consumption</b>					
Industrial.....	42.1	45.7	46.5	48.5	50.4
Commercial and household .....	69.6	71.2	72.3	76.3	83.2
Other .....	40.5	45.2	48.9	52.2	53.2
<b>Total electricity consumed domestically.....</b>	<b>152.2</b>	<b>162.1</b>	<b>167.7</b>	<b>177</b>	<b>186.8</b>
Electricity generated, but not consumed domestically (build-own-operate and transfer and interconnection) ..	1.9	2.0	1.2	1.3	0.6
<b>Total Electricity Consumed .....</b>	<b>154.1</b>	<b>164.1</b>	<b>168.9</b>	<b>178.3</b>	<b>187.4</b>

*Source: Ministry of Electricity and Renewable Energy*

#### Note:

(1) Preliminary figures.

### Electricity Generation

The Government views the electric power sector as a key contributor to growth in the productive sectors of the economy. Egypt has significant electricity generating capabilities. Notably, the Aswan High Dam serves as a source of hydroelectric power. As at 30 June 2025, total installed capacity of Egyptian power plants was approximately 60.9 GW (including hydroelectric, thermal and wind generating capacities), as compared to 59.7 GW as at 30 June 2024. With growing electricity demand, several new power plants being constructed in Egypt. Accordingly, the Government’s energy policy focuses on increasing supply through improving the efficiency of existing electricity plants and networks, building new plants and diversifying sources of primary power for production of electricity.

Electricity in Egypt is produced by six public production companies, and there are nine distribution companies located in North Cairo, South Cairo, Alexandria, North Delta, South Delta, Suez Canal, El-Behera, Middle Egypt and Upper Egypt. Both production and distribution companies are wholly-owned by the Egyptian Electricity Holding Company.

The Government is investing in transforming the national electricity grid into a “smart” system in order to support renewable energy integration and improve efficiency. In 2020, the Ministry of Electricity and Renewable Energy entered into a U.S.\$287.5 million agreement with Schneider Electric to modernise the national grid through building and transforming artificial intelligence-powered control centres. In addition, in 2024, the EBRD approved a loan of up to €170 million to be on-lent to the state-owned Egyptian Electricity Transmission Company to finance the upgrade and reinforcement of the national grid.

As part of Egypt’s power generation expansion plan, the Government intends to diversify Egypt’s power generation mix to reduce dependence on fossil fuels which accounted for approximately 87% of total electricity generation in 2024/25 (as compared to 88.6% in 2023/24). The total installed capacity of renewable energy (including hydroelectric energy) represented approximately 6.1% of total electricity generation in 2024/25 (as compared to 4.8% in 2023/24). In November 2024, the Government reaffirmed its target for renewable energy to account for 42% of its energy mix by 2030, while noting that such goal would be at risk without increased international support.

In addition to the Aswan High Dam, hydroelectric power is also generated at the Aswan, Esna, Nagah Hamadi and Assiut hydroelectric power stations, which have a total installed capacity representing approximately 6.9% of the Republic’s total generation in 2024/2025 (as compared to 6.6% of total generation in 2023/24).

The Government's green hydrogen strategy targets providing between 5% and 8% of the world's hydrogen by 2040, capitalising on Egypt's proximity to European and MENA region markets for export opportunities. In January 2024, Law № 2 of 2024 (the "**Green Hydrogen Incentives Law**") was issued, which provides for several tax incentives for new green hydrogen production projects in Egypt, their derivatives and for the expansion of existing projects. In February 2024, Egypt signed seven memoranda of understanding with international developers in the field of green hydrogen and renewable energy in the Suez Canal Economic Zone, which, according to Government estimates, could lead to total investment of approximately U.S.\$40 billion over a ten-year period (with U.S.\$12 billion of investment expected for an initial pilot phase). These memoranda of understanding build upon a series of other memoranda and framework agreements for the development of green hydrogen signed since 2022. In May 2025, a report published by the Organisation of Arab Petroleum Exporting Countries highlighted the growing momentum of the green hydrogen sector in Egypt with 38 hydrogen-related projects, of which 14 are currently active and 11 framework agreements have been signed with the aim of establishing a production capacity of 18 million tonnes per year of green hydrogen once all phases are completed. In January 2026, a 100 MW green hydrogen project in the Suez Canal Economic Zone commenced partial production and began exporting to European and U.S. markets.

The Government has also awarded contracts for nuclear power generation. See "*—Nuclear Power Projects*".

#### *Cross-Border Electricity Interconnection*

In accordance with the sustainable energy strategy 2035, which aims to establish Egypt as a pivotal hub for energy, the Egyptian electricity sector is taking steps to diversify its energy sources and achieve its economic goals. To that end, the Egyptian Electricity Holding Company ("**EEHC**") participates in activities, events and meetings for electricity exchange trading, and is an active member of electrical interconnection organisations worldwide.

#### Existing and Planned Point-to-Point Interconnections

Egypt has the following existing and planned interconnection links: (i) a 500/400kV link with the Arab Mashreq through Jordan; (ii) a 220 kV link with and the Maghreb countries through Libya; (iii) a 220 kV link with Sudan; and (iv) a 500 kV link currently under construction with Saudi Arabia, through which Egypt will be linked to the Gulf countries and Asia, the first phase of which is expected to be completed in 2025.

Egypt and Greece have launched studies for the construction of a subsea interconnection line of approximately 950 km between the two countries. This project has been included in the EU's list of energy projects of mutual interest.

EEHC is also exploring an upgrade of the Egypt-Jordan interconnection capacity from 550 MW to 2,000 MW, as well as further interconnections between Egypt and Jordan.

#### Establishing an Arab Common Market for Electricity

The Pan-Arab Electrical Interconnection is one of the most important Arab integration projects, as it paves the way for the establishment of a common electricity market among Arab countries, based on a robust institutional and legislative framework and supported by a fully operational infrastructure. In December 2024, several Arab countries signed an agreement to pave the way for power trading between the GCC and the broader MENA region.

#### African Interconnection Axes and Electricity Market

EEHC is a member in the East Africa Power Pool, which is a regional institution that was established in 2005 to coordinate cross-border power trade and grid interconnection in Eastern Africa.

#### *Wind and Solar Power Projects*

Egypt has a number of wind power projects in the Gulf of Suez. The majority of Egypt's wind power is generated by the Zafarana and the Gulf of El Zayt wind farms, which have capacities of 545 MW and 830 MW, respectively, of which 250 MW is generated by the private sector.

Egypt also benefits from a large amount of sunlight, offering significant potential for the development of solar energy projects. Egypt issued a solar atlas in 2017, which indicated that the average direct normal solar radiation ranges between 2,000 (north) and 3,200 (south) kWh/m<sup>2</sup> per year, with few cloudy days and average hours of sunshine of between nine hours per day in winter and 11 hours per day in summer.

The 1.8 GW Benban Solar park, the largest solar park in Africa and one of the largest in the world, is located near Aswan and has been connected to the national grid since 2019. Other significant projects in operation include the Gabal Al-Zait

580 MW wind farm located near Ras Gharib, the Zafarana 540 MW wind farm located near Suez, the 262.4 MW Shoker wind farm, the 249.6 MW Lakela wind farm, the 252 MW KFW6 wind farm, the 650 MW Red Sea wind farm, the 500 MW Amont wind farm, the Kuraymat 150 MW solar thermal power plant and the Siwa 10 MW solar project.

In December 2024, the African Development Bank approved a loan of up to U.S.\$170 million to support the development of the 1.1 GW Suez Wind Project, Egypt's largest wind energy initiative. The total project cost is estimated to be U.S.\$1.1 billion, with the remaining costs expected to be contributed by a consortium of development finance institutions, banks and financial institutions. The project involves the design, construction, operation and maintenance of a greenfield wind farm divided into two sites, each with a capacity of 550 MW, located along the Gulf of Suez. The Egyptian Electricity Transmission Company will be the sole off-taker under a 25-year take-or-pay power purchase agreement. The wind farm is expected to generate 4,111 GWh annually, supplying clean, reliable, and affordable energy to over one million households.

As at 1 January 2026, the total installed capacity of Egypt's wind power plants was 3,304 MW and the installed capacity of Egypt's solar power plants was 2,234 MW.

### *Nuclear Power Projects*

Egyptian Nuclear Power Plants Authority (the "NPPA") manages the implementation of nuclear power projects in Egypt.

In November 2015, the Government entered into an agreement with the Russian government, who assigned a Russian company, Rosatom, to construct Egypt's first nuclear power plant, which will include four nuclear reactor units. The plant is expected to be located in El Dabaa on the Mediterranean coast and to have a capacity of 4,800 MW. The Government has entered into a financing agreement with the Russian government for a U.S.\$25 billion loan, which represents 85% of the total costs for the building and operation of the plant. The Government plans to fund the remaining 15% of these costs. Repayment of the loan is scheduled to begin following completion of construction and the operation of the fourth nuclear reactor unit. Nuclear fuel deliveries are expected to begin in 2027, and construction of the first nuclear reactor unit is expected to be completed in 2028, at which time it is expected to commence operations. The fourth and final nuclear reactor unit is expected to be fully operational by the end of 2030. The Russia-Ukraine conflict has not had a material impact on this project. In January 2024, construction of the fourth and final reactor unit was commenced. In January 2025, the NPPA received approval to build a spent nuclear fuel storage facility at the El Dabaa nuclear power plant. A supplementary protocol to the intergovernmental agreement was signed between Egypt and Russia in July 2025, with the aim of fast-tracking the construction and operation of nuclear power plants in Egypt, including the El Dabaa nuclear power plant.

Egypt is co-ordinating this initiative with the International Atomic Energy Agency. The plan has been well received both within the country and by the international community, with several members of the international community stating that they do not see an Egyptian nuclear power plant as giving rise to a threat of nuclear proliferation.

### *Electricity subsidies*

While no electricity subsidies were paid in 2020/21 and 2021/22, following the phasing out of previous subsidies in place, in 2022/23, due to the postponement of electricity tariff increases, electricity subsidies were LE 2.1 billion, increasing to LE 2.4 billion in 2023/24 and LE 10.0 billion in 2024/25. The subsidies in each of 2022/23, 2023/24 and 2024/25 were to alleviate cost of living pressures as a result of the general increase in market prices for electricity. In addition, the subsidies for the difference between the average cost and average selling price were LE 30.1 billion for 2022/23, LE 86.3 billion for 2023/24 and LE 151.8 billion for 2024/25.

### *Energy Reform Strategy*

In November 2024, the Government launched its Energy Strategy 2040, which addresses sustainable development, economic development, confronting climate change and reducing dependence on traditional fuels in electricity production. The Energy Strategy 2040 aims to produce 68,000 MW of renewable energy by 2040, whether through solar, wind or water projects. Such production is stated to be estimated to result in 51 million tonnes of fossil fuel savings annually.

The Government has adopted a range of measures to address challenges in the oil and electricity sectors. Such measures include:

- *Resuming investment and production* by reaching new agreements with international companies following the repayment of certain outstanding arrears and the offering of certain incentives.

- *Implementing price increases to fuel and electricity prices* to better align with production costs, improve the financial health of the energy sector and reduce fuel subsidies, making fiscal space for more targeted social support programmes. See “*Public Finance—Social Spending and Subsidies*”.
- *Adopting initiatives to enhance the energy mix* with, for example, the addition of 6GW of renewable energy to the national grid in June 2024. Key projects aimed at helping the Government reach its target to increase the contribution of renewable energy to electricity generation to 42% by 2030 include the construction of wind power stations in the Gulf of Suez and solar power stations in Zafarana and Hurghada, as well as to increase the contribution of nuclear energy from the plants currently under construction. See “*—Electricity—Electricity Generation*”.
- *Adopting initiatives to transition to cleaner energy*, replacing high-cost, polluting fuel products with greener, more affordable alternatives, such as natural gas.
- *Upgrading the national electricity grid*, including the implementation of a smart system. See “*—Electricity Generation*”.
- *Increasing energy sustainability and the use of renewable energy*. This objective is intended to be met through, *inter alia*, paying down arrears to international oil and gas companies, reducing and restructuring energy subsidies (see “*—Electricity Subsidies*” and “*Public Finance—Social Spending and Subsidies*”) and mitigating the impact of the removal of subsidies.
- *Improving governance of the energy sector and encouragement of private sector investment*. This objective is intended to be met through, *inter alia*, developing a national energy strategy, further opening the oil and gas sector to private investment.

As part of Egypt’s 2030 Vision, a number of key performance indicators have been set for the energy sector, with the aim of meeting national sustainable development goals and maximising the efficient use of traditional and renewable resources contributing to economic growth, competitiveness, social justice and environment preservation. The Government’s policy also targets becoming a renewable energy and efficient resource management leader and to create an innovative sector capable of forecasting and adapting to local, regional and international developments and complying with sustainable development goals.

In 2025, Egypt approved its first private-to-private green energy contracts. The four approved projects were: (i) KarmSolar, which will develop a 100 MW solar plant to supply electricity to Suez Steel; (ii) AMEA Power, which is building a 100 MW solar facility to serve BEFAR Group and the Suez Canal Container Terminal; (iii) TAQA PV, which will install 100 MW of hybrid capacity (solar and wind) to power operations at Ezz Steel; and (iv) Enara, which is developing a hybrid plant to deliver 100 MW to the El Alamein Silicone Products Company and Helwan Fertilizers. In a move away from the existing single-buyer model, the private-to-private rules for the projects set out conditions under which generators can use the power grid to sell electricity directly to consumers.

### ***Construction and Building***

The construction sector has been one of the fastest growing sectors of the Egyptian economy, growing by 14.5% in 2020/21, 18.2% in 2021/22, 40.0% in 2022/23, 66.3% in 2023/24 and 34.7% in 2024/25. The construction sector’s share of Egypt’s GDP was 10.3% in 2024/25 and 10.0% in 2023/24.

### ***Housing***

The levels of activity in the Egyptian housing market have increased in recent years, witnessing a steady demand for housing. According to data published by CAPMAS, Egypt’s population has grown to 107.3 million as of 1 January 2025, approximately 16.4% of the population was aged 20-29 years and approximately 56.7% of the population was under 30 years old. Accordingly, the need for housing is expected to be continued in the coming years.

The table set forth below sets out the estimated population breakdown by gender and age group as at 1 January 2025:

<b>Estimated Population Breakdown</b>				
<b>Age Group (years)</b>	<b>Female</b>	<b>Male</b>	<b>Total</b>	<b>Proportion of total population (%)</b>
0-4.....	4,984,208	5,194,961	10,179,170	9.5
5-9.....	5,658,035	5,911,201	11,569,236	10.8
10-14.....	5,684,918	6,041,230	11,726,148	10.9
15-19.....	4,729,741	5,066,454	9,796,195	9.1
20-24.....	4,319,883	4,650,538	8,970,421	8.4
25-29.....	4,129,419	4,458,462	8,587,881	8.0
30-34.....	3,808,708	4,118,231	7,926,940	7.4
35-39.....	3,600,992	3,892,561	7,493,553	7.0
40-44.....	3,301,111	3,557,323	6,858,433	6.4
45-49.....	2,788,551	2,985,751	5,774,302	5.4
50-54.....	2,261,873	2,393,688	4,655,561	4.3
55-59.....	1,965,451	2,044,102	4,009,553	3.7
60-64.....	1,688,337	1,714,365	3,402,702	3.2
65-69.....	1,360,509	1,338,459	2,698,968	2.5
70-74.....	975,234	927,592	1,902,827	1.8
75+.....	899,470	819,900	1,719,370	1.6
<b>Total.....</b>	<b>55,114,818</b>	<b>55,114,818</b>	<b>107,271,260</b>	<b>100.0</b>

*Source: CAPMAS*

In 2015, the Minister of Housing announced plans to construct a new capital to be located east of Cairo and outside the Second Greater Cairo Ring Road in a then largely undeveloped area halfway to the seaport city of Suez (the “**New Capital City Project**”). The new city is the new administrative and financial capital of Egypt, housing the main government departments and ministries, as well as foreign embassies. The New Capital City is expected to provide housing for up to 6.5 million people. The Government established a company, The New Administrative Capital for Urban Development, which is owned 51% by the military and 49% by the state-owned New Urban Communities Authority, to oversee the New Capital City Project.

In January 2019, President Al-Sisi opened Egypt’s largest mosque and a new cathedral, which have been built in the new capital city. In February 2019, Prime Minister Madbouly announced that the foundations for a 385-metre tower, Iconic Tower, Africa’s tallest building, would be poured in the new capital city. Construction of the Iconic Tower was completed in 2021. In July 2023, Government employees transferred to ministries and offices constructed as part of the new city’s first phase. Up to 100,000 housing units have been finished and 13,500 units have been delivered as part of this first phase. An electric train from eastern Cairo to the new capital city began operating in 2022 and the first phase of an elevated monorail was inaugurated in November 2025.

### **Production Services Sector**

The production services sector represented 30.3% of GDP in 2024/25 and 30.9% of GDP in 2023/24. The sector grew by 29.3% and 36.4% (in nominal terms) in 2024/25 and 2023/24, respectively.

### **Financial Intermediation**

There are 36 banks registered with the CBE. The financial intermediation sector contributed 3.5% to GDP in 2024/25 and 3.4% in 2023/24. In 2024/25, the sector grew by 35.0% (in nominal terms), as compared to 2023/24.

There are three wholly state-owned commercial banks. In addition, the financial sector also includes non-bank financial institutions such as brokerage firms, investment banks and mutual funds. See “*Monetary System*” for further details.

See “*Monetary System*”.

### **Transport and Warehousing**

Transport and warehousing, excluding the Suez Canal, contributed 5.9% to GDP in 2024/25 and 4.8% in 2023/24. In 2024/25, the sector grew by 61.1% (in nominal terms), as compared to the previous year.

## Suez Canal

A primary driver of economic activity in this sector is the Suez Canal, which is one of the world's most heavily used shipping lanes.

According to information published by the Suez Canal Authority, Suez Canal traffic receipts decreased by 47.8% in 2024/25 to U.S.\$3.8 billion, having previously decreased by 23.0% in 2023/24 to U.S.\$7.2 billion from U.S.\$9.4 billion in 2022/23. The decrease in 2024/25, as compared to 2023/24, was primarily due to the 55.1% decrease in the net tonnage transported through the Suez Canal. The decrease in 2023/24, as compared to 2022/23, was primarily due to the 29.6% decrease in the net tonnage transported through the Suez Canal. The decreases in net tonnage in each of 2024/25 and 2023/24 were, in turn, due to Red Sea maritime traffic disruptions, which forced a number of commercial shipping companies to divert their shipping routes. See "Risk Factors—Risks factors relating to Egypt—Regional and International Considerations" and "Risk Factors—Risks factors relating to Egypt—Impact of EU and Global Economic Conditions".

According to information published by the CBE, Suez Canal receipts were U.S.\$1.05 billion in the three months ended 30 September 2025, as compared to U.S.\$931.2 million in the corresponding period in 2024, primarily due to an 8.6% increase in net tonnage (to 138.1 million tonnes) and a 2.5% increase in the number of vessels (to 3,300 vessels). Information published by the Suez Canal Authority and the CBE may differ.

In 2025, petroleum tankers (both crude oil, chemicals, LPG and refined products) and LNG accounted for 49.2% and 2.1%, respectively, of Suez Canal cargoes, measured by cargo tonnage. In 2025, 12,758 ships transited the Suez Canal, of which 39.1% were petroleum tankers and 2.2% were LNG tankers. As the maximum draught allowed through the Suez Canal is 66 feet, crude oil tankers classed as "Very Large Crude Carriers" or "Ultra Large Crude Carriers" cannot pass through the Suez Canal fully loaded. In March 2021, transport through the Suez Canal was disrupted when a ship became lodged sideways across the waterway, resulting in the temporary closure of the canal and significantly delaying shipping.

The following table provides information relating to Suez Canal traffic for the periods indicated.

	<b>Suez Canal Traffic</b>				
	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
Number of vessels <sup>(1)</sup>	19,047	22,032	25,911	20,148	12,393
Vessels (millions of tonnes) .....	1,191	1,321	1,527	1,075	483
Receipts (U.S.\$ millions).....	5,843	6,978	9,399	7,236	3,778

*Source: Suez Canal Authority*

### Note:

(1) Includes oil tankers and other vessels.

In August 2015, a new canal of 60-95 km, running parallel to the existing one, in addition to the deepening and widening of the Great Bitter Lakes bypasses and the Ballah bypass of the existing canal, was opened. A number of infrastructure projects, forming part of the Suez Canal Area Development Project, have been implemented since 2015.

In August 2015, the Suez Canal economic zone was established by Presidential decree. The economic zone has an area of 455 km<sup>2</sup> and includes four industrial zones, the East Port Said industrial zone, the West Qantar industrial zone, the East Ismailia industrial zone and the Sokhna industrial zone, and covers six ports, West Port Said port, East Port Said port, Al-Arish port, Al-Adabia port, Sokhna port and Al-Tor port. Targeted industries for the Suez Canal economic zone include the textile, car tyres, logistics, casting, data centres, solar, bunkering services, pharmaceuticals, pharma active ingredients, automotive, agribusiness, petrochemicals, rolling stock, electric batteries and building materials industries.

In June 2024, Cairo-based Orascom Construction and UAE-based AD Ports Group entered into a memorandum of understanding for the development of a green methanol storage, export and bunkering facility in the Suez Canal area.

## Ports

Egypt's navigable waterways total approximately 2,900 km (excluding the Suez Canal). Approximately 85-90% of Egypt's international trade travels through its ports. Grand Alexandria (Alexandria and Dekheila) is the main port, handling approximately 46.5% of Egypt's imported foreign trade and approximately 32% of Egypt's total foreign trade. Other significant major ports are Damietta, Port Said and Suez. Total cargo handling capacity for all Egyptian ports was estimated to be 185 million tonnes as at 31 December 2025.

The Government is implementing its Port Development Strategy 2030, which aims to modernise seaport infrastructure and integrate ports with different modes of transport.

In 2025, the total volume of cargo handled at Egyptian ports was 222.1 million tonnes, consisting of 98.7 million tonnes of imported cargoes to Egyptian ports, 68.5 million tonnes of exported cargoes and 54.9 million tonnes of transit cargoes. The total number of passengers arriving at Egyptian ports was approximately 332,381, while the total number of passengers departing from Egyptian ports was approximately 390,267 in 2025.

Port Said is being developed as part of the Suez Canal Area Development Project. In November 2024, the Government signed a framework agreement with AD Ports Group to explore building, operating and transferring an economic zone in East Port Said.

#### *Air transportation*

Egypt has 13 international airports, three of which are located in Cairo, with the others in Borg-El-Arab, Alexandria, Hurghada, Luxor, Sharm El Sheikh, Aswan, Assiut, Taba, Marsa Matrooh and Souhag.

Cairo International Airport is Egypt's largest airport, which includes three passenger terminals, a fourth terminal for private aircraft and a seasonal hall designated for Hajj and Umrah flights. Recent projects include an expansion of the transit area in Terminal 3 at a total cost of approximately LE 75 million and a project to connect the multi-storey garage to a Terminal 2 passenger building.

In 2024, approximately 28.8 million passengers travelled through Cairo International Airport (as compared to 26.2 million in 2023). The number of flights from the airport in 2024 increased by 6.4%, as compared to 2023. Total airfreight tonnage handled at the airport in 2023 decreased by 2%, as compared to 2022, to 320,000 tonnes.

EgyptAir is the largest operator at the airport. EgyptAir commenced operations in 1933. Its fleet of aircraft carried approximately 10.5 million passengers in 2023 and includes Airbus (A320, A321 and A330), Boeing (737, 777 and 787) and Embraer (E-170) aircraft, as well as Airbus (A200 and A330) cargo planes.

EgyptAir has announced plans to upgrade its fleet by replacing older aircraft, as well as increasing the fleet to 104 aircraft by 2027. The expansion plan includes the introduction of new fuel-efficient aircraft to reduce CO<sub>2</sub> emissions and noise emissions, in line with EgyptAir's corporate sustainability strategy. The improved fleet is expected to help reduce costs and improve the profitability of the airline. This plan is also expected to help EgyptAir improve its service offering and maintain its market position in the Africa and Middle East market.

Other airport development and modernisation projects include: (i) improving the efficiency of the auxiliary corridor at Aswan airport (at an estimated cost of LE 156 million, which has been completed); (ii) developing and enhancing the terminal at Sharm El Sheikh Airport at a cost of LE 453 million; (iii) increasing the capacity at Sphinx Airport located in Giza (at an estimated cost of LE 1.9 billion); (iv) construction of a new low-cost passenger terminal for Borg El Arab airport (at an estimated cost of LE 2.8 billion funded by JICA, a Japanese company); (v) increasing the efficiency of the auxiliary corridor and connections at Borg El Arab airport (recently completed at a cost of LE 97 million); (vi) establishing a new air field at St. Catherine International Airport and increasing its capacity (at a total cost of LE 3.1 billion); (vii) enhancing security at Hurghada and Sharm El Sheikh airports (at a cost of LE 532 million, which has been completed) and (viii) providing security equipment for new airports, including Sphinx Airport and Capital Airport (at an estimated cost of U.S.\$19 million).

See "*Tourism*".

#### *Railways and the Cairo Metro*

The railway sector plays a significant role in the Egyptian economy and is an essential mode of transport for low-income citizens. The 9,600-km network is concentrated in the Delta and along the Nile Valley, serving the main activities and population centres in Egypt. In 2022/23, transported passengers and freight totalled approximately 350 million passengers and 4.5 million tonnes, respectively. Train fares in commuter trains and third-class passenger trains are subsidised by the Government. The vast majority of engines are diesel-driven. While engines and rails are imported, passenger wagons are built and refurbished domestically.

The Egyptian National Railway Authority is responsible for establishing, managing, operating, maintaining and developing the national railway system. Private investors are permitted to undertake construction, operation, management or maintenance activities for the national railway through the granted concessions.

The Cairo Metro, the first metro in Africa and the Middle East, opened in 1989. Line 1 is 44 km long and runs between Helwan and El Marg, with 35 stations. Line 2 is 21.6 km long and runs between Shoubra El Kheima and Al Mounib. Line 3 is 41.2 km long and runs from the Adly Mandsour Central interchange station to Kit Kat station before branching out to Raws al-Farag in the north and Cairo University in the south. Construction of Line 3 was implemented in several phases, with construction on the first phase beginning in July 2007 and completion of phase 3C completed in 2024. Construction of the first phase of the Line 4 began in November 2020. Phase 1 of the Line 4 project envisages construction of approximately 19 km of track linking the Cairo Governorate with the Giza Governorate and linking to both Line 1 and Line 2, with the construction of 17 stations. The first section of Line 4 is expected to be opened in 2027, initially with 12 stations opening early in 2027. The project is being financed through a concessional loan. Line 6 will have a total length of 35 km and 23 stations, intersecting with Lines 1, 3 and 4. In November 2022, a framework agreement for Line 6 of the Cairo Metro was signed with a French consortium led by Alstom Company to implement the manufacture and supply of the electromechanical systems and rolling stock for Line 6. In September 2024, a consortium of Colas Rail, Orascom Construction and Hitachi Rail signed an €800 million contract to modernise Line 1 of the Cairo Metro.

In July 2022, Egypt's first electrified light rail transit system was inaugurated. The light rail network connects the New Capital City with surrounding new cities and districts, including El-Salam City, 10th of Ramadan City, El-Obour City, Badr City and El-Shorouk City. The first phase of the network, opened in 2022, has 12 stations and covers approximately 70 km. Future phases are expected to result in a 105 km rail network with 19 stations. The monorail lines are being constructed and operated (for a 30-year period) by a consortium led by Alstom (with Orascom Construction and Arab Contractors). The consortium secured £1.7 billion in funding from UK Export Finance to build the monorail, with other financing provided through a loan from the New Urban Communities Authority.

The Government is also implementing the Cairo monorail project, which involves the construction of two monorail lines, creating connections from both the New Capital City (through a 54 km line) and the 6<sup>th</sup> of October City (through a 42 km line) to the Greater Cairo area. The first phase of the monorail was inaugurated in November 2025 and the line is partially operational.

In December 2020, the Government and the EIB signed a €1.1 billion investment agreement to support the development of the Egyptian urban transport infrastructure framework, including the reconditioning and expansion of the metro and tram systems in Alexandria and Cairo, projects to reduce emissions and improve air quality and projects to increase the availability and improve the quality of public transport systems in Alexandria and Cairo. The investment was granted in two tranches, the first of which (for a principal amount of €600 million) was granted on 16 December 2020. The second tranche of €528 million was signed on 25 May 2021. The EIM Economic Resilience Initiative and the EU Neighbourhood Investment Programme have also provided grants for technical and advisory assistance during the reconditioning of the Line 2 project for €1.2 million.

Works on the Alexandria metro include conversion of the existing Abu Qir line (originally established as a suburban railway line) into a high-capacity metro, with the upgrade and electrification of 21.7 km of track and 20 stations. The estimated cost of the project is €1.7 billion and will be financed by EBRD (€250 million), EIB (€750 million), the Asian Infrastructure Development Bank (€250 million), *L'Agence Francaise de Developpement* (€250 million) and the Egyptian treasury (€264 million). In May 2025, the National Railway Industries Company signed a €275 million agreement with the National Authority for Tunnels to manufacture and deliver 21 new metro trains for Alexandria's upcoming electric metro line.

Works on the Alexandria tram system include upgrading the existing Alexandria Raml tram, a double-track rail system which runs east-west across the city with a total length of 13.2 km and 25 stations. The estimated cost of the project is €538 million and is expected to be financed by the EIB (€138 million), *L'Agence Française de Développement* (€100 million), and a grant of €8 million from the European Commission, with the remainder of the cost funded by the Egyptian treasury.

In August 2021, an electric express train project was launched to construct a network of electrical express trains and a railway line handling speeds of up to 230 km/p/h. The network is expected to be divided into three lines: (i) green line (Ain Sukhna-New Lamein-Marsa Matrouh, with a length of 660 km and 22 stations); (ii) blue line (6 October-Aswan-Abu Simbel, with a length of 1,100 km and 36 stations); and (iii) red line (Qena-Hurghada Safaga, with a length of 225 km and three stations). In September 2021, the Government signed a contract with a consortium (comprising Siemens, Orascom and Arab Contractors) led by Siemens Mobility to implement the electric express train project for the green line between Ain Sukhna on the Red Sea coast and Marsa Matrouh on the Mediterranean coast. The contract includes maintenance for a period of 15 years. In May 2022, a contract was signed with the same consortium to implement the blue and red line electric express train projects. The first phase is currently expected to be completed in 2027.

## *Roadways*

The Egyptian highway network consists of approximately 30,500 km of roads. As part of its scheme to improve the country's infrastructure, the Government continues to invest in highway and bridge systems. A network of roads has been constructed to link Sinai to the Nile valley. In addition, Upper Egypt and Lower Egypt have been connected through four longitudinal parallel axes to the Nile River. The Nile valley is also linked to the Red Sea coast through eight transversal axes. In July 2024, the Ministry of Transport announced that 35 new axes roads would be built, increasing the total number of axes/bridges on the Nile River to 73 (as compared to 38 as at 1 June 2014). As of July 2024, 56 axes/bridges had been constructed to connect the road network across the Nile River.

In July 2024, the Ministry of Transport released statistics regarding construction between 2014 and 2024 noting over this period the construction of:

- 945 bridges and tunnels at a cost of LE 132 billion;
- 6,300 km of new roads at a cost of LE 155 billion, with construction underway on 700 km of additional roads, as part of the LE 175 billion National Roads Project to construct 7,000 km of new roads; and
- the upgrading of 8,400 km of roads at a cost of LE 110 billion, as part of the Ministry of Transport's plan to upgrade and improve the efficiency of 10,000 km of existing roads.

In April 2025, the Minister of Planning, Economic Development and International Co-Operation presented transport sector targets for 2025/26, which included completion of the Greater Cairo Ring Road, expansion of the Suez/Ain Sokhna Road, dualisation of the Assiut/Sohag/Red Sea Road, dualisation of the 6<sup>th</sup> October/Oases Road and development of the Wadi El Natrun/Alamein Road, as well as 32 targeted inter-governorate road projects (of which 13 are expected to be completed by the end of 2025/26).

## *Tourism*

Tourism in Egypt benefits from historic sites which have been famous for centuries, including the Giza Pyramid Complex and its Great Sphinx, the southern city of Luxor and its Valley of the Kings and Karnak Temple. The country's warm climate is also a draw for tourists, and the Red Sea is a popular tourist destination for diving, fishing and beach resorts, particularly in locations such as Ein-Sokhna, Taba, Hurghada, El-Gouna, Sharm El Sheikh and Marsa Allam.

Tourism has traditionally been an important source of foreign exchange, with, historically, at least 7.9 million visitors to Egypt each year, although the number of tourists and volume of tourism revenues have fallen in times of political instability and geopolitical tensions, as well as in response to terrorist attacks in Egypt and the wider region. Most foreign visitors come from Western Europe and from other Arab countries. The Government encourages private sector development on the Mediterranean coast, especially at Sidi-Abdel Rahman and Al-Alamein.

Tourism represented 3.7% of GDP in 2024/25, 3.4% of GDP in 2023/24 and 3.1% of GDP in 2022/23. The increases in 2024/25 and 2023/24 were primarily due to increased tourist nights and tourist arrivals (as compared to 2022/23 levels).

The following table sets forth information regarding tourism activities for the periods indicated.

#### Tourism Activities

	2020/21	2021/22	2022/23	2023/24	2024/25	For the three months ended 30 September 2025
Total Arrivals ( <i>in millions</i> ) .....	4.0	10.2	13.9	14.9	17.4	5.1
Total Number of Tourist Nights ( <i>in millions</i> ).....	47.8	114.5	146.1	154.1	179.3	58.7
Average Number of Nights ( <i>per tourist</i> ).....	12.0	11.2	10.5	10.3	10.3	11.5
Tourism Income ( <i>U.S.\$ millions</i> ) .....	4,861.5	10,748.1	13,629.3	14,376.0	16,725.3	5,477.8
Tourism Income per Night ( <i>U.S.\$</i> ).....	95.6	93.3 <sup>(1)</sup>	93.3	93.3	93.3	93.3

**Note:**

(1) Average tourist spending per night for the first quarter of 2021/22 was U.S.\$95.6, while average tourist spending for the second, third and fourth quarters of 2021/22 was U.S.\$93.3.

The total number of tourist nights in 2024/25 was 179.3 million nights, as compared to 154.1 million nights in 2023/24, 146.1 million nights in 2022/23 and 114.5 million nights in 2021/22. In 2020/21, the total number of tourist nights were negatively affected by the impact of the COVID-19 pandemic and related restrictions on travel. Tourism income was U.S.\$16.7 billion in 2024/25, as compared to U.S.\$14.4 billion in 2023/24 and U.S.\$13.6 billion in 2022/23. Tourism in Egypt has also historically been affected by tensions, violent incidents and terrorist attacks within the Republic and the wider MENA region. The increase in tourism revenue in 2024/25, as compared to 2023/24, was due to an increase in the number of tourist nights.

In the three months ended 30 September 2025, tourism income increased by 13.8% to U.S.\$5.5 billion, as compared to U.S.\$4.8 billion in the corresponding period in 2024, primarily due to the increase in the number of tourist nights to 58.7 million nights in the three months ended 30 September 2025, as compared to 51.6 million nights in the corresponding period in 2024.

According to the Tourism and Antiquities Minister, the top five origin destinations of tourist visitors to Egypt in 2024 were German, Russia, Saudi Arabia, the United Kingdom and Poland.

The following table sets forth information regarding tourism investments for the periods indicated.

#### Tourism Implemented Investments<sup>(1)</sup>

	Public	Private	Total
	<i>(LE millions in current prices)</i>		
2018/19.....	1,080	6,900	7,980
2019/20.....	1,415	17,200	18,615
2020/21.....	807	4,370	5,177
2021/22.....	1,526	6,951	8,476
2022/23.....	379	9,553	9,932

*Source: Ministry of Planning, Economic Development and International Co-operation*

**Note:**

(1) Figures differ from previously published figures.

In November 2023, the Government launched its National Strategy for Sustainable Tourism 2030, which targets increasing visitor numbers to 30 million by 2030 through the expansion of tourist facilities and improving the tourist experience. The strategy focuses on enhancing security, improving infrastructure and promoting a broader range of attractions, as follows:

- *Institutional and legislative reform:* A number of tourism-related laws and regulations have been introduced or amended, including the amendment of the Antiquities Protection Law, the creation of two economic bodies, the Grand Egyptian Museum Authority (in 2020) and the National Museum of Egyptian Civilisation Authority (in 2021), introducing the Tourism and Antiquities Support Fund Law, as well as laws relating to the licensing of hotels and tourist establishments (in 2022) and the establishment and organisation of tourism chambers (in 2023).

In addition, in May 2025, the Ministry of Tourism and Antiquities issued Decree № 209 of 2025 establishing a regulatory framework for the licencing and operation of holiday homes. Also in May 2025, a National Council for Health Tourism was established by Prime Ministerial Decree № 1688 of 2025, which is chaired by the Prime Minister and mandated to formulate a national strategy for health tourism, set international-standard service standards and help to position Egypt as a premier destination for medical and wellness tourism; private sector participation in the sector will be encouraged through a unified regulatory and marketing framework, supported by state-backed digital platforms and oversight mechanisms designed to reduce operational risks.

- *Raising the competitiveness of Egypt's tourism industry:* Initiatives are planned to optimise tourism and archaeological resources and to work to ensure their sustainability by encouraging investment, increasing efficiency and using modern technology to find the best ways to promote and activate tourism locally and internationally.
- *Economic objectives to increase tourist numbers, tourist nights and targeting higher spending:* Initiatives include use of social media platforms to promote tourism campaigns and organising large events to celebrate historical events, as well as the expansion of Egypt's luxury tourism offering.
- *Enhancing social participation and increasing human resources efficiency:* To support this pillar, initiatives have been implemented to establish employment database, as well as an inventory of official establishments and the data of official works, to help reduce unemployment rates, increase competitiveness, attract foreign investment and provide information to investors.
- *Maximising the use of technology within the sector.*
- *Maintaining the environmental balance and sustaining tourism and archaeological activity:* Initiatives to date include the ECO Egypt campaign to promote ecotourism locally and internationally. Egypt Vision 2030 also sets a number of sustainable development goals for the tourism industry.

In July 2024, the Government launched the Tourism Support Initiative, allocating LE 50.0 billion to support the growth and development of Egypt's tourism sector in key tourism regions, such as Luxor, Aswan, Greater Cairo, the Red Sea and South Sinai. The initiative is designed to boost Egypt's tourism infrastructure by providing financial support for the construction, renovation and expansion of hotel facilities. In October 2024, the CBE issued a circular outlining the regulatory guidelines for beneficiaries of the initiative, including conditions of the use of funds, eligibility criteria and the financial and operational obligations of companies applying for support. Financial support under the initiative will be determined based on the size of a company's operations, with a cap set at LE 1 billion. Funding provided to beneficiaries under the scheme will benefit from a reduced interest rate of 12% decreasing, with the different between this rate and the applicable CBE rate covered by the Ministry of Finance.

The Government targets increasing foreign investment for the development of the tourism industry. In May 2024, the Government approved the construction of an international tourist port in Ras El-Hekma, which is designed to accommodate cruises and yachts and is part of the wider Ras El-Hekma development. See "*External Sector—Foreign Direct Investment*".

### ***Real Estate***

In February 2025, Law № 88 of 2025 was enacted, which introduced a Unified National Real Estate Identification Number system to facilitate digitising and streamlining property governance. The law creates an electronic database that assigns every property a unique, non-replicable code for mandatory use in all dealings with property.

In August 2025, Law № 164 of 2025 was enacted reforming the rental framework in Egypt by phasing out old rent contracts, implementing a zoning-based rent adjustment system and establishing a clearer legal framework for landlords.

Reforms in relation to the allocation and pricing of industrial land were also introduced in 2025, providing for the allocation of such land either via a digital platform or direct ministerial approval for certain targeted strategic industrial projects.

### ***Financial Regulatory Authority***

The Financial Regulatory Authority (the "**FRA**") is an independent authority established in accordance with Law № 10 of 2009. The FRA is responsible for supervising and regulating non-banking financial markets and instruments, including the capital markets, the stock exchange, and all activities related to insurance services, mortgage finance, financial leasing, factoring, securitisation and consumer finance. The FRA's role is to regulate the market and ensure its stability and

competitiveness to attract more local and foreign investments. The mandate of the FRA also includes limiting inconsistency risks and addressing problems arising from applying different supervisory rules.

The FRA has been an active member of the International Organisation of Securities Commission (“**IOSCO**”) since 2014. In 2021, the FRA was elected as the Vice-Chair of the IOSCO Board, and the Chair of the Growth and Emerging Markets Committee, the largest committee within IOSCO.

In June 2022, the FRA published its five-year strategic plan for 2022-2026, which is aimed at developing non-banking financial activities. The strategic plan targets LE 100 million in insurance premiums by 2026 (as compared to LE 47.5 billion in 2021). Targeted actions include, *inter alia*, promoting *takaful* and microinsurance, regulating online insurance products, encouraging government agencies to insure government-owned assets and working with authorities to develop tax incentives for private insurance funds.

See “—*Insurance*” and “*Monetary System*”.

### **Insurance**

Since the removal of restrictions on foreign-owned insurance companies in 2018, many foreign insurers have entered the Egyptian insurance market, with 26 foreign-owned companies now operating in the private sector.

Total insurance premiums (including insurance companies and private pension funds) represented 0.8% of GDP in 2024/25, 0.6% of GDP in 2023/24, 0.8% of GDP in 2022/23 and 0.8% of GDP in 2021/22. In 2023/24, the sector grew by 34.1% (in terms of total premiums paid), as compared to 2022/23. The Government believes that the insurance sector has particular growth potential as Egypt has a low insurance density as measured by premium per capita and low penetration rate as measured by premiums as a percentage of GDP. Insurance density in Egypt was U.S.\$16.07 in 2023/24, as compared to U.S.\$23.8 in 2022/23 and U.S.\$32.0 in 2021/22. In each of 2023/24 and 2022/23, insurance density decreased as a result of the depreciation of the Egyptian Pound.

Insurance gross premium volume was LE 82.3 billion in 2023/24, as compared to LE 61.4 billion in 2022/23, representing an increase of 34.1%. In 2023/24, LE 27.1 billion (gross premium) was generated by the life insurance business and LE 55.2 billion by the non-life insurance business.

The following table sets forth information regarding the insurance market for the periods indicated.

<b>Direct Premiums and Market Shares<sup>(1)</sup></b>					
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<i>(LE millions)</i>				
State-owned companies .....	14,347	17,325	19,577	23,368	31,182
Egyptian-owned private sector companies .....	3,189	3,795	4,550	5,469	23,145
Foreign-owned private sector companies .....	17,350	20,055	24,767	32,517	27,957
<b>Total</b> .....	<b>34,886</b>	<b>41,175</b>	<b>48,894</b>	<b>61,354</b>	<b>82,285</b>

*Source: Financial Regulatory Authority*

**Note:**

(1) Premiums of insurance companies are calculated after excluding the premiums of unit-linked and money-back insurance.

As at 31 December 2025, a total of 39 insurance companies were operating in Egypt, including 17 companies offering life and 22 companies offering property and casualty insurance (including nine Islamic (*Takaful*) insurance companies operating in the market, four of which offer life insurance and five of which offer property and casualty insurance). The insurance market includes one co-operative insurance company. As at 31 December 2024, there were 671 private insurance funds.

Gross investments in 2024 were LE 298.2 billion, as compared to LE 208.9 billion in 2023, representing an increase of 42.7%.

Gross premiums written by the top five companies underwriting non-life insurance and the top five companies underwriting life insurance represented market shares of 69.3% and 82.5%, respectively, as at 30 June 2024.

#### *Insurance regulation reform*

The FRA has implemented a number of measures to promote the development of the insurance sector, including: (i) rules and regulations governing underwriting in credit insurance (ii) permitting marketing of micro-insurance policies electronically; (iii) rules and regulations governing the management of insurance company investment portfolios; (iv) forming a Co-ordination Committee of the Egyptian Insurance Pool for Travel Abroad; (v) forming two advisory committees to develop the capital markets and insurance sector; (vi) requiring insurance companies to update their information systems; (vii) rules and regulations relating to applying Egyptian Accounting Standard 50 to insurance contracts; (viii) measures to enhance cybersecurity; (ix) pricing policy regulations; and (x) introducing fixed asset revaluation models.

In addition, in October 2023, the FRA launched the first ever Egyptian Actuarial Tables, an initiative that forms part of the FRA's efforts to enhance insurance companies' capacity to price their products efficiently and accurately in line with evolving data and indicators.

The Government's non-banking financial sector reform programme continues to focus on insurance products aimed at SMEs and micro-insurance in cooperation with international institutions. New legislation has also been passed, *inter alia*, to promote private and optional pension funds and the electronic marketing and issuance of insurance products.

In July 2024, a new insurance law, Law № 155 of 2024, was passed with the aim of consolidating multiple insurance legislation into a comprehensive regulatory framework. Further recent reforms implemented in the insurance sector include updated reserve frameworks, expanded microinsurance coverage and a streamlining of licensing rules. The FRA is also focused on digital transformation of the sector, enabling the electronic issuance of standard policies and implementing fintech regulations to improve the efficiency of the insurance sector, as well as to support financial inclusion.

#### *Telecommunications*

The following table sets forth information on the telecommunications sector in Egypt as at the dates indicated.

	Telecommunications <sup>(1)</sup>					As at 31 October 2025
	As at 31 December					
	2020	2021	2022	2023	2024	
<b>Fixed Services</b>						
Exchange capacity ( <i>millions</i> ) .....	24.8	24.1	21.8	21.0	19.0	17.35
Number of fixed line subscribers ( <i>millions</i> ).....	9.8	11.0	11.6	12.1	13.25	13.93
<b>Mobile Phone</b>						
Number of mobile phone subscriptions ( <i>millions</i> )	95.9	95.4	99.4	106.3	113.19	121.42
Mobile service companies .....	4.0	4.0	4.0	4.0	4.0	4.0
Internet capacity ( <i>GB per second</i> ).....	2,397.1	2,565.8	2,565.8	N/A	N/A	N/A

#### **Notes:**

- (1) Figures based on a survey of ICT access and use by households and individuals.  
(2) Figures unavailable.

### *Fixed-line telephony*

Telecom Egypt, which is majority state-owned, is the principal operator of fixed-line services, although it no longer has an exclusive licence.

### *Mobile telephony*

Egypt has four mobile phone operators, Orange, Vodafone Egypt, Etisalat and, since August 2016, Telecom Egypt.

In 2024, the National Telecommunication Regulatory Authority granted Telecom Egypt the first licence to install and operate 5G networks for mobile phones at a cost of U.S.\$150 million. The 5G licence is valid for a 15-year period.

In July 2024, Telecom Egypt entered into an agreement with Nokia for the supply of equipment to assist with the rollout of 5G services. The partnership focuses on rolling out 5G services across key cities, including Giza, Luxor, Aswan and Alexandria. In October 2024, 5G licences were granted to Orange Egypt, Vodafone Egypt, and e& Egypt with the same licence conditions as granted to Telecom Egypt. The total value of these licences, including the renewal of previous generation licences for 15 years, amounts to approximately U.S.\$675 million. 5G telecommunications services were officially launched in Egypt in June 2025.

As at 31 October 2025, there were 121.4 million mobile subscribers, as compared to 113.2 million as at 31 December 2024.

### *Internet*

The internet penetration ratio reached 72.2% in 2022/23 as compared to 57.3% in 2019/20. The Government considers the expansion of broadband access to be a key driver for sustained growth and development in the telecommunications sector and the overall economy.

### *Telecommunications Development Strategy*

The Ministry of Communications and Information Technology has developed a digital transformation strategy to contribute to achieving the “Digital Egypt” aim set out in Egypt Vision 2030. The objectives of the strategy include developing ICT infrastructure, fostering digital inclusion, achieving the transition to a knowledge-based economy, building capacities and encouraging innovation, fighting corruption, ensuring cybersecurity and promoting Egypt’s position at the regional and international level. “Digital Egypt” aims to transform Egypt into a digital society. The strategy has three main pillars: (i) digital transformation; (ii) digital skills and jobs; and (iii) digital innovation.

The Ministry of Communications Information Technology has also launched and revised several specialised strategies and strategic business plans to support the “Digital Egypt” vision, including the National Artificial Intelligence Strategy, the National Cybersecurity Strategy, Free and Open Source Software, Digital Arabic Content, the Egyptian Government Cloud, and Social Responsibility strategies.

To accelerate digital transformation and aim to fully digitise public services, the Ministry of Communications and Information Technology cooperates with various government offices to deliver effective digital services and improve government performance. To that end, the Ministry of Communications and Information Technology has launched several projects within the framework of “Digital Egypt” to make digital government services available to citizens. The Ministry of Communications and Information Technology has participated in joint projects in, *inter alia*, the healthcare, education, and justice sectors. Examples of such projects include the automation of procedures at hospitals (in co-operation with the Ministry of Health) and testing and performance management (in co-operation with the Ministry of Education).

Efforts have also been made to establish or improve the necessary regulatory framework. Egypt’s data protection law was issued in 2020. The data protection law governs aspects relating to the data processing, storage, disclosure and transfer of data and has regard to international standards for the protection of personal data. Executive regulations for the data protection law were issued in 2025.

### **Environment**

There has been a heightened level of interest and concern by the Government and the Egyptian population over environmental issues in recent years. This is due to increasing awareness of the value of Egypt’s natural resources and the Government’s desire to provide for the general welfare of the population. Law № 4 of 1994 and its executive regulations (together, “**Law 4**”) provide for comprehensive regulation of land, air and water pollution, including the discharge of contaminants that may be emitted into the air or discharged into the waterways and the disposal of solid and

hazardous waste. Law 4 provides incentives for compliance, as well as penalties for non-compliance. The Agency for Environmental Affairs is responsible for the enforcement of Law 4. The Republic has entered into several international conventions and treaties relating to environmental protection and climate change.

The Government is promoting a national programme to encourage water re-use and tree planting in order to increase forested areas. As part of the Water Resources Development and Management Strategy 2050, the Government's programme for the fiscal years 2024/25-2026/27 focuses on the rehabilitation of thousands of kilometres of canals to increase water delivery efficiency and the conversion of hundreds of thousands of *feddans* to modern irrigation systems so as to rationalise consumption and increase productivity, as well as to replace drainage networks and establish rainwater harvesting facilities.

In an effort to reduce air pollution in urban areas, the Government has introduced emission control standards, zoning restrictions, controls on the use of pesticides, noise limits and standards for the maintenance of acceptable levels of radiation. The Government is also investing in large-scale electric public transport projects to help reduce pollution, including the high-speed express train, monorail and Cairo metro improvement projects. See “—*Production Services Sector—Transport and Warehousing*”.

The waste management law № 202 of 2020 (“**Law 202**”) was issued and entered into force in October 2020. Law 202 addresses waste generation and processing with the aim of promoting waste recycling and reuse. The law focuses on the integrated management of municipal, industrial, agricultural, demolition and construction waste, as well as their safe disposal, categorising waste as hazardous or non-hazardous. Egypt Vision 2030 targets improving municipal solid waste collection from 55% in 2019 to 95% in 2030.

### ***Nile River***

The Nile River is the main source of water in Egypt. The Ministry of Environment, in co-operation with other Government ministries, has introduced policies and initiatives to protect the Nile River and waterways from pollution. Such efforts include, among others, Nile River Water Quality Environmental Monitoring Programmes to assess water quality, compliance with legal standards, environmental monitoring and inspection. Five stations to receive and treat waste from boats in Aswan, Asyut, Sohag, Menia and Cairo have also been established. Law 4 and the related implementing regulations also regulate pollution of the marine environment generally, including coastal areas of the Red Sea, discharges of oil and hazardous materials and the disposal of sewage waste and rubbish. See “*Risk Factors—Risk Factors Relating to Egypt—Nile Dam*”.

### ***Climate Change***

In addition to relevant aspects of environmental and water policy and regulation, in 2015, the Government established the National Council for Climate Change as the national authority concerned with, and to formulate policies relating to, climate change.

Egypt is a party to the Paris Agreement adopted at the 2015 United National Climate Change Conference. In June 2023, Egypt revised its Nationally Determined Contribution under the Paris Agreement for a second time (having also revised the contribution in 2022). As part of its second revised Nationally Determined Contribution, Egypt has committed to reducing greenhouse gas emissions in the oil and gas sector by 2030 from 2,575 GgCO<sub>2</sub>-eq under a business-as-usual scenario to 0,89 GgCO<sub>2</sub>-eq under a mitigation scenario. This represents a reduction in greenhouse gas emissions of 1,682 GgCO<sub>2</sub>-eq compared to the business-as-usual scenario (or a 65% reduction compared to business as usual).

In 2022, the Government launched the National Climate Change Strategy 2050, which sets out key objectives until 2050, as well as 26 priority projects to be implemented in three phases by 2030. The first phase focuses on energy, food and water sectors, the second on the transport sector and the third on the gas and petroleum sector. The key objectives of the National Climate Change Strategy 2050 are grouped under five principal goals: (i) achieving sustainable and low-emission economic growth in different sectors; (ii) enhancing resilience and adaptive capacity to climate change, while minimising the associated negative impacts; (iii) enhancing climate change action governance and management; (iv) enhancing climate financing infrastructure; and (v) enhancing scientific research, technology transfer, knowledge management and awareness to combat climate change.

In 2022, the Government launched the National Platform for the “Nouwfi” Programme for financing and investing in climate projects in the water, food and energy sectors, as the first list of eco-friendly projects within the National Climate Change Strategy 2050 and Egypt Vision 2030. In November 2024, nine projects were selected in the water, food and energy sector under this programme, with estimated investments of approximately U.S.\$14.7 billion, and with partnerships with the EBRD (the lead partner for the energy pillar of the programme), the African Development Bank (the lead partner for the water pillar of the programme) and the International Fund for Agricultural Development (the lead

partner for the food security pillar of the programme). The European Investment Bank is also involved in projects on all aspects of the programme.

The Government has established a permanent committee for environmental policies, which is headed by the Minister of Environment and aims to integrate national policies and climate change into all government sectors.

In 2022, the Prime Minister established a voluntary market for the trading of “carbon emission reduction certificates” on the Egyptian Stock Exchange. The launch of the market took place in August 2024.

In December 2024, the European Commission provided €1 billion to Egypt in macro-financial assistance. The loan included structural benchmarks across three pillars: (i) macroeconomic stability; (ii) business environment; and (iii) green transition.

In March 2025, the Executive Board of the IMF approved the Government’s request for a SDR 1 billion arrangement under the IMF’s RSF to run concurrently with the EEF. The RSF funds are expected to support the Government’s efforts to implement macro-critical climate reforms, focusing on four broad challenges: (i) accelerating decarbonisation, (ii) strengthening the management of climate related risks and building resilience, (iii) increasing the capacity of the financial sector to identify climate-related risks and support green finance opportunities and (iv) identifying the effects of investment plans, programmes and projects on national climate change targets.

In June 2025, the EU Parliament approved a provisional agreement reached with the European Council on a macro-financial assistance package for Egypt worth €4 billion. The agreements for such package were subsequently signed in October 2025.

See “*Public Debt—International Support*”.

## Employment and Labour

Egypt has the largest labour force in the Arab world. According to estimates published by CAPMAS, the labour force represented 32.0 million people in 2024, as compared to 31.1 million people in 2023 and 30.1 million people in 2022. Approximately half of the population participates in the labour force. The labour force was 81.4% male and 18.6% female as at 31 December 2024. Government programmes target increasing the female proportion of the labour force to 24% by 2030 (as compared to 14% in 2020). As at 31 December 2024, approximately 18.7% of Egypt’s labour force was working in the agricultural and fishing sectors, 54.6% in services, 13.2% in manufacturing and 13.5% in construction.

Workers are not required to join trade unions but may, if they so wish. All workers belonging to a trade union are required to belong to the Egyptian Trade Union Federation, the only legally recognised labour federation.

The following table sets forth trends in the labour force for the years indicated.

	Employment <sup>(1)</sup>				
	2020	2021	2022	2023	2024
Labour force ( <i>millions</i> ).....	28.5	29.4	30.1	31.1	32.0
Employed ( <i>millions</i> ).....	26.2	27.2	27.9	28.9	29.9
Unemployed ( <i>millions</i> ).....	2.3	2.2	2.2	2.2	2.1
Unemployment rate (%).....	7.9	7.4	7.2	7.0	6.6

Source: CAPMAS

### Note:

(1) The figures in this table have been revised and differ from previously published data. See “*Presentation of Information*”.

According to figures published by CAPMAS, the unemployment rate was 6.4% in the third quarter of the 2025 calendar year, as compared to 6.1% in the second quarter and 6.3% in the first quarter. In the third quarter of the 2025 calendar year, the total labour force was 34.7 million, as compared to 33.6 million in the second quarter of 2025.

The following table sets forth the number of workers by sector for the dates indicated.

	<b>Number of Workers by Sector</b>				
	<b>As at 31 December</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024<sup>(1)</sup></b>
	<i>(thousands of people)</i>				
Agriculture, forestry and fishing.....	5,325	5,232	5,286	5,284	5,594
Mining .....	40	40	62	52	62
Manufacturing .....	3,409	3,414	3,489	3,744	3,945
Electricity, Gas and A/C supplies .....	229	215	209	255	249
Water supplies and drainage networks.....	249	284	302	278	289
Construction and building.....	3,518	3,739	3,875	4,107	4,042
Wholesale, retail, vehicles amendments .....	3,794	4,077	4,176	4,382	4,636
Transport and warehousing.....	2,247	2,421	2,559	2,700	2,717
Tourism .....	786	820	861	997	1,058
Information and telecommunications .....	187	221	236	222	244
Financial intermediaries and insurance.....	160	201	209	228	240
Real estate and leasing.....	50	53	53	75	76
Technology .....	489	556	586	631	673
Administrative activities and subsidy services .....	222	234	265	282	348
Public administration, defence and obligatory social security .....	1,541	1,461	1,504	1,239	1,214
Education.....	2,024	2,126	2,133	2,142	2,168
Health and social work activities .....	918	1,003	978	1,108	1,093
Art and entertainment .....	116	146	145	137	163
Other Services .....	644	651	653	717	761
Individual households' services.....	178	231	255	311	305
International organisations and embassies.....	2	3	2	2	2
Other.....	70	63	103	68	50
<b>Total.....</b>	<b>26,199</b>	<b>27,191</b>	<b>27,941</b>	<b>28,961</b>	<b>29,929</b>

*Source: CAPMAS*

**Note:**

(1) Preliminary estimates.

In November 2016, a new civil service law, Law № 81 of 2016 (the “**Civil Service Law**”), was promulgated, which aimed to reform the civil service and regulate the performance of employees in Government departments and public authorities. The Civil Service Law provides for the introduction of more transparent hiring methods, performance reviews and bonus incentives, as well as for an annual 7% increase in the salaries of Government employees and a retirement age of 60 years. In June 2021, Law № 69 of 2021 (the “**Law 69**”) was promulgated, which updated the bonus structure for public sector employees.

In addition to the annual raise set out in the Civil Service Law, Law № 9 of 2024 was issued in February 2024 granting employees covered by the Civil Service Law a one-off incentive payment representing 10% of their salaries (and not less than LE 150).

In February 2024, a LE 180 billion social protection package was announced to alleviate the impact of inflation, which includes increasing the minimum wage for public sector workers by 50% to LE 6,000 per month, as well as periodic increases to monthly salaries. In February 2025, as part of a new social protection package to support vulnerable groups, increase wages and pensions and strengthen economic stability, the Government announced that, with effect from July 2025, 4.5 million Government employees and 13 million pensioners would benefit from LE 85 million allocated for salary and pension adjustments, including (i) raising the public sector minimum wage to LE 7,000 per month; (ii) 10% salary increases for employees within the structured public sector; (iii) 15% salary increases for employees outside of structured pay scales; (iv) increasing the cost of living allowance from LE 400 to LE 1,000; and (v) a 15% increase in pension payments aimed at improving financial security. See “*Public Finance—Social Spending and Subsidies—Food and Support Subsidies*”.

The 2025/26 budget allocates LE 535,637 billion to public sector wages, increasing from actual expenditures of LE 483,679 billion in 2024/25, an increase of LE 51,958 billion, or 10.7% in order to improve standards of living and address inflationary pressures on vulnerable sectors of society.

The following table sets forth weekly average wages for the years indicated.

	Monthly Average Wages <sup>(1)</sup>			
	2021	2022	2023	2024
	(LE)			
Public Sector.....	7,494	11,034	12,401	14,660
Private Sector.....	3,496	3,944	4,675	5,796
Overall.....	3,702	4,284	5,005	6,336

Source: CAPMAS

**Note:**

(1) Figures stated as at 31 December.

Statistics relating to employment and unemployment in Egypt are inherently unreliable for a variety of reasons. The definition of “employed” and “unemployed” are not comparable to international standards. Persons that are considered to be employed for purposes of unemployment statistics may nevertheless be underemployed, spending only a few hours a week at their job. Only a small proportion of unemployed workers actually register as being unemployed. Nevertheless, the statistical information in this Base Offering Circular is included to illustrate in broad terms the dynamics of the unemployment situation in Egypt. See “*Risk Factors—Risk Factors Relating to Egypt—The statistics published by the Republic may differ from those produced by other sources*”.

In May 2025, a new labour law (Law № 14 of 2025) was enacted (the “**New Labour Law**”) with the stated objective of achieving greater alignment with international labour regulations and standards. Among other measures, the New Labour Law requires that all employment relationships are formalised through written contracts, limits the use of fixed-term contracts and clarifies employment termination procedures. The New Labour Law expands protections for female employees including, *inter alia*, through the extension of maternity leave to 120 days. The New Labour Law also includes provisions relating to paid study leave for students, safeguards for workers with disabilities and express prohibitions against workplace discrimination and harassment. Remote and part-time work are recognised in the New Labour Law. The New Labour Law also introduces specialised labour courts with the aim of strengthening the dispute resolution framework. The New Labour Law become effective on 1 September 2025.

**Investment**

The Government’s strategy to boost growth and employment relies on increasing investment, through improvements to the business climate and the attraction of FDI, as well as the implementation of large infrastructure projects.

An investment law entered into force in June 2017 and was amended in July 2023 (the “**Investment Law**”) to improve investor confidence in the Egyptian economy, foster sustainable development and attract increased investment. Key amendments to the law include: (i) unified licensing by GAFI regardless of legal structure; (ii) permitting projects incorporated prior to 2017 to benefit from the general incentives offered by the investment law (including in respect of stamp duty exemptions, relief from land registration fees and a reduced rate of customs duty); (iii) introducing special incentives for investments in projects conducted between 2020 and 2029, including capped discounts on investment costs; (iv) permitting projects in oil and natural gas processing, energy-intensive industries and in fertiliser, iron and steel production to be established in Egypt’s free zones; (v) expanding certain import and duty exemptions; (vi) permitting cabinet decrees to extend certain supplementary incentives to specific projects; (vii) introducing a tax cash investment incentive of between 35% and 55% of income tax dues for industrial investment projects funded by at least 50% foreign sources and commencing operations between 2023 and 2029; and (viii) extending the period to benefit from special incentives by three years to October 2026.

Recent amendments to the executive regulations of the Investment Law have further enhanced the investment framework by expanding the definition of priority investment areas eligible for special incentives to include, among others, the Suez Canal Economic Zone, the New Administrative Capital, Ras El Hekma and other underdeveloped regions designated by the cabinet. These amendments have also strengthened the unified approval regime enabling strategic and national projects to obtain a single approval covering establishment, operation, management, construction licences and land allocation, without the need for additional regulatory permits. In addition, the amendments have broadened the scope of private free zones in major development and PPP projects, allowing certain service free zones established pursuant to State contracts to include light industrial activities, subject to cabinet approval and compliance with applicable regulatory requirements.

In March 2024, the Government introduced an annual ceiling for public investments. The 2025/26 budget sets the annual ceiling for public investments for all public agencies at LE 1.16 trillion (as compared to LE 1 trillion in the 2024/25

budget). The aim of such measure is to rationalise spending and reduce the debt burden, while prioritising spending on investment projects with high implementation rates.

In 2025, the Government announced plans to launch a national investment map, which seeks to unify investment planning across government sectors, introduce structural reforms and encourage a transparent environment and foreign and domestic investment.

See “*Public Finance*” and “*External Sector—Foreign Direct Investment—Investment Projects and Initiatives*”.

## **Public Private Partnership**

The Government’s structural reform agenda focuses on enhancing the role of the private sector in growth while reducing the size of the State’s footprint in the economy, levelling the playing field between public and private institutions, and strengthening governance and the business climate to support export-driven and private sector-led growth. The Government intends to continue to use PPPs as a tool to enhance economic growth.

The PPP law (the “**PPP Law**”), which was introduced in 2010, created an institutional framework for PPP projects comprised of: (i) the PPP Supreme Committee, which regulates PPP activities and is chaired by the Prime Minister; (ii) the PPP Central Unit, which is responsible for implementing and managing the PPP programme; and (iii) various PPP satellite units, which have since been established in various Government ministries. The PPP Central Unit also works closely with the Ministry of Planning, Economic Development and International Co-operation and the Ministry of Investment and International Co-operation to develop future PPP projects.

The PPP Law was amended in December 2021 to (i) introduce new measures to accelerate procurement procedures to reduce the overall time required for tendering processes; (ii) apply new forms of contracting methods (*i.e.*, direct orders, unsolicited proposals or limited tenders) to meet the needs of tendering authorities and expand investment opportunities for PPPs; (iii) create a joint committee between the Ministry of Finance and the Ministry of Planning, Economic Development and International Co-operation to select the pipeline of PPPs; and (iv) permit an evaluation committee to request justifications for significant price differentials in winning bids, as compared to competing bids.

As at 31 August 2025, 54 infrastructure projects were being tendered through PPPs, in the transport, utilities and social sectors. Of these, 23 were contracted with a total capital investment of U.S.\$4.2 billion, while 17 projects with a total investment capital of U.S.\$3.5 billion had been put out for tender. In addition, 14 projects had been approved by the Supreme Committee to be studied and prepared for tendering through a PPP programme, with an estimated investment capital of U.S.\$550 million.

Examples of PPP projects that have been approved, completed or are ongoing include PPPs for: (i) the construction and operation of public schools; (ii) the construction and operation of dry ports in 6<sup>th</sup> of October, 10<sup>th</sup> of Ramadan, Damietta, Borg El Arab, New Deni Suf city and Sadat; (iii) the construction of warehouses; (iv) the construction of energy plans and sub stations; (v) the development of desalination plants; (vi) the construction of wastewater treatment plants; (vii) the construction and maintenance of an investor services centre; (viii) multi-purpose, dry bulk and dirty bulk terminals in Dikhila; and (ix) a logistics centre in 6<sup>th</sup> of October.

Various tools have been used by the Government to increase the attractiveness of long-term PPP contracts, including bearing interest rate risk, signing off-take agreements to offload demand risk borne by the private sector and banks and providing sovereign guarantees for certain projects.

## **Poverty**

Poverty is prevalent in Egypt. According to statistics published by CAPMAS, in 2019/20, the national poverty headcount ratio at national poverty lines (calculated as the percentage of the population living below the national poverty lines and based on population-weighted subgroup estimates from household surveys) was 29.7%. Egypt Vision 2030 targets decreasing poverty further to 25.8% in 2025 and 21.9% in 2030.

One of the Government’s highest priorities is to reduce poverty through increased spending on education, healthcare and social programmes and by improving the existing subsidy system to more efficiently target its subsidies at low-income Egyptians. In recent years, the Government’s social policy framework has gradually shifted towards addressing the structural underpinnings of inter-generational development challenges and the Government has announced its intention for future social welfare provision to target improved inclusivity, efficiency and productivity enhancing measure. Further reforms are expected to be funded by re-channelling fiscal resources from current inefficient uses and social programmes are expected to be increasingly focused on targeting the most vulnerable households rather than specific goods. The Government intends to rely on means testing to maximise the efficiency of its future social spending.

Measures introduced by the Government to combat poverty to date include the introduction of a new food subsidy system and the restructuring of fuel subsidies. See *“Public Finance—Social Spending and Subsidies”*.

### **Informal Economy**

The Republic has a significant informal economy in terms of the production of goods and services, and it is a significant source of employment.

According to figures published by the Egyptian Centre for Economic Studies, approximately 8.2 million people participate in the informal economy. Of the participants in the informal economy, approximately 68% work in the wholesale and retail sectors.

Recent measures taken to try to integrate the informal economy into the formal economy include the launching of initiatives by the CBE to support small- and medium-sized enterprises (“SMEs”) and to encourage the informal sector to join the formal sector to benefit from financial services. One of the objectives of Egypt’s Social Fund for Development (which was established with support from the United National Development Programme) is to encourage projects to join the formal economy.

See *“Risk Factors—Risk Factors Relating to Egypt—A significant portion of the Egyptian economy is not recorded”* and *“Monetary System—The Egyptian Banking Sector and Reform”*.

## EXTERNAL SECTOR

### General

In 2024/25, Egypt's balance of payments recorded an overall deficit of approximately U.S.\$2.1 billion, as compared to an overall surplus of U.S.\$9.7 billion recorded in 2023/24. In 2024/25, the current account deficit narrowed by 25.9% to U.S.\$15.4 billion, as compared to U.S.\$20.8 billion in 2023/24. This was primarily due to an improvement in external transactions, which was mainly concentrated in the six months ended 30 June 2025, with the decrease in the current account deficit supported by an increase in workers' remittances and a growth in the services surplus, in turn, due to higher tourism revenues in 2024/25, as compared to 2023/24. See "*Balance of Payments—Current Account*". Egypt's capital and financial account recorded a net inflow of U.S.\$10.2 billion in 2024/25, reflecting a 65.8% decrease, as compared to a net inflow of U.S.\$29.9 billion in 2023/24, which was primarily due to a decrease in FDI, in turn, due to the one-off FDI inflows from the ADQ Ras El-Hekma Investment received in 2023/24.

NIR with the CBE were U.S.\$48.7 billion as at 30 June 2025, as compared to U.S.\$46.4 billion as at 30 June 2024, U.S.\$34.8 billion as at 30 June 2023, U.S.\$33.4 billion as at 30 June 2022 and U.S.\$40.6 billion as at 30 June 2021. The increase in NIR since 30 June 2023 reflects, *inter alia*, the purchase by the CBE of approximately U.S.\$15 billion of financing received under the ADQ Ras El-Hekma Investment in the first half of 2024. NIR covered 6.4 months of merchandise imports as at 30 June 2025, 7.7 months of merchandise imports as at 30 June 2024, 5.9 months as at 30 June 2023, 4.6 months as at 30 June 2022 and 6.9 months as at 30 June 2021. As at 31 December 2025, NIR with the CBE were U.S.\$51.5 billion, covering approximately 6.0 months of merchandise imports. As at 28 February 2026, NIR with the CBE were U.S.\$52.7 billion. See "*Monetary System—Net International Reserves*".

Net foreign liabilities held by Egyptian banks (excluding the CBE) increased from liabilities of LE 34.5 billion as at 30 June 2020 to assets of LE 26.4 billion as at 30 June 2021, before decreasing to liabilities of LE 219.2 billion as at 30 June 2022, liabilities of LE 529.7 billion as at 30 June 2023, and increasing to assets of LE 132.1 billion as at 30 June 2024 and assets of LE 242.2 billion as at 30 June 2025. As at 30 November 2025, net foreign assets held by Egyptian banks (excluding the CBE) were LE 564.3 billion (according to preliminary figures). Foreign currency deposits at Egyptian banks increased from U.S.\$41.3 billion as at 30 June 2020 to U.S.\$ 41.5 billion as at 30 June 2021, U.S.\$45.0 billion as at 30 June 2022, U.S.\$49.1 billion as at 30 June 2023, U.S.\$ 52.6 billion as at 30 June 2024 and U.S.\$62.3 billion as at 30 June 2025. As at 30 November 2025, foreign currency deposits at Egyptian banks were U.S.\$63.6 billion (according to preliminary figures). Foreign currency deposits as a percentage of total deposits were 13.9% as at 30 June 2021, 14.5% as at 30 June 2022, 20.9% as at 30 June 2023, 26.9% as at 30 June 2024, and 26.4% as at 30 June 2025. As at 30 November 2025, foreign currency deposits, as a percentage of total deposits, were 24.4% (according to preliminary figures). See "*Monetary System—Liquidity and Credit Aggregates*".

Egypt's gross external debt (public and private) as at 30 June 2025 was U.S.\$161.2, as compared to U.S.\$152.9 billion as at 30 June 2024 and U.S.\$164.7 billion as at 30 June 2023. Gross external Government debt is the major source of external debt, comprising 50.9% of total external debt as at 30 June 2025, 52.4% as at 30 June 2024 and 50.7% as at 30 June 2023. The gross external debt to GDP ratio was 44.2% as at 30 June 2025, 38.8% as at 30 June 2024 and 40.5% as at 30 June 2023. See "*Public Debt*".

## Balance of Payments

### Recent Developments

The following table sets forth data on Egypt's balance of payments for the periods indicated.

	<b>Balance of Payments</b>	
	<b>For the three months ended 30 September</b>	
	<b>2024<sup>(1)</sup></b>	<b>2025<sup>(1)</sup></b>
	<i>(U.S.\$ millions, except where indicated)</i>	
Exports <sup>(2)</sup> .....	9,088.8	11,089.5
Imports .....	(23,149.2)	(25,706.3)
<b>Trade Balance<sup>(3)</sup></b> .....	<b>(14,060.4)</b>	<b>(14,616.8)</b>
<b>Services (net)<sup>(4)</sup></b> .....	<b>4,051.5</b>	<b>5,000.1</b>
<b>Income (net)</b> .....	<b>(4,257.0)</b>	<b>(4,354.8)</b>
Private Transfers (net), of which: .....	8,307.1	10,698.7
Workers remittances.....	8,325.9	10,807.5
Official Transfers (net).....	49.2	33.1
<b>Total Transfers</b> .....	<b>8,356.3</b>	<b>10,731.8</b>
<b>Balance of Current Account</b> .....	<b>(5,909.6)</b>	<b>(3,239.7)</b>
<b>Capital Account</b> .....	<b>(18.1)</b>	<b>(57.0)</b>
Direct Investment Abroad (net).....	(91.4)	(176.6)
Direct Investment in Egypt (net).....	2,717.1	2,405.9
Portfolio Investment Abroad (net) .....	(49.3)	(31.8)
Portfolio Investment in Egypt (net).....	(384.7)	1,837.3
Other Investment (net), of which: .....	1,605.8	(4,344.2)
Net Borrowing.....	748.7	1,780.5
Medium and Long-Loans .....	(1,064.0)	(957.0)
Medium Term Buyers' and Suppliers' Credits.....	23.6	(46.0)
Short Term Buyers' and Suppliers' Credits (net).....	1,789.1	2,783.5
Other Assets .....	12.1	(6,633.9)
Other Liabilities .....	845.0	509.2
<b>Financial Account</b> .....	<b>3,797.5</b>	<b>(309.4)</b>
<b>Capital and Financial Account</b> .....	<b>3779.4</b>	<b>(366.4)</b>
Net Errors and Omissions .....	1,139.0	1,971.4
<b>Overall Balance</b> .....	<b>(991.2)</b>	<b>(1,634.7)</b>

#### Notes:

- (1) Preliminary figures.
- (2) Including petroleum and other exports.
- (3) Including exports and imports of Free Zones.
- (4) Includes transportation, travel, Government and other services.

In the three months ended 30 September 2025, Egypt's balance of payments registered a deficit of U.S.\$1.6 billion, as compared to a deficit of U.S.\$991.2 million in the corresponding period in 2024, primarily due to a net outflow in the capital and financial account, which was partially offset by a 45.2% decrease in the current account deficit.

In the three months ended 30 September 2025, the current account deficit improved by 45.2% to U.S.\$3.2 billion, as compared to U.S.\$5.9 billion in the corresponding period in 2024, primarily due to: (i) a 28.4% increase in net unrequited current transfers to U.S.\$10.7 billion, in turn, primarily due to a 29.8% increase in workers' remittances (from U.S.\$8.3 billion in the three months ended 30 September 2024 to U.S.\$10.8 billion in the three months ended 30 September 2025); and (ii) a 23.4% increase in the services surplus to U.S.\$10.2 billion, in turn, primarily due to a 13.8% increase in tourism revenues (from U.S.\$4.8 billion in the three months ended 30 September 2024 to U.S.\$5.5 billion in the three months ended 30 September 2025) and a 12.4% increase in Suez Canal revenues (from U.S.\$931.2 million in the three months ended 30 September 2024 to U.S.\$1.05 billion in the three months ended 30 September 2025). The non-oil trade deficit

was U.S.\$9.5 billion in the three months ended 30 September 2025, a decrease of 4.0% from the corresponding period in 2024. This was partially offset by a U.S.\$946.6 million increase in the oil trade deficit, primarily to an increase of natural gas and crude oil imports. In addition, the investment income deficit increased by 2.3% to U.S.\$4.4 billion in the three months ended 30 September 2025 (from U.S.\$4.3 billion in the corresponding period in 2024) due to a decrease in investment income receipts and an increase in investment income payments.

The capital and financial account recorded a net outflow of U.S.\$366.4 million in the three months ended 30 September 2025, as compared to a net inflow of U.S.\$3.8 billion in the corresponding period in 2024. In the three months ended 30 September 2025, net inflows of FDI decreased to U.S.\$2.4 billion, as compared to U.S.\$2.7 billion in the corresponding period in 2024. Changes in banks' foreign assets recorded a net outflow of U.S.\$5.3 billion in the three months ended 30 September 2025, as compared to a net inflow of U.S.\$2.1 billion in the corresponding period in 2024.

In the three months ended 30 September 2025, there was a net repayment of medium- and long-term loans and facilities of U.S.\$1.0 million, as total principal repayments registered U.S.\$2.0 billion (as compared to U.S.\$2.4 billion in the corresponding period in 2024) and total disbursements recorded U.S.\$965.1 million (as compared to U.S.\$1.4 billion).

## Balance of Payments for 2020/21 to 2024/25

The following table sets forth data on Egypt's balance of payments for the years indicated.

	Balance of Payments <sup>(1)</sup>				
	2020/21	2021/22	2022/23	2023/24 <sup>(2)</sup>	2024/25 <sup>(2)</sup>
	<i>(U.S.\$ millions, except where indicated)</i>				
Exports <sup>(3)</sup> .....	28,677	43,906	39,624	32,561	40,205
Imports.....	(70,736)	(87,302)	(70,784)	(72,135)	(91,214)
<b>Trade Balance<sup>(4)</sup>.....</b>	<b>(42,060)</b>	<b>(43,396)</b>	<b>(31,160)</b>	<b>(39,574)</b>	<b>(51,009)</b>
Services and income <i>(net)</i> <sup>(5)</sup> .....	(7,280)	(4,605)	4,608	(3,182)	(720)
<b>Balance of goods, services and income....</b>	<b>(49,340)</b>	<b>(48,001)</b>	<b>(26,552)</b>	<b>(42,756)</b>	<b>(51,729)</b>
Official Transfers <i>(net)</i> .....	(277)	(271)	(56)	37	112
Private Transfers <i>(net)</i> .....	31,180	31,720	21,897	21,912	36,192
<b>Total Transfers.....</b>	<b>30,903</b>	<b>31,449</b>	<b>21,841</b>	<b>21,949</b>	<b>36,304</b>
<b>Balance of Current Account.....</b>	<b>(18,436)</b>	<b>(16,551)</b>	<b>(4,711)</b>	<b>(20,807)</b>	<b>(15,425)</b>
Foreign Direct Investment <i>(net)</i> <sup>(6)</sup> .....	5,214	8,937	10,039	46,065	12,224
Portfolio Investment in Egypt <i>(net)</i> .....	18,742	(20,983)	(3,766)	14,532	1,629
Net Borrowing.....	7,965	(1,447)	1,434	4,850	(671)
<i>Medium and Long-Loans</i> .....	4,264	710	(226)	(2,760)	(2,310)
<i>Drawings</i> .....	6,502	3,661	3,195	4,118	5,940
<i>Repayments</i> .....	(2,239)	(2,951)	(3,421)	(6,878)	(8,250)
<i>Medium Term Buyers' and Suppliers' Credits</i> .....	2,174	750	1,678	383	(1,211)
<i>Drawings</i> .....	3,304	3,974	2,862	1,445	2,970
<i>Repayments</i> .....	(1,131)	(3,224)	(1,183)	(1,062)	(4,181)
<i>Short Term Buyers' and Suppliers' Credits (net)</i> .....	1,527	(2,907)	(18)	7,227	2,850
Other Assets.....	(6,039)	4,242	(4,751)	(24,869)	(9,136)
Other Liabilities.....	(1,225)	21,620	6,695	(9,805)	6,979
<b>Capital and Financial Account.....</b>	<b>23,374</b>	<b>11,806</b>	<b>8,932</b>	<b>29,879</b>	<b>10,205</b>
Net Errors and Omissions.....	(3,076)	(5,800)	(3,339)	614	3,146
<b>Overall Balance.....</b>	<b>1,862</b>	<b>(10,546)</b>	<b>882</b>	<b>9,687</b>	<b>(2,074)</b>
Trade Balance/GDP (%) <sup>(7)</sup> .....	(9.9)	(9.1)	(7.7)	(10.0)	(14.0)
Current Account/GDP (%) <sup>(7)</sup> .....	(4.4)	(3.5)	(1.2)	(5.3)	(4.2)
Balance of Payments/GDP (%) <sup>(7)</sup> .....	0.4	(2.2)	0.2	2.5	(0.6)
NIR <sup>(8)</sup> (as months of merchandise imports).	6.9	4.6	5.9	7.7	6.4

Source: CBE

### Notes:

- (1) This data differs from previously published data. See "Presentation of Information".
- (2) Preliminary figures.
- (3) Including petroleum and other exports.
- (4) Including exports and imports of Free Zones.
- (5) Includes transportation, travel, investment income, Government expenditure and other receipts and payments.
- (6) Includes FDI in the petroleum sector.
- (7) See "The Economy—Gross Domestic Product".
- (8) Net International Reserves. See "Monetary System—Net International Reserves".

### Current Account

The narrowing of the current account deficit in 2024/25, as compared to 2023/24, was primarily due to increased workers' remittances and tourism income, which offset an increase in the trade deficit.

The trade deficit widened from U.S.\$39.6 billion in 2023/24 to U.S.\$51.0 billion in 2024/25, reflecting an increase in the trade deficit of U.S.\$11.4 billion, or 28.9%. The widening of the trade deficit in 2024/25 was primarily due to: (i) the widening of the oil trade deficit to U.S.\$13.9 billion in 2024/25, as compared to U.S.\$7.6 billion in 2023/24, in turn, as a result of: (x) a U.S.\$6.1 billion increase in oil imports (to U.S.\$19.5 billion in 2024/25), reflecting an increase in natural gas imports (by U.S.\$3.9 billion in 2024/25), oil products (by U.S.\$1.7 billion in 2024/25) and crude oil (by U.S.\$495.3 million in 2024/25); and (y) a U.S.\$128.2 million decrease in oil exports to U.S.\$5.6 billion, reflecting a U.S.\$698.3 million decrease in exports of crude oil and a U.S.\$512.6 million decrease in exports of natural gas, This decrease was partially offset by a U.S.\$1.1 billion increase in oil products and (ii) the widening of the non-oil trade deficit to U.S.\$37.1 billion in 2024/25 from U.S.\$31.9 billion in 2023/24, in turn due to a U.S.\$13.0 billion increase in non-oil merchandise import payments, which was only partially offset by a U.S.\$7.8 billion increase in non-oil merchandise export proceeds.

In 2024/25, the services and income account recorded a deficit of U.S.\$719.5 million, as compared to a deficit of U.S.\$3.2 billion in 2023/24. The services account recorded a surplus of U.S.\$15.1 billion in 2024/25, as compared to a surplus of U.S.\$14.4 billion in 2023/24, primarily reflecting a 16.3% increase in tourism revenues to U.S.\$16.7 billion in 2024/25, as compared to U.S.\$14.4 billion in 2023/24, in turn due to an increase in the number of tourist nights (to 179.3 million nights in 2024/25, as compared to 154.1 million nights in 2023/24). See “*The Economy—Production Services Sector—Tourism*”. Such increase was offset by a 45.5% decrease in Suez Canal transit receipts to U.S.\$3.6 billion in 2024/25, as compared to U.S.\$6.6 billion in 2023/24 (which had, in turn, decreased by 24.3% compared to 2022/23 levels). The decrease in Suez Canal transit receipts was a result of a decrease in both the net tonnage transported and the number of vessels transiting the Suez Canal in 2024/25, as compared to 2023/24 (primarily during the six months ended 31 December 2024 as a result of Red Sea maritime traffic disruptions, which forced a number of commercial shipping companies to divert their shipping routes). See “*Risk Factors—Risks factors relating to Egypt—Regional and International Considerations*” and “*Risk Factors—Risks factors relating to Egypt—Impact of EU and Global Economic Conditions*”. The income account deficit decreased by 9.6% to U.S.\$15.8 billion in 2024/25, as compared to a deficit of U.S.\$17.5 billion in 2023/24, primarily due to a 50.1% increase in investment income receipts (to U.S.\$2.9 billion in 2024/25) and a 3.7% decrease in investment income payments (to U.S.\$18.7 billion in 2024/25).

Net unrequited current transfers increased by U.S.\$14.4 billion, or 65.4%, from U.S.\$21.9 billion in 2023/24 to U.S.\$36.3 billion in 2024/25, primarily due to remittances of Egyptians working abroad recording record high inflows of U.S.\$36.5 billion (compared to U.S.\$21.9 billion in 2023/24).

The following table sets out the net unrequited current transfers of the Republic in relation to the years indicated.

	Net Transfers <sup>(1)</sup>				
	2020/21	2021/22	2022/23	2023/24	2024/25 <sup>(2)</sup>
	(U.S.\$ millions)				
<b>Net unrequited current transfers</b> .....	<b>30,903</b>	<b>31,449</b>	<b>21,841</b>	<b>21,949</b>	<b>36,304</b>
<b>Net Private transfers</b> .....	<b>31,180</b>	<b>31,720</b>	<b>21,897</b>	<b>21,912</b>	<b>36,192</b>
<i>Of which:</i>					
Workers remittances .....	31,425	31,924	22,076	21,938	36,460
<b>Net official transfers</b> .....	<b>(277)</b>	<b>(271)</b>	<b>(56)</b>	<b>37</b>	<b>112</b>

Source: CBE

**Notes:**

- (1) This data differs from previously published data due to the revisions of certain external debt and petroleum sector figures.  
(2) Preliminary figures

In recent years, exchange rate fluctuations, among other factors, have impacted the value and predictability of workers' remittances. The adoption of the flexible exchange rate mechanism and unification of the exchange rate in March 2024, helped to stabilise workers' remittances levels.

Workers' remittances increased by 66.2% to U.S.\$36.5 billion in 2024/25 from U.S.\$21.9 billion in 2023/24, contributing to the decrease in the current account deficit. In the three months ended 30 September 2025, workers' remittances increased by 29.8% to U.S.\$10.8 billion, as compared to U.S.\$8.3 billion in the corresponding period in 2024.

According to data published by the CBE, in the year ended 31 December 2025, workers' remittances increased by 40.5%, as compared to 2024, to a record high of U.S.\$41.5 billion.

### ***Capital and Financial Account***

Egypt's capital and financial account recorded a net inflow of U.S.\$10.2 billion in 2024/25, a decrease from a net inflow of U.S.\$29.9 billion in 2023/24, primarily due to: (i) a decrease in FDI to net inflows of U.S.\$12.2 billion in 2024/25, as compared to U.S.\$46.1 billion in 2023/24, due to FDI inflows from the ADQ Ras El-Hekma Investment received in 2023/24; (ii) a decrease in portfolio net investment inflows to U.S.\$1.6 billion in 2024/25, as compared to U.S.\$14.5 billion in 2023/24; and (iii) an increase in net repayment of medium- and long-term loans and facilities to U.S.\$3.5 billion in 2024/25, as compared to U.S.\$2.4 billion in 2023/24.

In 2024/25, there was net payments of U.S.\$671.2 million, as compared to net borrowing of U.S.\$4.9 billion in 2023/24, primarily due to increased repayments of medium- and long-term financing, as well as decreased inflows of net short-term buyers' and suppliers' credit.

### **Foreign Trade**

In recent years, Egypt's customs regime has been modernised in order to streamline the process for importing and exporting goods. A number of regulations and decrees have been introduced to improve inspection and control procedures, simplify documentation, reduce customs procedures and approvals, reduce costs and delays, improve logistics and liberalise trade movements.

To ensure that customs legislation is implemented effectively and efficiently, a "one-stop" control point for export and import licensing and the release of consignments has been established through the General Authority for Export and Import Control and the Customs Authority (departments of the Ministry of Trade and Industry and the Ministry of Finance, respectively) in collaboration with other ministries and agencies. In November 2020, a new customs law was introduced. See "*Foreign Direct Investment—Investment Projects and Initiatives*".

In 2024, the Government published the implementing regulations for an amendment to the competition law passed in 2022, which, *inter alia*, empowers the Egyptian Competition Authority to control mergers that would limit, restrict or harm the freedom of competition. The Government has also announced its intention to adopt a more risk-based approach to customs clearance through the introduction of a "Green Lane" (through which a percentage of cargo associated with low risk and compliant companies will be released immediately without any controls) and integrating risk-based control between the Customs Authority, the Export and Import Control Authority, the National Food Safety Authority and agricultural and veterinary quarantines to reduce the number of containers to be inspected and, accordingly, the customs clearance procedures and the time of goods in ports.

In June 2025, the Ministry of Investment, the Ministry of Foreign Trade and the Ministry of Finance launched an upgraded Export Burden Rebate Programme for 2025/26, which introduces broader support mechanisms and a restructured framework aimed at empowering Egyptian exporters. The total budget for the programme is LE 45 billion (compared to LE 23 billion in 2024/25), of which LE 38 billion is earmarked for targeted export sectors, while LE 7 billion has been allocated as a flexible reserve to respond to sector-specific challenges and emerging export opportunities.

In March 2018, Egypt and 43 other African countries signed the African Continental Free Trade Area Agreement, which entered into force on 30 May 2019 for 24 countries, including Egypt. As of 2024, 46 countries have ratified the African Continental Free Trade Area Agreement. The aims of the free trade area are to boost investment, stimulate economic growth, create wealth and enhance continental interconnectivity and African integration. Due to the COVID-19 pandemic, trading under the African Continental Free Trade Area originally planned for 1 July 2020 was postponed to January 2021. Trade began on 1 January 2021 based on applicable and reciprocal agreed tariff schedules and rules of origin. In October 2022, the African Continental Free Trade Area Secretariat launched the "Guided Trade Initiative", which aims to enable meaningful trade and to test the institutional and operational trade policy under the African Continental Free Trade Area. See "*Arab Republic of Egypt—Foreign Relations and International Organisations*".

The total volume of trade increased from U.S.\$104.7 billion in 2023/24 to U.S.\$131.4 billion in 2024/25, an increase of U.S.\$26.7 billion, or 25.5%. This was primarily due to a 26.5% increase in imports and a 23.5% increase in exports in 2024/25, as compared to 2023/24. In the three months ended 30 September 2025, the total volume of trade increased by 14.4%, as compared to the corresponding period in 2024. This increase was primarily due to a 22.0% increase in exports and an 11.0% increase in imports.

See “Risk Factors—Risks factors relating to Egypt—Regional and International Considerations” and “Risk Factors—Risks factors relating to Egypt—Impact of EU and Global Economic Conditions”.

## Exports

The following table sets forth the value of products exported for the periods indicated.

	Exports by Product <sup>(1)</sup>					For the three months ended 30 September	
	2020/21	2021/22	Fiscal year		2024/25 <sup>(2)</sup>	2024 <sup>(2)</sup>	2025 <sup>(2)</sup>
			2022/23	2023/24			
	<i>(U.S.\$ billions)</i>						
<b>Fuel Exports, of which: .....</b>	<b>8.6</b>	<b>18.0</b>	<b>13.8</b>	<b>5.7</b>	<b>5.6</b>	<b>1.2</b>	<b>1.3</b>
Crude Petroleum.....	2.7	3.8	2.3	2.1	1.4	0.3	0.3
Petroleum products <sup>(3)</sup> .....	5.9	14.1	11.5	3.7	4.2	0.8	1.0
<b>Non-Fuel Exports, of which: ....</b>	<b>20.0</b>	<b>25.9</b>	<b>25.8</b>	<b>26.8</b>	<b>34.6</b>	<b>7.9</b>	<b>9.8</b>
Raw Materials.....	3.2	3.5	3.8	4.6	5.9	1.3	1.6
Semi-finished goods.....	5.4	5.9	5.9	5.7	8.8	1.7	3.0
Finished goods.....	11.3	16.3	15.9	16.4	19.6	4.7	5.2
<b>Total Exports<sup>(4)</sup> .....</b>	<b>28.7</b>	<b>43.9</b>	<b>39.6</b>	<b>32.6</b>	<b>40.2</b>	<b>9.1</b>	<b>11.1</b>

Source: CBE

### Notes:

- (1) According to the Harmonised System Coding (Degree of Processing).
- (2) Preliminary figures.
- (3) Including gas and bunker and jet fuel.
- (4) Including exports of Free Zones.

Export proceeds were U.S.\$40.2 billion in 2024/25, as compared to U.S.\$32.6 billion in 2023/24, an increase of 23.5%, due to a 29.0% increase in non-fuel exports from U.S.\$26.8 billion in 2023/24 to U.S.\$34.6 billion in 2024/25. This increase was partially offset by a 2.2% decrease in fuel exports, from U.S.\$5.7 billion in 2023/24 to U.S.\$5.6 billion in 2024/25. Non-fuel exports accounted for 86.1% of total exports in 2024/25, as compared to 82.4% in 2023/24. Fuel exports accounted for 13.9% of total exports in 2024/25, as compared to 17.6% in 2023/24.

Export proceeds were U.S.\$11.1 billion in the three months ended 30 September 2025, as compared to U.S.\$9.1 billion in the corresponding period in 2024, an increase of 22.0%, primarily due to a 24.5% increase in non-fuel exports from U.S.\$7.9 billion in the three months ended 30 September 2024 to U.S.\$9.8 billion in the three months ended 30 September 2025. Fuel exports increased from U.S.\$1.2 billion in the three months ended 30 September 2024 to U.S.\$1.3 billion in the three months ended 30 September 2025. Fuel exports accounted for 11.3% of total exports in the three months ended 30 September 2025, as compared to 13.1% in the corresponding period in 2024. Non-fuel exports accounted for 88.7% of total exports in the three months ended 30 September 2025, as compared to 86.9% in the corresponding period in 2024.

The following table sets forth the destination of exports from Egypt for the periods indicated.

	Destinations of Egyptian Exports					For the three months ended 30 September	
	Fiscal year					2024 <sup>(1)</sup>	2025 <sup>(1)</sup>
	2020/21	2021/22	2022/23	2023/24	2024/25 <sup>(1)</sup>	(U.S.\$ billions)	
European Union.....	7.2	12.6	12.3	9.5	10.9	2.5	2.8
Arab countries .....	6.7	7.5	8.3	8.7	13.0	2.6	3.7
Other European countries .....	4.2	7.5	6.4	5.8	6.9	1.7	2.1
United States.....	2.9	4.4	3.4	3.6	4.5	1.1	1.1
Asian countries (excluding Arab countries).....	4.4	6.9	5.3	2.6	2.2	0.5	0.7
African countries (excluding Arab countries).....	0.6	0.9	0.8	0.8	1.0	0.3	0.2
Commonwealth of Independent States <sup>(2)</sup> .....	0.3	0.5	0.4	0.4	0.3	0.1	0.1
Other countries .....	2.3	3.6	2.6	1.2	1.4	0.3	0.3
<b>Total Exports<sup>(3)</sup> .....</b>	<b>28.7</b>	<b>43.9</b>	<b>39.6</b>	<b>32.6</b>	<b>40.2</b>	<b>9.1</b>	<b>11.1</b>

Source: CBE

**Notes:**

- (1) Preliminary figures.
- (2) Includes Russia.
- (3) Including exports of Free Zones.

In 2024/25, Arab countries were the largest importers of Egyptian goods, purchasing 32.3% of Egyptian exports, as compared to 26.7% in 2023/24. The EU was Egypt's second largest trading partner, purchasing 27.1% of Egyptian exports in 2024/25 (29.1% in 2023/24), followed by other European countries, purchasing 17.3% of total exports in 2024/25 (17.9% in 2023/24).

In the three months ended 30 September 2025, Arab countries were the largest importers of Egyptian goods, purchasing 33.4% of Egyptian exports, as compared to 28.6% in the corresponding period in 2024. The EU was Egypt's second largest trading partner, purchasing 25.2% of Egyptian exports in the three months ended 30 September 2025 (27.9% in the corresponding period in 2024), followed by other European countries, purchasing 19.2% of total exports in the three months ended 30 September 2025 (18.3% in the corresponding period in 2024).

The following tables sets forth the principal countries to which Egypt exported non-oil products for the periods indicated.

	Destinations of Exports of Non-Oil Products		Percentage Change (%)
	2023/24	2024/25 <sup>(1)</sup>	
	(U.S.\$ billions)		
UAE.....	3.6	6.4	81.2
United States.....	2.9	3.9	36.4
United Kingdom .....	2.1	2.4	14.0
Switzerland.....	1.7	2.4	37.2
Germany .....	1.4	2.0	36.6
Saudi Arabia.....	1.6	1.8	11.6

Source: CBE

**Note:**

- (1) Preliminary figures.

### Destinations of Exports of Non-Oil Products

	For the three months ended 30 September		Percentage Change (%)
	2024 <sup>(1)</sup>	2025 <sup>(1)</sup>	
	(U.S.\$ billions)		
UAE.....	1.1	2.2	102.0
United States.....	1.0	0.9	(2.6)
United Kingdom.....	0.6	0.9	44.9
Switzerland.....	0.6	0.7	24.6
Germany.....	0.4	0.5	24.6
Saudi Arabia.....	0.4	0.4	5.5

Source: CBE

**Note:**

(1) Preliminary figures.

### Imports

The following table sets forth the levels of Egyptian imports by product for the periods indicated.

	Imports by Product <sup>(1)</sup>					For the three months ended 30 September	
	2020/21	2021/22	Fiscal year 2022/23	2023/24	2024/25 <sup>(1)</sup>	2024 <sup>(1)</sup>	2025 <sup>(1)</sup>
	(U.S.\$ billions)						
<b>Fuel Imports, of which.....</b>	<b>8.6</b>	<b>13.5</b>	<b>13.4</b>	<b>13.4</b>	<b>19.5</b>	<b>5.4</b>	<b>6.4</b>
Petroleum products <sup>(3)</sup> .....	5.2	9.0	10.1	12.6	18.2	5.3	6.0
Crude Oil.....	3.4	4.5	3.3	0.8	1.3	0.1	0.5
<b>Non-Fuel Imports, of which:....</b>	<b>62.1</b>	<b>73.8</b>	<b>57.4</b>	<b>58.8</b>	<b>71.7</b>	<b>17.7</b>	<b>19.3</b>
Raw Materials.....	7.4	9.6	7.6	7.8	11.2	2.4	2.5
Intermediate Goods.....	23.0	29.6	22.7	25.2	31.3	8.1	8.2
Investment Goods.....	9.6	10.0	7.9	8.3	9.2	2.3	2.7
Consumer Goods.....	19.0	22.0	13.7	14.5	17.0	4.3	4.9
<b>Other Imports.....</b>	<b>3.1</b>	<b>2.6</b>	<b>5.5</b>	<b>3.0</b>	<b>3.0</b>	<b>0.6</b>	<b>1.0</b>
<b>Total Imports<sup>(4)</sup>.....</b>	<b>70.7</b>	<b>87.3</b>	<b>70.8</b>	<b>72.1</b>	<b>91.2</b>	<b>23.1</b>	<b>25.7</b>

Source: CBE

**Notes:**

- (1) According to The Harmonised System Coding (H.S.C.) (Degree of Use).
- (2) Preliminary figures.
- (3) Including gas and bunker and jet fuel.
- (4) Including imports of Free Zones, and commodity grants and loans.

Total imports increased by 26.5% in 2024/25, as compared to 2023/24, primarily due to a 45.7% increase in fuel imports from U.S.\$13.4 billion in 2023/24 to U.S.\$ 19.5 billion in 2024/25, and a 22.1% increase in non-fuel imports from U.S.\$58.8 billion in 2023/24 to U.S.\$71.7 billion in 2024/25. Fuel imports accounted for 21.4% of total imports in 2024/25, as compared to 18.5% in 2023/24. Non-fuel imports accounted for 78.6% of total imports in 2024/25, as compared to 81.5% in 2023/24.

Total imports increased by 11.0% in the three months ended 30 September 2025, as compared to the corresponding period in 2024, primarily due to an 18.7% increase in fuel imports from U.S.\$5.4 billion in the three months ended 30 September 2024 to U.S.\$6.4 billion in the three months ended 30 September 2025, and an 8.7% increase in non-fuel imports, as compared to the three months ended 30 September 2024. Fuel imports accounted for 25.0% of total imports in the three months ended 30 September 2025, as compared to 23.4% in the corresponding period in 2024. Non-fuel imports accounted for 75.0% of total imports in the three months ended 30 September 2025, as compared to 76.6% in the corresponding period in 2024.

The following table sets forth the origin of Egyptian imports for the periods indicated.

	Origins of Egyptian Imports					For the three months ended 30 September	
	Fiscal year					2024 <sup>(1)</sup>	2025 <sup>(1)</sup>
	2020/21	2021/22	2022/23	2023/24	2024/25 <sup>(1)</sup>	(U.S.\$ billions)	
Asian countries (excluding Arab countries).....	17.4	22.7	17.2	17.2	23.6	6.0	6.8
European Union.....	17.2	18.2	14.9	15.8	17.1	4.5	4.5
Arab countries .....	13.2	18.9	14.5	14.2	17.5	4.5	5.1
United States.....	3.7	5.0	4.2	3.9	8.7	1.9	3.4
Other European countries .....	7.3	9.3	6.7	7.7	8.2	2.3	2.1
Commonwealth of Independent States <sup>(2)</sup> .....	4.4	4.4	3.0	4.3	5.3	1.4	1.2
African countries (excluding Arab countries).....	0.4	0.6	0.5	0.4	0.8	0.3	0.2
Australia .....	0.3	0.5	0.4	0.4	0.4	0.1	0.1
Other countries .....	6.7	7.7	9.5	8.4	9.6	2.1	2.4
<b>Total Imports<sup>(3)</sup> .....</b>	<b>70.7</b>	<b>87.3</b>	<b>70.8</b>	<b>72.1</b>	<b>91.2</b>	<b>23.1</b>	<b>25.7</b>

Source: CBE

**Notes:**

- (1) Preliminary figures.
- (2) Includes Russia.
- (3) Including imports of Free Zones.

In 2024/25, Asian countries (excluding Arab countries) were the largest exporters to Egypt, accounting for 25.9% of total imports and 23.8% in 2023/24, followed by the Arab countries, accounting for 19.2% of total imports in 2024/25 and 19.7% in 2023/24, and the European Union accounting for 18.8% of total imports in 2024/25 and 21.9% in 2023/24.

In the three months ended 30 September 2025, Asian countries (excluding Arab countries) were the largest exporters to Egypt, accounting for 26.6% of total imports, as compared to 26.1% in the corresponding period in 2024, followed by the Arab countries, accounting for 19.7% of total imports in the three months ended 30 September 2025, as compared to 19.6% in the corresponding period in 2024, and the EU accounting for 17.4% of total imports in the three months ended 30 September 2025, as compared to 19.4% the corresponding period in 2024.

The following tables set forth the principal countries from which Egypt imported non-oil products for the periods indicated.

	Origins of Imports of Non-Oil Products		Percentage Change (%)
	2023/24	2024/25 <sup>(1)</sup>	
	(U.S.\$ billions)		
China .....	6.7	10.7	59.6
UAE.....	5.0	5.6	12.9
Brazil .....	2.7	4.5	68.4
Germany .....	3.7	4.1	11.8
United States.....	2.7	3.7	36.9
Russia .....	2.9	3.2	11.9

Source: CBE

**Note:**

- (1) Preliminary figures.

### Origins of Imports of Non-Oil Products

	For the three months ended 30		Percentage Change (%)
	September		
	2024 <sup>(1)</sup>	2025 <sup>(1)</sup>	
	<i>(U.S.\$ billions)</i>		
China .....	2.6	3.2	23.4
UAE.....	1.4	1.4	(5.3)
Germany .....	1.0	1.2	21.3
United States.....	0.8	1.1	29.7
Russia .....	0.8	0.9	0.4
Brazil .....	1.1	0.8	(22.3)

*Source: CBE*

**Note:**

(1) Preliminary figures.

### Foreign Direct Investment

In recent years, the Government has introduced a number of legislative and institutional reforms aimed at improving Egypt's investment climate and attracting both domestic investment and FDI. The Government has sought to address major constraints historically affecting inbound investment into Egypt. The GAFI has streamlined the procedures for inward investment thereby establishing a favourable investment climate, which, among other factors, has historically helped to attract increased inflows of FDI and which, in turn, supports accelerated economic growth. Based on data published in the 2024 World Investment Report issued by the UN Conference on Trade and Development (“UNCTAD”), the Minister of Planning and Economic Development announced in June 2025 that Egypt ranked ninth globally and first in Africa among the most attractive countries for FDI in 2024.

Net FDI inflows decreased from U.S.\$7.5 billion in 2019/20 (representing 1.9% of GDP) to U.S.\$5.2 billion in 2020/21 (representing 1.2% of GDP) before increasing to U.S.\$8.9 billion in 2021/22 (representing 1.9% of GDP), U.S.\$10.0 billion in 2022/23 (representing 2.5% of GDP) and U.S.\$46.1 billion in 2023/24 (representing 11.7% of GDP). The decrease in 2020/21, as compared to 2019/20, was primarily due to reduced FDI as a result of the impact of the COVID-19 pandemic, in addition to a decrease in inflows in the petroleum sector. The increase in 2022/23, as compared to 2021/22, was primarily due to the increase in total inflows in the oil sector (representing new investments of foreign oil companies) and a net inflow of U.S.\$11.0 billion in non-oil sectors in 2022/23 (as compared to U.S.\$11.6 billion in 2021/22). Such recent increases in FDI have also been partially a result of the Government's IPO programme.

In 2023/24, net FDI inflows increased by U.S.\$36.0 billion, or 358.9%, to U.S.\$46.1 billion, the highest annual net FDI inflows recorded to date. This increase was primarily due to the funds received from the ADQ Ras El-Hekma Investment.

In 2024/25, net FDI inflows decreased by U.S.\$33.8 billion, or 73.5%, to U.S.\$12.2 billion, as compared to U.S.\$46.1 billion in 2023/24 due to one-off FDI inflows from the ADQ Ras El-Hekma Investment received in 2023/24. If the effect of the ADQ Ras El-Hekma Investment was removed from 2023/24 FDI, net FDI inflows increased from U.S.\$11.1 billion in 2023/24 (excluding FDI from the ADQ Ras El-Hekma Investment) to U.S.\$12.2 billion in 2024/25 (including a net inflow to the oil sector of U.S.\$598.3 million, as compared to a net outflow of U.S.\$351.6 million in 2023/24) and a net inflow of U.S.\$11.6 billion to non-oil sectors).

In the three months ended 30 September 2025, net FDI inflows decreased by U.S.\$311.2 million, or 11.5%, to U.S.\$2.4 billion, as compared to U.S.\$2.7 billion in the corresponding period in 2024. Net inflows to the oil and mineral resources sector were U.S.\$9.3 million in the three months ended 30 September 2025, as compared to a net outflow of U.S.\$175.7 million in the corresponding period in 2024. Net inflows to non-oil sectors were U.S.\$2.4 billion in the three months ended 30 September 2025, as compared to U.S.\$2.9 billion in the corresponding period in 2024.

See “—Investment Projects and Initiatives—ADQ Ras El-Hekma Investment”.

The following table sets forth FDI figures and the principal countries of origin for the periods indicated.

	<b>FDI by Country<sup>(1)</sup></b>				
	<i>Fiscal year</i>				
	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23<sup>(2)</sup></b>	<b>2023/24<sup>(2)</sup></b>	<b>2024/25<sup>(2)</sup></b>
	<i>(U.S.\$ millions)</i>				
<b>Total Net Foreign Direct Investment</b> .....	<b>5,214</b>	<b>8,937</b>	<b>10,039</b>	<b>46,065</b>	<b>12,224</b>
<b>Inflows</b> .....	<b>13,915</b>	<b>22,205</b>	<b>23,053</b>	<b>56,654</b>	<b>23,677</b>
United States.....	1,625	1,530	2,304	3,007	3,284
United Kingdom.....	1,770	1,990	2,001	2,943	2,882
France.....	276	551	591	484	767
Spain.....	55	125	161	123	123
Germany.....	300	633	356	422	446
Saudi Arabia.....	325	492	2,410	776	1,135
Switzerland.....	471	649	943	739	442
Kuwait.....	354	669	633	548	872
Bahrain.....	246	458	337	306	330
United Arab Emirates.....	1,411	5,656	3,009	38,943	4,733
Netherlands.....	1,329	2,148	1,127	924	867
Oman.....	(0.1)	(5.0)	4.0	13	68
Others.....	5,753	7,309	9,177	7,426	7,728
<b>Outflows<sup>(3)</sup></b> .....	<b>(8,701)</b>	<b>(13,268)</b>	<b>(13,014)</b>	<b>(10,589)</b>	<b>(11,453)</b>

*Source: CBE*

**Notes:**

- (1) The data in this table differs from previously published data due to the revisions of petroleum sector figures. See “*Presentation of Information*”.
- (2) Preliminary data.
- (3) Including cost recovery and profit sharing related to international oil and gas companies.

***Investment Projects and Initiatives***

The Government’s strategy to boost growth and employment is dependent on increasing investment, through improvements to the business climate and the attraction of FDI, as well as through the implementation of large infrastructure projects.

GAFI has attracted a number of new investments and encouraged existing companies to expand their businesses in targeted sectors, such as home appliances, chemicals and petrochemicals and green energy. A number of international companies have increased, or announced their intention to increase, investment in Egypt, including Samsung, Pfizer, PepsiCo, Coca Cola, Procter and Gamble, LG and Emaar, have announced plans to increase investment in Egypt. In August 2021, Amazon opened its first logistics centre in Egypt, its largest logistics centre in Africa.

Egypt has received support from countries in the region to help support investment in Egypt, in particular, following a shortage in foreign exchange following the outbreak of the military conflict in Ukraine in 2022. For example, in March 2022, Saudi Arabia made a U.S.\$5 billion deposit with the CBE and the Saudi state-owned Public Investment Fund pledged additional funds aimed at attracting U.S.\$10 billion in investment. The CBE also recorded a U.S.\$4 billion deposit from Kuwait in the first quarter of 2022. In 2022, Qatar also pledged U.S.\$5 billion in new investment deals, as well as making deposits of U.S.\$3 billion (in March 2022) and U.S.\$1 billion (in October 2022 through the Qatar Investment Authority) with the CBE. In February 2022, the UAE made a U.S.\$3 billion deposit with the CBE. In March 2022 and in September 2016, Saudi Arabia deposited U.S.\$5 billion and U.S.\$2 billion, respectively, with the CBE to support the Republic’s foreign exchange reserves.

In April 2022, ADQ announced an acquisition of shares worth U.S.\$1.85 billion in five publicly-traded Egyptian companies, Commercial International Bank, Abu Qir Fertilisers and Chemical Industries, Misr Fertilisers Production, Alexandria Container and Cargo Handling and Fawry. Subsequently, in 2023, ADQ acquired stakes of between 25% and 35% in three state-owned companies, Egyptian Linear Alkyl Benzene, Egyptian Ethylene and Derivatives Company and Egyptian Drilling Company. In December 2025, the CBE announced that Kuwait had extended a U.S.\$2 billion deposit (originally maturing in April 2024 and previously extended until April 2025) for an additional year to April 2026.

A number of large infrastructure projects designed to increase economic growth and employment, in particular, the Suez Canal Development Projects and the New Capital City Project, as well as the national roads improvement programme and various renewable energy projects and tourism sector projects, have been announced and implemented in recent years. In February 2024, the mega project for the development of the Ras El-Hekma peninsula was announced.

#### *ADQ Ras El-Hekma Investment*

In February 2024, the Government announced that it had entered into an agreement with ADQ for the development of the Ras El-Hekma peninsula. The project involves the development of a “next generation city” over 170 km<sup>2</sup>, and will feature investment zones, technology and light industry, amusement parks, a marina and an airport, as well as tourism and residential developments. The Government will retain a 35% stake in the project company. As a result of the deal, the New Urban Communities Authority received a one-off payment of U.S.\$24 billion, and U.S.\$11 billion in U.S. Dollar-denominated deposits held by the UAE at the CBE have been converted into Egyptian Pounds for investment by ADQ inside Egypt. From U.S.\$24 billion of financing, U.S.\$15 billion was purchased by the CBE to boost international reserves, and the rest remains with the New Urban Communities Authority. The Ministry of Finance has received the Egyptian Pound equivalent of U.S.\$12 billion from the transaction in its treasury single account, which was used to reduce debt financing. In its June 2024 staff report, the IMF projects an annual inflow of FDI between U.S.\$2.5 billion to U.S.\$5.0 billion relating to the project.

In October 2024, ADQ appointed Modon Holding PSC (“**Modon**”), a UAE-based developer, as the master developer of the Ras El-Hekma project. Modon has announced the signing of a framework agreement with Egypt’s Orascom Construction, designating it as one of the primary contractors for the initial construction phase of the project. Modon has also announced a series of memoranda of understanding for partnerships for the projects, including with Egypt’s Elsewedy Electric, Abu Dhabi Airports and Abu Dhabi’s energy company, TAQA. Modon has also partnered with Elsewedy Industrial Development to build industrial zones and logistics hubs within the city.

The first wave of residences in the city are expected to be ready in 2026, while infrastructure projects for the construction of roads and utilities are also in progress. A new international airport is expected to open in phases, beginning in the last quarter of 2026. Confirmed carriers for the airport include Emirates, Etihad, Qatar Airways, Air Cairo, EgyptAir and Wizz Air, as well as seasonal charters from Europe.

#### *Alam El-Roum Investment Project*

In November 2025, Egypt signed a U.S.\$29.7 billion investment agreement with Qataria Diar in respect of the Alam El-Roum project in Matrouh. An initial payment of U.S.\$3.5 billion was received in December 2025. The Alam El-Roum project covers approximately 4,900 acres and stretches along 7.2 kilometres of Mediterranean beachfront. The project is expected to feature upscale residential complexes, tourism and entertainment projects, open artificial lakes, golf courses, three marinas, hotels and infrastructure, including electricity distribution and water desalination plants, hospitals, schools, universities and administrative offices. Construction is expected to begin in 2026.

#### *EU-Egypt Investment Conference*

In March 2024, the EU and Egypt signed a Strategic and Comprehensive Partnership. Further to the signing of this partnership, in June 2024, the EU-Egypt Investment Conference was held. The conference, co-organised by the EU and the Government, aimed to intensify private sector investments in Egypt. Following the conference, European Commission President, Ursula von der Leyen, announced that more than 20 new deals or memoranda of understanding relating to €42 billion of investment by European companies in Egypt were signed at the EU-Egypt Investment Conference.

The EU and Egypt also signed a memorandum of understanding for the disbursement to Egypt of up to €1 billion in macro-financial assistance at the EU-Egypt Investment Conference. The first tranche was disbursed in December 2024.

In June 2025, the European Parliament approved a provisional agreement reached with the European Council on a macro-financial assistance package for Egypt worth €4 billion. The agreement for this €4 billion of funding was signed between the EU and Egypt in October 2025. At the same time, Egypt also entered into a €75 million financing agreement with the EU to support local and economic reforms, improve access to basic services and enhance livelihoods, especially for low-income groups and refugees.

See “*Public Debt—International Support—European Union*”.

### *Recent Regulatory and Legislative Initiatives*

The Government has introduced a number of regulatory and legislative initiatives in recent years to encourage investment in Egypt, including (among others): (i) publishing regulations for the establishment and operation of investment zones (in 2019); (ii) the introduction of cashless payment methods (in 2019); (iii) publishing investment climate decrees aimed at facilitating investment procedures; (iv) establishing a ministerial committee (chaired by the Prime Minister) to encourage investment and formulate policy to attract sector-specific investment and FDI (in 2020); (v) modernising customs procedures; (vi) establishing a “Golden License Unit” for strategic or national projects (in 2020, with further decrees regarding its operation published in 2022); (vii) forming a Supreme Council of Investment made up of the Prime Minister, the Governor of the CBE and several other ministers and heads of relevant entities (in November 2022); (viii) providing for incentives and support to green projects, as well as projects relating to artificial intelligence, innovation support, scientific research and localisation of industry; (ix) establishing private free zones upon certain investors’ request (since 2022); and (x) publishing regulations for the work of, and usage of Government-owned property by, the Industrial Development Authority and the Industrial Zones Support Fund (in May 2021).

To support efforts to attract FDI, the Upper Egypt Development Authority was established in July 2018 to accelerate development and investment in Upper Egypt (with a Prime Ministerial decree issued in February 2020 providing for investment incentives by way of a discount on taxable net profits in certain governorates).

The Ministry of Investment has launched a plan that focuses on the diversification of sources of capital, improving economic governance and aligning sectoral policies with Egypt’s investment framework through transparent and well-defined investment policies. Measures in this plan include: (i) reducing non-tax financial and procedural burdens to make it easier for businesses to operate, including mapping imposed charges, restructuring fees into bundled packages and advising on investor rights and obligations; (ii) launching an FDI strategy for 2025-2030, which aims to reinforce Egypt’s role as a regional investment hub and to attract high-value projects with the assistance of the Ministry of Planning and International Co-operation and the World Bank, with targeted projects in 13 sectors; (iii) reforming and streamlining licencing, including the introduction of a digital platform to link 41 state agencies and to provide 389 services (250 of which with online payment options); and (iv) reviewing methodologies with the aim of future inclusion in the World Bank’s Business Ready report. Other non-tax reforms aimed at improving the business climate include proposed changes to the social solidarity contribution (from 0.25% of total annual revenue to a share of net profit) and to training and qualification fund contributions (from 1% of net profit after tax to 0.25%, as well as the introduction of certain exemptions).

In addition, in August 2018, a sovereign fund, the Misr Fund, was established with the aim of contributing to economic development by utilising and investing its assets and funds in line with international standards. The President may (upon the Prime Minister’s recommendation) transfer the ownership of the Republic’s unutilised private assets to the Misr Fund or to any of its subsidiary funds, following consultation with the Ministry of Finance and the relevant ministry. The articles of association of the Sovereign Fund of Egypt were issued under ministerial Decree № 555 of 2019, which details the organisational structure of the Sovereign Fund of Egypt, its capacities and objectives, the management of its investments, and the powers vested with its board of directors. The Sovereign Fund of Egypt acts as the State’s investment tool for managing public assets in accordance with principles of efficiency and economic return. Between March 2022 and December 2024, the Sovereign Fund of Egypt completed 21 transactions across eleven sectors under the Government’s IPO programme with approximately U.S.\$6.0 billion of proceeds raised. Companies subject to this programme included Commercial International Bank, Fawry, Abu Qir Fertilisers, Misr Fertilisers Production & MOPCO Company and Alexandria Container and Cargo Handling Company in 2022 and Ezz Steel, Pachin, seven hotel companies and United Bank in 2023 and 2024.

## MONETARY SYSTEM

### Central Bank of Egypt

The CBE, founded in 1961, is an autonomous public legal entity and is governed by Law № 194 of 2020 (the “**CBE Law**”), which outlines the CBE’s authority and responsibilities. The CBE is the issuer of all Egyptian currency and banknotes. It is responsible for formulating and implementing monetary, credit and banking policy, maintaining price stability, managing the Republic’s gold and foreign reserves and regulating and supervising the banking sector.

The CBE Law, which replaced the prior law and took effect on 16 September 2020, aims to modernise the banking regime in Egypt by adopting internationally recognised banking standards and strengthen the governance and independence of the CBE to support its ability to fulfil its role and objectives. The CBE Law raised the minimum capital requirements for banks operating in Egypt and addresses various topics, including early intervention, recovery and resolution planning, payment systems and fintech (including the legal framework for issuing and dealing with digital currencies), competition and consumer protection.

### *Monetary Policy*

#### *Recent Developments*

In December 2024, the CBE extended its annual headline inflation targets by two years to 7% ( $\pm 2$  percentage points) on average during the fourth quarter of 2026 and 5% ( $\pm 2$  percentage points) on average during the fourth quarter of 2028. This extension is intended to allow for additional room to weather price shocks without requiring further monetary tightening and subsequent related slowdowns in economic activity. See “*Inflation*” and “*Risk Factors—Risk Factors Relating to Egypt—Inflation Risks*”.

As a result of the general slowdowns in global economic growth, the continued effect of policy rate increases by key central banks, as well as the uncertainty surrounding inflation forecasts given increasing geopolitical tensions and ongoing trade and supply-chain disruptions in the Red Sea, the MPC has introduced a number of policy rate increases in recent years. In March 2022, the CBE announced its monetary policy tightening cycle. In order to anchor inflation expectations and contain demand-side pressures and secondary effects from supply shocks, the MPC raised the CBE’s main operation policy rate by a cumulative 1,900 basis points between March 2022 and March 2024 (by 800 basis points in 2022, 300 basis points in 2023 and by 800 basis points in the first quarter of 2024), with the CBE’s main operation policy rate at the end of each fiscal year standing at 9.75% as at 30 June 2020, 8.75% as at 30 June 2021, 11.75% as at 30 June 2022, 18.75% as at 30 June 2023 and 27.75% as at 30 June 2024. In April 2025, the MPC cut the CBE’s main operation rate by 225 basis points to 25.50%, and, in its May 2025 meeting, the MPC further cut the main operation rate by 100 basis points to 24.50%. In August 2025, the MPC cut the main operation rate by 200 basis points to 22.50%. In its October 2025 meeting, the MPC cut the main operation rate by 100 basis points to 21.50%. In its December 2025 meeting, the MPC cut the main operation rate by 100 basis points to 20.50%. There have been no further changes in the CBE’s policy rates since December 2025. See “*Monetary System—Inflation and Interest Rates*”.

In addition, the CBE’s reserve ratio requirement was raised from 14% to 18% in September 2022 to complement the tightening of monetary policy. The CBE has also strengthened monetary policy transmission by phasing out CBE-subsidised lending schemes and increasing the volume of liquidity absorption, by carrying out its main operations through fixed rate operations with full allotment at the mid-corridor rate since April 2024. In its February 2026 meeting, the MPC lowered the reserve ratio requirement from 18% to 16%. The MPC noted that the reduction in the reserve ration requirement aims to safeguard the effectiveness of monetary policy transmission through ensuring effective pass through of CBE decisions to money markets and the broader economy by appropriately calibrating liquidity conditions within the banking system.

#### *Institutional developments*

Since 2017, the CBE has been gradually transitioning towards implementing an inflation-targeting regime. This framework utilises policy tools to anchor inflation expectations and contain demand side pressures, and secondary effects of supply shocks.

The MPC convenes eight times per year to decide on appropriate actions with respect to key policy rates. The MPC consists of six members including the CBE’s Governor, two deputy governors and three non-executive members of the CBE’s Board of Directors. To enhance transparency, the MPC’s decisions are communicated to the market through a monetary policy statement, which is released on the CBE’s website following each MPC meeting. Since May 2025, the CBE has also resumed quarterly publication of its Monetary Policy Report, which, *inter alia*, explains the rationale behind monetary policy decisions.

In December 2021, the Co-ordinating Council mandated by the CBE Law was established by presidential decree. The Co-ordinating Council is a co-ordination mechanism between the CBE’s monetary policy and the Government’s fiscal policy, with the objective of aligning economic decision-making and enhancing overall policy effectiveness.

### Operational developments

In June 2005, the CBE introduced an interest rate corridor for the CBE’s two standing facilities, the overnight lending and overnight deposit facility. The interest rates on the two standing facilities define the ceiling and floor of the corridor. By setting the rates on the standing facilities, the MPC determines the corridor within which the overnight interbank rate can fluctuate. Steering the overnight interbank rate within this interest rate corridor is the operational target of the CBE.

In October 2009, the CBE introduced a core CPI index, derived from the headline CPI published monthly by CAPMAS. The core CPI index excludes fruit and vegetable prices, which largely depend on volatile weather and harvest conditions, as well as administered/regulated prices. The index has helped the CBE better formulate and communicate its views on underlying inflationary pressures.

Since March 2013, the CBE has conducted seven-day deposit auctions with a fixed interest rate equal to the key policy rate as its main open market operational tool. On 3 November 2016, the CBE introduced variable-rate deposit auctions with tenors of more than seven days for liquidity management purposes.

Since March 2018, the CBE has primarily relied on indirect policy instruments, such as deposit auctions and standing facilities, to aim to control liquidity. The CBE conducted two types of operations, a seven-day main operation deposit auction, and longer-tenor corridor-linked deposit auctions with tenors ranging between 28 and 210 days. Since April 2024, the CBE has announced a full allotment of the seven-day main operation deposit auction carried out at the mid-corridor rate. The CBE has also established a joint Cash Coordination Committee with the Ministry of Finance in order to strengthen its liquidity forecasting capacity by enhancing mutual information sharing.

### The Egyptian Banking Sector and Reform

As at 30 September 2025, there were 36 banks registered with the CBE, with 4,770 operating branches throughout Egypt. In addition, the financial intermediation sector also includes non-bank financial institutions, such as brokerage firms, investment banks and mutual funds. The financial intermediation sector contributed 3.5% to GDP in 2024/25 and 3.4% to GDP in 2023/24. In 2024/25, the sector grew by 35.0%, (in nominal terms), as compared to 2023/24. See “*The Economy—Production Services Sector—Financial Intermediation*”.

The financial intermediation sector has shown strength in recent periods, with private credit growth increasing for each of the last five years.

The following table sets forth statistics regarding the Egyptian banking sector, as at the dates indicated.

Structure of the Egyptian Banking System											
As at 30 June										As at 30 September 2025	
2021		2022		2023		2024		2025			
Banks	Branches	Banks	Branches	Banks	Branches	Banks	Branches	Banks	Branches	Banks	Branches
38	4,577	38	4,598	36	4,638	36	4,717	36	4,754	36	4,770

Source: CBE

**Note:**

(1) Preliminary figures.

The divestiture of public sector banks’ stakes in joint venture banks has had a positive impact on Egypt’s banking sector, as it has attracted a number of European and regional banks (such as, Intesa Sanpaolo, Emirates NBD Group and Attijariwafa Bank). International banks, which were already active in the Egyptian banking sector (such as, *Crédit Agricole*), have consolidated their positions in the market, either through new acquisitions or through raising their shareholdings in their existing Egyptian subsidiaries.

In 2022, First Abu Dhabi bank acquired 100% of the operations of Bank Audi Egypt and now operates under the name FABMISR. In 2023, BLOM Bank Egypt and Bank ABC Egypt merged, with the surviving entity operating under the name Bank ABC.

The following table sets forth the aggregate financial position of banks (excluding the CBE) in Egypt as at the dates indicated.

#### Aggregate Financial Position of Banks

	As at 30 June					As at 30
	2021	2022	2023	2024	2025	September 2025
	<i>(LE millions)</i>					
<b>Assets</b>						
Cash.....	65,190	76,532	106,241	189,150	212,526	181,161
Securities and Investments Treasuries .....	2,871,055	3,739,698	4,855,781	5,228,033	7,113,855	7,662,456
Balances with Banks in Egypt .....	1,006,534	1,608,543	2,326,616	3,399,349	3,041,062	2,710,331
<i>of which Loans and Discounts</i> .....	6,195	6,411	15,952	24,745	67,049	69,317
Balances with Banks abroad .....	307,525	222,074	308,623	1,361,467	1,574,578	1,724,571
<i>of which Loans and Discounts</i> .....	6,546	9,447	5,829	7,381	40,296	35,496
Loans and Discount Balances for customers .....	2,903,723	3,564,671	4,798,906	7,209,443	9,322,103	9,761,411
Other Assets.....	794,088	825,553	1,402,205	1,949,000	2,759,528	3,326,659
<b>Total Assets</b> .....	<b>7,948,115</b>	<b>10,037,071</b>	<b>13,798,372</b>	<b>19,336,442</b>	<b>24,023,652</b>	<b>25,366,589</b>
<b>Liabilities and Capital</b>						
Capital .....	185,357	234,690	323,776	451,810	596,480	699,853
Reserves.....	362,183	428,928	492,386	807,676	999,458	1,070,109
Provisions .....	170,349	219,589	305,455	482,520	637,835	638,687
Bonds and Long-Term Loans .....	243,973	371,388	541,945	879,817	886,327	963,789
Obligations to Banks in Egypt .....	304,598	303,226	575,767	1,500,430	1,654,755	1,471,705
Obligations to Banks abroad.....	100,469	219,252	450,686	561,497	623,407	652,110
Total Deposits.....	5,731,539	7,353,461	9,450,800	11,991,764	14,887,315	15,324,216
Other Liabilities, <i>of which</i> : .....	849,647	906,537	1,657,557	2,660,928	3,738,075	4,546,120
<i>Cheques Payable</i> .....	10,113	10,059	11,825	13,948	20,358	19,556
<b>Total Liabilities</b> .....	<b>7,948,115</b>	<b>10,037,071</b>	<b>13,798,372</b>	<b>19,336,442</b>	<b>24,023,652</b>	<b>25,366,589</b>

Source: CBE

The following table sets forth the composition of deposits with all domestically operating banks as at the dates indicated.

#### Composition of Deposits<sup>(1)</sup>

	As at 30 June				
	2021	2022	2023	2024	2025
	<i>(LE millions)</i>				
<b>Total Deposits</b> .....	<b>5,731,539</b>	<b>7,353,461</b>	<b>9,450,800</b>	<b>11,991,764</b>	<b>14,887,315</b>
Demand Deposits.....	928,597	1,280,398	1,703,664	2,489,688	3,241,941
Time deposits and saving accounts.....	4,330,951	5,393,038	6,707,326	8,013,310	9,361,661
Blocked or retained deposits.....	471,991	680,025	1,039,810	1,488,766	2,283,713
<b>Local Currency Deposits</b> .....	<b>4,946,027</b>	<b>6,287,054</b>	<b>7,598,875</b>	<b>8,937,534</b>	<b>11,125,099</b>
Demand Deposits.....	768,637	1,038,773	1,287,728	1,811,595	2,410,859
Time deposits and saving accounts.....	3,740,661	4,634,464	5,387,296	5,775,672	6,761,544
Blocked or retained deposits.....	436,729	613,817	923,851	1,350,267	1,952,696
<b>Foreign Currencies Deposits</b> .....	<b>785,512</b>	<b>1,066,407</b>	<b>1,851,925</b>	<b>3,054,230</b>	<b>3,762,216</b>
Demand Deposits.....	159,960	241,625	415,936	678,093	831,082
Time deposits and saving accounts.....	590,290	758,574	1,320,030	2,237,638	2,600,117
Blocked or retained deposits.....	35,262	66,208	115,959	138,499	331,017

Source: CBE

**Note:**

(1) The figures in this table have been revised and differ from previously published data. See "Presentation of Information".

The following table sets forth indicators of banking sector financial soundness as at the dates indicated.

<b>Banking Sector Financial Soundness Indicators</b>					
	<b>Fiscal Year ended 31 December</b>				<b>30</b>
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>September</b>
			(%)		<b>2025</b>
Regulatory capital to risk-weighted assets <sup>(1)</sup> .....	22.2	18.9	18.6	18.3	19.2
Leverage ratio.....	7.2	6.4	6.8	7.5	7.7
NPLs to total loans .....	3.4	3.3	2.9	2.2	2.0
Loan provisions to NPLs.....	92.3	91.9	88.7	87.4	89.4
Return on average assets .....	1.2	1.2	2.0	2.6	2.6
Return on average equity.....	16.1	17.7	32.2	39.0	39.0
<b>Liquidity Ratios</b>					
Local currency.....	45.4	43.3	36.8	34.8	40.9
Foreign currency.....	67.9	77.9	67.5	71.3	77.8
Loans to deposits.....	48.3	48.0	53.3	61.9	64.3
Loans to assets.....	35.9	35.9	38.5	40.3	38.5

*Source: CBE*

**Note:**

(1) Basel II regulations introduced in December 2012 applied with effect from December 2012 to all banks whose fiscal year ends in December, and from June 2013 to those banks whose fiscal year ends in June.

Despite the economic turbulence of recent years, the banking sector has generally maintained liquidity and credit quality. In 2012, Basel II was implemented, and the CBE completed implementation of its Basel III measures in 2016. In this respect, the CBE introduced regulations regarding the liquidity coverage ratio (“LCR”), net stable funding ratio (“NSFR”), leverage ratio, the conservation buffer and criteria for determining “Domestic-Systemically Important Banks”. See “—Banking Supervision—Basel II and Basel III”. In addition, the CBE is working on strengthening the macroprudential supervision framework through regular stress testing to ensure the safety and stability of the banking system.

In line with the importance placed on financial inclusion in Egypt Vision 2030, the CBE is leading co-ordination efforts with relevant ministries and authorities related to financial inclusion, with the aim of expanding the reach of financial services for different segments, as well as providing access for MSMEs to contribute to the provision of sustainable finance and economic stability. As at 30 June 2025, the overall financial inclusion rate was 76.3%, representing 53.8 million citizens (out of a total of 70.5 million citizens aged 15 years and above). The financial inclusion rate for females was 70.0% as at 30 June 2025, while the youth financial inclusion rate (covering persons aged between 15 and 35 years) was 54.4% as at 30 June 2025. See “—Banking Supervision—SME and MSME Financing”.

In December 2017, the Export Development Bank of Egypt, the African Export-Import Bank (“Afreximbank”) and the Export Credit Guarantee Company of Egypt entered into a U.S.\$500 million agreement to form an Export Credit Support Scheme (“ECSS”) Programme. The ECSS programme offers a combination of funded and unfunded programmes, products and services designed to help Egyptian exporters increase exports to the African market.

The CBE, in cooperation with the EBRD, the MENA Transition Fund, a fund backed by donor and partner countries, including, *inter alia*, the United States, the United Kingdom, Germany, the UAE, Japan and Canada, and the African Development Bank, has implemented the first phase of an initiative aimed at: (i) creating a single, integrated system for treasury bonds and treasury bills; (ii) improving access to government securities for use as collateral; and (iii) deepening liquidity in the secondary market. Phase one of the initiative targeted enhancing liquidity for local government securities by creating a central securities depository. The central securities depository is comprised of: (i) core systems components, including a primary market auction system, a secondary market collateral management system and an electronic trading platform; (ii) data warehouses and an information dissemination platform; and (iii) a yield curve pricing model for government securities. The second phase is expected to include an electronic trading platform, data warehouses and an information dissemination platform.

**Non-Performing Loans and Banking Sector Soundness**

System-wide NPLs were 3.3% of total loans as at 31 December 2022, 2.9% as at 31 December 2023, 2.2% as at 31 December 2024, 2.1% as at 30 June 2025 and 2.0% as at 30 September 2025. The loan provisions to NPL ratio was 91.9% as at 31 December 2022, 88.7% as at 31 December 2023, 87.4% as at 31 December 2024, 90.2% as at 30 June 2025 and 89.4% as at 30 September 2025.

The ratio of regulatory capital to risk-weighted assets was 19.2% as at 30 September 2025, as compared to 18.6% as at 30 June 2025, 18.3% as at 31 December 2024, 18.6% as at 31 December 2023, and 18.9% as at 31 December 2022. The banking sector local currency liquidity ratio was 40.9% as at 30 September 2025, as compared to 38.6% as at 30 June 2025, 34.8% as at 31 December 2024, 36.8% as at 31 December 2023 and 43.3% as at 31 December 2022, while the foreign currency liquidity ratio was 77.8% as at 30 September 2025, 74.4% as at 30 June 2025, 71.3% as at 31 December 2024, 67.5% as at 31 December 2023 and 77.9% as at 31 December 2022.

In April 2020, the CBE amended its Central Credit Registry Regulations to: (i) cancel the black list for enterprises and the negative list for individuals; (ii) lift the ban on dealing with non-performing corporate clients; (iii) decrease the disclosure period of historical data (after repayment) on non-performing clients; and (iv) remove data on non-performing individuals below a certain threshold (LE 1,000), thereby granting them access to credit.

In December 2021, the CBE issued a regulation requesting banks to write-off loans after a maximum period of three years from the date on which they were classified as being non-performing.

In March 2025, the CBE updated the Central Credit Registry regulations, introducing the following principal amendments: (i) the threshold for credit reporting to the Central Credit Registry was increased to LE 300,000 (from LE 100,000); and (ii) the ban on dealing with non-performing individuals was lifted, with discretion provided to each bank.

### ***Banking Supervision***

The objective of the Banking Supervision Sector at the CBE is to maintain the financial stability of the banking system, as well as the financial soundness of banks operating in Egypt. The Banking Supervision Sector aims to achieve this objective through the issuance of regulations by the Regulations Department, as well as through on-site and off-site supervision, macro-prudential surveillance and by adopting a risk-based approach to supervision.

Key CBE banking sector regulations currently in place include:

- *Basel II and Basel III:* The application of the executive instructions of Basel II standards to the Egyptian banking system commenced in 2012, and the standards have been effective for all banks since June 2013. The CBE began implementing the Basel III requirements in the Egyptian banking sector, issuing a series of regulations since July 2015. In January 2021, the CBE issued its latest regulations on operational risk in order to implement the new standardised approach in accordance with the “Basel III: Post-crisis Reforms” framework published in December 2017. In July 2021, the CBE issued an “Updated Discussion paper on Market Risk according to Basel III Reforms” along with a quantitative impact study designed to support the implementation of “the simplified standardised approach” for market risk. In August 2025, the CBE issued a discussion paper on disclosure requirements under Pillar III, prepared in accordance with the “Revised Pillar III Disclosure Requirements Framework” issued by the Basel Committee in 2025 and subsequent updates.
- *Capital requirements:* The minimum requirement for paid-up capital is LE 5 billion for domestic banks and U.S.\$150 million for branches of foreign banks.
- *Capital adequacy:* Banks are required to maintain a capital adequacy ratio (“**CAR**”) of at least 12.5% (including the conservation buffer) of risk weighted assets with effect from January 2019, in line with Basel III requirements. According to data published by the CBE, the banking sector capital adequacy ratio was 18.6% as at 30 June 2025.
- *Stress testing:* Since March 2024, pursuant to a new banking sector stress testing regulation, banks have been required to run stress tests at least quarterly and to maintain internal policies and procedures for stress testing, in addition to the annual stress testing report submitted to the CBE, as part of each bank’s Internal Capital Adequacy Assessment Process (“**ICAAP**”) report.
- *Reserve requirements:* Banks are required to maintain 16% of banks’ deposits in Egyptian currency (amended from 18% in February 2026) and 10% of banks’ deposits in foreign currencies with the CBE. Egyptian currency reserves are non-interest bearing, while foreign currency deposits receive interest at the London Interbank Bid Rate.
- *Liquidity requirements:* Banks are required to comply with a regulatory liquidity ratio of not less than 20% on the local portion of deposits and 25% in respect of the foreign portion. Banks are also required to comply with a liquidity coverage ratio (introduced gradually and of 100% since 2019) and a NSFR of 100% in local and foreign currencies.

- *Exposure (foreign exchange position) limits:* In November 2017, the CBE decreed that a bank's long position in any single foreign currency must not exceed 10% of its capital base, while total long positions in all foreign currencies must not exceed 20% of the capital base. Similarly, a bank's short position in any single foreign currency must not exceed 10% of its capital base, while total short positions in all foreign currencies must not exceed 20% of the capital base.
- *Asset classification and provisioning:* Asset classification and provisioning regulations include standards for creditworthiness and provisioning, taking into consideration the obligor risk rating for loans granted to business organisations, grading the credit risk inherent to a customer into ten categories, and required provisioning (0% to 5% as general provision and 20%, 50%, 100% as specific provision). The regulations allow some collateral to be taken under specific conditions and include standards for consumer and SME lending and provisioning.
- *Money Market Fund ("MMF"):* In January 2016, the CBE amended the MMF regulation to prohibit banks from holding more than 2.5% of the total bank's deposits in local currency in MMF and fixed income funds or to hold 50 times the maximum limit of total bank's share in total MMFs (calculated as 2% of its going concern capital common equity), whichever is lower.
- *Credit exposure limits:* Permitted exposure to a single borrower is set at 15% and to a single borrower and its related parties at 20%. Total exposures exceeding 10% of a bank's capital base should not exceed eight times its capital base. In addition, the risk weighting is increased for the purposes of calculating CAR if the total credit facilities granted to the top 50 bank's clients and their related parties exceed 50% of the bank's credit portfolio. For foreign banks' branches, the total exposure to the top 50 clients and their related parties exceeding 50% of the bank's credit portfolio must not exceed 50% of the bank's capital base. In response to the COVID-19 pandemic, on 16 April 2020, the CBE issued a circular giving banks an exemption from calculating risk weighting on loans granted to a bank's top 50 borrowers (and related parties) that exceed 50% of such bank's total credit portfolio. This exemption was extended until the end of 2022, but is no longer in effect.
- Current exposure limits to connected parties are as follows:
  - Banks are not allowed to grant any type of credit facilities or guarantees to their board of directors, external auditors or their respective connected parties, as well as major individual shareholders and their respective connected parties.
  - In respect of major legal entity shareholders not represented on the board of directors:
    - For public companies, the exposure to a single company should not exceed 5% of a bank's capital base and the total exposures to these companies should not exceed 10% of a bank's capital base.
    - For private companies, the exposure to a single company should not exceed 2% of a bank's capital base and the total exposures to these companies should not exceed 5% of a bank's capital base.
- *Country and counterparty limits of banks exposures:* Banks are also required to limit their exposure to single countries, financial institutions and financial groups, based on the bank's capital base and the relevant country's credit ratings and GDP. Any excess exposure to a single country must be approved in advance by the CBE. The regulation sets the following limits on exposure to a single financial group:
  - for investments in a foreign bank, 10% of the local bank's total exposures invested abroad or 40% of the bank's capital, whichever is the lower;
  - for investments in any financial group, 50% of the bank's capital base; and
  - for investments by a branch of a foreign bank in its head office, branches and affiliated banks and institutions in all countries, up to 100% of its capital base.

On 13 October 2019, the CBE issued a circular mandating the application of the maximum exposure for any one obligor (including related parties) on a consolidated basis, such that it includes the exposure of a bank and all its financial subsidiaries (except insurance companies). The circular also expanded the CBE's definition of exposure to include different types of clients' commitment to the banks with certain percentages.

- *Equity Participation:* Banks may own up to 40% of the issued capital in non-financial companies and 100% of

financial companies. The total value of these shares must not exceed a bank's total capital base. There are also notification requirements to the CBE in respect of any equity investment in a company exceeding more than 5% of its issued capital. On 6 August 2020, the CBE issued a circular permitting banks to own unlimited shares in payment service providers and similar companies, subject to certain requirements.

- *Developer and Acquisition Finance:* Among other specified general rules, banks are required to increase the risk weights applicable to high-risk transactions, such as developer finance and acquisition finance, while setting a limit on the total acquisition finance portfolio related to each bank's total loan portfolio.
- *Debt to Income Regulation:* According to CBE regulations (most recently amended in 2019), a bank must not grant finance to a retail client if its debt-to-income ratio exceeds 50% of its total monthly income after deduction of taxes and social security.
- *Acquisition Finance Regulation:* The acquisition finance regulation impose: (i) additional risk weighting for the financing of certain acquisitions; (ii) limits on a bank's portfolio for acquisition financing (to 2.5% of the bank's total loan portfolio) and limits on acquisition financing transactions with single customers and their related parties (to 0.5% of the bank's total loan portfolio); and (iii) a restriction the bank's share of each transaction, which should not exceed 50% of the total acquisition cost.
- *Financing Leasing Companies Regulation:* In February 2024, the CBE issued specific regulations for financing leasing companies, setting limits on banks' credit portfolios directed to leasing companies, as well as certain other qualitative rules.

#### *Banking Sector Governance*

The CBE Law increased governance rules for the CBE, as well as banks subject to the CBE's supervision. In addition, the CBE Law introduced the establishment of anti-competition unit within the CBE to prevent against anti-competitive practices of banks.

In September 2024, the CBE updated the regulatory framework for the governance and internal control of banks, covering matters including the roles and responsibilities of directors, board composition, board committees and frequency of board meetings, performance evaluation standards, internal governance policies, bank control functions, the need for segregation of control and executive functions and lines of defence for banks' internal control systems.

#### *Bancassurance Regulation*

In March 2016, the CBE amended the bancassurance regulation to provide for Islamic insurance products.

#### *Commercial registry and authentication services regulation*

On 6 July 2021, the CBE issued general framework rules and controls, which allow banks to provide commercial registration services to new and existing customers and authentication services to existing customers only.

#### *Mobile payments Regulation*

The CBE has amended the mobile payments regulation to permit receiving transfers from abroad in local currency through mobile phones. The CBE Law regulates electronic payment service providers, which are subject to licensing requirements by the CBE, in accordance with the provisions of the CBE Law.

#### *Points of Presence Regulations*

As part of the CBE's drive to make banking services accessible to all segments of society and to enhance financial inclusion, particularly in remote areas, in September 2025, the CBE issued a regulation authorising banks to establish the following types of banking service units outside of their branch networks: (i) mobile branches (not in fixed locations) – to provide all types of banking services to individuals and SMEs and MSMEs; (ii) community branches (in fixed locations with low-cost infrastructure) – to provide all types of banking services to individuals and SMEs and MSMEs; and (iii) community pop-ups (temporary service units) – to provide specific banking services to individuals, SMEs and MSMEs, such as financial literacy services, advisory services and other banking services.

### *SME and MSME Financing*

In 2014, Law № 141 of 2014 was enacted, which set the maximum limit for lending by microfinance institutions at LE 100,000 (such limit does not apply to direct bank lending), and it was amended in 2020 by virtue of Law № 201, allowing for the establishment of companies providing SME lending. Pursuant to this amendment to the law, each of micro finance and SME lending became a distinct financial activity, with each such activity requiring a separate licence from the FRA. The amendment also set the rules for the minimum capital requirements of each activity.

Support for MSMEs was a main goal of the CBE's Financial Inclusion Strategy for 2022-2025. The CBE and other stakeholders are currently developing a second financial inclusion strategy to cover the period 2026-2030 and will build on progress made through implementation of the first strategy.

A number of initiatives have been introduced since 2015 to support MSMEs, SMEs and entrepreneurship, including (among others): (i) issuing a unified definition for MSMEs based on their annual turnover/revenue, which was subsequently set as the national definition in the law relating to MSMEs (introduced in 2020); (ii) requiring banks to develop and assign specialised MSME departments and setting an MSME lending target, mandating banks to increase the percentage of loans provided to MSMEs to 25% (increased from 20% in 2021) of their total lending portfolio to be achieved by the end of December 2024 (with follow-ups on banks' efforts in the implementation of plans and strategies and development of specialised products in subsequent periods); (iii) permitting banks to provide finance to MSMEs with an annual turnover up to LE 20 million and to assess eligibility for such finance by using social, financial and non-financial data rather than financial statements; (iv) issuing a unified definition of 'women-owned/led' enterprises (according to either ownership or management, or both) for statistical purposes; (v) launching the *NilePreneurs* initiative to support entrepreneurs from idea to launch and help small businesses and start-ups grow through incubation, innovation support and knowledge transfer programmes; (vi) launching, through *NilePreneurs*, business development service hubs established in partnership with local banks, Governmental entities, and ministries to offer non-financial services to MSMEs through separate branch and youth centre offices (between July 2019 and December 2025, the business development service hubs provided more than 1.1 million services to more than 500,000 beneficiaries); (vii) developing an Egyptian market-tailored MSMEs grading module in collaboration with S&P to measure creditworthiness in order to boost access to finance and assist lenders in making credit decisions; (viii) restructuring the Credit Guarantee Company and supporting the company to create specialised programmes to cater to MSMEs and start-ups in various strategic sectors, as well as developing the regulatory framework for the issuance of Credit Guarantee Company guarantees; (ix) incentivising banks to participate in equity raises for private equity funds targeting SMEs by allowing banks to include these investments as part of the previously mandatory 25% of the loan portfolio allocation to MSMEs, as well as assigning a preferential risk weight treatment for invested amounts (encouraging funding of angel investments, venture capital funds and SME private equity growth funds); (x) boosting the capabilities of SME banking staff through the Egyptian Banking Institute (the educational arm of the CBE) by developing a compulsory certification for SME credit officers, accredited by the Frankfurt School of Finance and Management, as well as introducing another mandatory certification for BDS advisors, in cooperation with the Financial Regulatory Authority and the International Labour Organisation; (xi) signing the "Women Entrepreneurs Finance Initiative" with the EBRD in 2024, which focuses on supporting female financial inclusion; and (xii) launching the SME National Champions Programme in partnership with the EBRD to support high-potential exporters, providing integrated non-financial services to SMEs through three local banks. Between the launch of such initiatives in December 2015 and 30 September 2025, the loan portfolios of MSMEs increased by 395%.

The CBE has also launched a number of initiatives to promote the microfinance industry, including: (i) encouraging microfinance lending by allowing banks to include microfinance lending as part of its mandatory portfolio (increasing the Egyptian microfinance portfolio (banking and non-banking) to LE 103 billion (representing 4.2 million clients) as at 30 September 2025, as compared to LE 6.4 billion (representing 2.0 million clients) as at 31 December 2016; and (ii) implementing an institutional upgrade programme for certain microfinance non-government organisations, with the aim of boosting their bankability and outreach by helping them grow their client portfolios and efficiently scale their operations.

### *Ownership in Banks*

The CBE's prior written consent is required to acquire a stake greater than 10% in an Egyptian bank, and the CBE must be notified if ownership exceeds 5%.

### *Anti-Money Laundering and Combating Financial Terrorism Measures*

Banks are required to determine the identities and the legal status of their customers and report all suspicious transactions to the Anti-Money Laundering and Combating Financial Terrorism units for the CBE. Each bank must appoint a compliance officer to ensure the effective application of the laws and to assess the effectiveness of such bank's anti-money laundering system. The banking sector also applies the relevant provisions of the U.S. Foreign Account Tax

Compliance Act, as amended.

In addition, Law № 154 of 2022 amended Anti-Money Laundering Law № 80 of 2002 by introducing new roles for law enforcement authorities and further statutory obligations for persons who may be in possession of funds or other assets relating to persons on United Nations Security Council lists on terrorist financing and the proliferation of weapons of mass destruction.

In July 2022, Law №154 of 2022 established a special unit at the CBE responsible for combatting money laundering and terrorism financing.

In August 2023, Decree № 3331 of 2023 on the amendment of certain provisions of the executive regulations of the anti-money laundering law was issued. These amendments included, *inter alia*: (i) redrafting definitions under the anti-money laundering law; and (ii) amending the powers of the anti-money laundering and terrorism financing unit. In December 2024, the CBE updated the AML/CFT regulations for banks.

#### *Import transaction regulations*

In May 2018, the CBE issued a circular addressing the facilitation of import transactions, which (i) exempts MSMEs importing staple food products from the 100% minimum cash margin for import transactions for trading purposes and (ii) permits documents of collection for all categories of imported goods to be negotiated directly with customers, rather than on a bank-to-bank basis.

Since 23 March 2021, the CBE extended the exemption of certain food products from cash cover requirements on several occasions, with the current extension due to expire in March 2026.

#### *Sustainable finance*

On 18 July 2021, the CBE issued a discussion paper and guiding principles setting out a framework for sustainable finance in the Egyptian banking sector.

On 3 November 2022, the CBE issued the Sustainable Finance Regulation, requiring banks to establish a sustainable finance department and to integrate sustainable finance frameworks within credit and investment policies, prepare periodic sustainability-related reports and consult an environmental expert for certain material lending decisions.

In June 2025, the CBE issued the Carbon Border Adjustment Mechanism Directive, requiring banks to identify, monitor and report exposure to clients impacted by the carbon border adjustment mechanism and to submit related semi-annual reporting.

In September 2025, the CBE issued a circular requiring banks to obtain confirmation from the FRA that non-banking financial institutions are duly licensed and compliant before granting or renewing credit facilities or entering into securitisation transactions.

#### *Other regulations and initiatives*

In October 2020, the CBE issued certain amendments to the Simplified KYC Regulation, which are aimed at providing greater support to clients and enhancing inclusivity in the financial sector. The amendments include: (i) permitting banks to apply the simplified KYC procedures issued by the AML/CFT in March 2020 in respect of all low-risk customers' accounts without seeking prior approval of CBE or the AML/CFT; (ii) amending and increasing the maximum limits of account balances and transactions held or conducted by individuals and micro enterprises; and (iii) permitting banks to open accounts for clients who do not have certain official documents using only their national identification documents.

On 6 January 2021, the CBE directed banks to support their infrastructure and remittance departments in the execution of same-day bank transfers in Egyptian pounds, to remove commissions collected by beneficiary banks in respect of incoming transfers and to activate: (i) a direct connection to the systems (Straight-Through Processing) for incoming and outgoing transfers; and (ii) IBAN, in preparation for obliging banks to use it in the implementation of all transfers at a later stage.

On 2 September 2021, the CBE issued the Recovery Plans Regulation, under which banks are requested to prepare recovery plans to ensure their readiness and improve their ability to respond effectively to any potential economic or financial distress.

On 10 January 2022, the CBE issued the Emergency Liquidity Assistance Regulation, which permitted the use of

collateralised liquidity by otherwise solvent banks facing temporary liquidity constraints. The regulation included definitions of solvent banks, acceptable collateral, pricing and tenor, and set out procedures for obtaining emergency liquidity assistance, in the interests of transparency and of improving banks' ability to manage temporary liquidity constraints.

Since November 2022, the Ministry of Finance manages and monitors all subsidised interest rates initiatives previously managed by the CBE, incurring the cost of compensating for the difference in interest rates for these initiatives.

On 12 July 2023, the CBE issued the licensing and regulatory framework for digital banks, which included the definition of digital banks, the scope of their services, the licensing requirements of digital banks and the supervision rules for these banks.

In March 2023, the CBE increased the maximum transaction limits made through the local instant payment network, "Insta Pay" and, in November 2023, the CBE increased the limits for transactions relating to financial inclusion accounts and prepaid cards and mobile wallets (including inward/outward transfers, withdrawals and purchases).

In March 2023, the CBE issued a circular regulating payment cards tokenisation services on electronic devices applications.

On 14 May 2023, the CBE issued a licensing and regulatory framework for foreign exchange companies, including the requirements for registration, automated operating systems, governance, and the use of outsourcing service providers, as well as the rules for ownership and mergers.

In November 2023, the CBE issued a revised version of regulations regarding credit bureaus, including an updated licensing framework, a governance framework and capital ownership rules for such companies.

In April 2024, the CBE issued a circular increasing the daily limit of local currency that individuals and companies can withdraw from their bank accounts, increasing over the counter withdrawals from LE 150,000 per day to LE 250,000 per day, and ATM withdrawals from LE 20,000 per day to LE 30,000 per day. The CBE does not set limits in respect to the withdrawal of foreign currency.

In September 2024, the CBE issued fit and proper regulations for key officials in banks.

In January 2025, the CBE issued a circular setting out the guidelines for identifying the ultimate beneficial owner(s) of banking customers.

In March 2025, the CBE issued guidelines requiring banks to incorporate a minimum set of standards and principles into their banking code of conduct.

In June 2025, the CBE issued licensing and registration rules for payment system operators and payment service providers, regulating domestic and foreign payment institutions offering services in Egypt.

## **Inflation and Interest Rates**

Following a number of reductions to the CBE's main policy rates in 2019 and 2020 (to an overnight deposit rate of 8.25%, an overnight lending rate of 9.25%, a rate of the CBE's main operation of 8.75% and a discount rate of 8.75% in November 2020), the MPC left the rates unchanged in 2021. As a result of the general slowdowns in global economic growth, the continued effect of policy rate increases by key central banks, as well as the uncertainty surrounding inflation forecasts given increasing geopolitical tensions and ongoing trade and supply-chain disruptions in the Red Sea, the MPC introduced a number of policy rate increases in recent years. In March 2022, the CBE announced its monetary policy tightening cycle. In order to anchor inflation expectations and contain demand-side pressures and secondary effects from supply shocks, the MPC raised the CBE's main operation policy rate by a cumulative 1,900 basis points between March 2022 and March 2024 (by 800 basis points in 2022, 300 basis points in 2023 and by 800 basis points in the first quarter of 2024), with the CBE's main operation policy rate at the end of each fiscal year standing at 9.75% as at 30 June 2020, 8.75% as at 30 June 2021, 11.75% as at 30 June 2022, 18.75% as at 30 June 2023 and 27.75% as at 30 June 2024. In April 2025, the MPC cut the CBE's main operation policy rate by 225 basis points to 25.50%, and, in its May 2025 meeting, the MPC further cut the main operation policy rate by 100 basis points to 24.50%. In August 2025, the MPC cut the main operation rate by 200 basis points to 22.50%. In its October 2025 meeting, the MPC cut the CBE's overnight deposit rate, overnight lending rate, main operation rate and discount rate by 100 basis points to 21.00%, 22.00%, 21.50% and 21.50%, respectively. In its December 2025 meeting, the MPC cut the CBE's overnight deposit rate, overnight lending rate, main operation rate and discount rate by 100 basis points to 20.00%, 21.00%, 20.50% and 20.50%, respectively. In its February 2026 meeting, the MPC cut the CBE's overnight deposit rate, overnight lending rate, main operation rate and

discount rate by 100 basis points to 19.00%, 20.00%, 19.50% and 19.50%, respectively. There have been no further changes in the CBE’s policy rates.

The following table sets forth the details of changes in the CBE’s key interest rates.

**CBE Key Interest Rates**

	<b>Overnight Deposit Rate</b>	<b>Overnight Lending Rate</b>	<b>Discount Rate</b>
	(%)		
9 June 2011 .....	8.25	9.75	8.50
24 November 2011 .....	9.25	10.25	9.50
21 March 2013 .....	9.75	10.75	10.25
1 August 2013.....	9.25	10.25	9.75
19 September 2013 .....	8.75	9.75	9.25
5 December 2013 .....	8.25	9.25	8.75
17 July 2014.....	9.25	10.25	9.75
15 January 2015 .....	8.75	9.75	9.25
24 December 2015 .....	9.25	10.25	9.75
17 March 2016.....	10.75	11.75	11.25
16 June 2016 .....	11.75	12.75	12.25
3 November 2016 <sup>(1)</sup> .....	14.75	15.75	15.25
21 May 2017.....	16.75	17.75	17.25
6 July 2017 .....	18.75	19.75	19.25
15 February 2018 .....	17.75	18.75	18.25
29 March 2018.....	16.75	17.75	17.25
14 February 2019.....	15.75	16.75	16.25
22 August 2019.....	14.25	15.25	14.75
26 September 2019 .....	13.25	14.25	13.75
14 November 2019 .....	12.25	13.25	12.75
16 March 2020 <sup>(1)</sup> .....	9.25	10.25	9.75
24 September 2020 .....	8.75	9.75	9.25
12 November 2020 .....	8.25	9.25	8.75
21 March 2022 <sup>(1)</sup> .....	9.25	10.25	9.75
19 May 2022.....	11.25	12.25	11.75
27 October 2022 <sup>(1)</sup> .....	13.25	14.25	13.75
22 December 2022.....	16.25	17.25	16.75
30 March 2023.....	18.25	19.25	18.75
3 August 2023.....	19.25	20.25	19.75
1 February 2024.....	21.25	22.25	21.75
6 March 2024 <sup>(1)</sup> .....	27.25	28.25	27.75
17 April 2025.....	25.00	26.00	25.50
22 May 2025.....	24.00	25.00	24.50
28 August 2025.....	22.00	23.00	22.50
2 October 2025 .....	21.00	22.00	21.50
25 December 2025 .....	20.00	21.00	20.50
12 February 2026.....	19.00	20.00	19.50

**Note:**

(1) Rate change occurred at a special, unscheduled MPC meeting.

Average annual headline urban inflation, as measured by the CPI, was 5.2% in 2021, 13.9% in 2022, 33.9% in 2023, 28.3% in 2024 and 14.1% in 2025. The increase in inflation in 2022 was primarily due to the impact of both international and domestic factors, namely supply shocks caused by the elevated levels of international commodity prices, the exchange rate depreciation since March 2022, as well as higher broad money growth, with the increase in inflation broad-based across all categories but with food inflation more pronounced. After reaching a record 38% in September 2023, annual headline CPI has generally declined since late 2023 to 12.8% in February 2025 (save for a temporary increase in February 2024 and in August to October 2024), before increasing to 16.8% in May 2025 and declining to 13.9% in July 2025, 12.0% in August 2025 and 11.7% in September 2025, before increasing to 12.5% in October 2025, decreasing to 12.3% in November and December 2025 and 11.9% in January 2026 and increasing to 13.4% in February 2026.

In its June 2024 report in connection with the review under the IMF EFF, the IMF noted that “*The monetary policy hike in March [2024], as well as the significant reduction in monetary financing of the [G]overnment, are expected to help contain inflation in the coming months*”. The CBE has identified reducing inflation as a policy priority. In its July 2025 report in connection with the subsequent review under the IMF EFF, the IMF noted that “*After hitting an all-time high of 38 percent, annual headline urban inflation has declined, though with some fluctuations, as the effects of a depreciated exchange rate diminish, the impact of monetary policy tightening takes hold, and food inflation eases*”.

In December 2024, the CBE extended its current annual headline inflation target by two years to 7% (± 2 percentage points) on average during the fourth quarter of 2026 and 5% (± 2 percentage points) on average during the fourth quarter

of 2028. This extension is intended to allow for additional room to weather price shocks without requiring further monetary tightening and subsequent related slowdowns in economic activity. See “*Inflation*” and “*Risk Factors—Risk Factors Relating to Egypt—Inflation Risks*”.

The following table sets forth annual headline urban inflation rates as measured by the CPI for the twelve months ended in the month indicated year-on-year.

<b>Inflation—Annual Headline Urban Inflation—Twelve Months Percentage Change</b>							
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
	(%)						
January.....	7.2	4.3	7.3	25.8	29.8	24.0	11.9
February.....	5.3	4.5	8.8	31.9	35.7	12.8	13.4
March.....	5.1	4.5	10.5	32.7	33.3	13.6	—
April.....	5.9	4.1	13.1	30.6	32.5	13.9	—
May.....	4.7	4.8	13.5	32.7	28.1	16.8	—
June.....	5.6	4.9	13.2	35.7	27.5	14.9	—
July.....	4.2	5.4	13.6	36.5	25.7	13.9	—
August.....	3.4	5.7	14.6	37.4	26.2	12.0	—
September.....	3.7	6.6	15.0	38.0	26.4	11.7	—
October.....	4.5	6.3	16.2	35.8	26.5	12.5	—
November.....	5.7	5.6	18.7	34.6	25.5	12.3	—
December.....	5.4	5.9	21.3	33.7	24.1	12.3	—

Sources: CAPMAS and CBE

The tenth series of the CPI was introduced on 10 October 2019, starting with September 2019 inflation data. The weights involved in the formation of the CPI were taken from the results of the 2017/18 survey of household income, expenditure and consumption, using the average of 2018/19 as a base period.

The following table sets forth the current composition of the CPI and the relative weight of the component that CAPMAS uses to calculate the Urban CPI.

<b>Composition and Weighting of the CPI</b>	
<b>Component</b>	<b>Weight (%)</b>
Food and non-alcoholic beverages.....	32.73
Tobacco and related products.....	4.41
Clothing and footwear.....	4.38
Housing, water, electricity, gas and other fuels.....	19.46
Furnishings, household equipment and routine maintenance of dwellings.....	3.93
Healthcare.....	8.59
Transportation.....	6.66
Communications.....	2.75
Recreation and culture.....	2.24
Education.....	5.49
Hotels, cafés and restaurants.....	4.98
Miscellaneous goods and services.....	4.37

Sources: CAPMAS and CBE

See “*Risk Factors—Risk Factors Relating to Egypt—Inflation Risks*”, “*—The Central Bank of Egypt—Monetary Policy*”, “*—Foreign Exchange*” and “*—The Egyptian Banking Sector and Reform*”.

## Liquidity and Credit Aggregates

The following table sets forth the liquidity and credit aggregates as at the dates indicated.

	Liquidity and Credit Aggregates <sup>(1)</sup>					
	As at 30 June					As at 30 November
	2021	2022	2023	2024	2025	2025 <sup>(2)</sup>
	<i>(LE millions, except where indicated)</i>					
M1 <sup>(3)</sup> .....	1,255,198	1,545,378	2,060,944	2,701,909	3,387,103	3,750,905
Domestic Liquidity (M2) <sup>(4)</sup> .....	5,356,609	6,614,488	8,248,189	10,618,551	13,072,938	13,853,444
Change in Domestic Liquidity (%) .....	18.0	23.5	24.7	28.7	23.1	22.1
Foreign Currency Deposits (as a % of M2) .....	12.1	12.8	18.4	23.8	23.7	21.9
Foreign Currency Deposits (as a % of Total Deposits)	13.9	14.5	20.9	26.9	26.4	24.4
<b>Domestic Credit</b>						
Government (net) <sup>(5)</sup> .....	3,519,566	4,424,940	5,842,603	7,124,043	10,122,595	11,066,972
Public Business Sector .....	148,587	154,513	164,839	370,199	447,122	508,622
Private Business Sector .....	1,195,071	1,482,282	1,894,855	2,458,745	2,997,843	3,213,478
Household Sector .....	557,216	695,900	837,350	1,033,984	1,303,354	1,429,718
<b>Total Domestic Credit</b> .....	<b>5,420,440</b>	<b>6,757,635</b>	<b>8,739,647</b>	<b>10,986,971</b>	<b>14,870,914</b>	<b>16,218,790</b>
Year-on-year Change in Domestic Credit (%) .....	11.8	24.7	29.3	25.7	35.4	24.1

Source: CBE

### Notes:

- (1) The figures in this table have been revised and differ from previously published data. See "Presentation of Information".
- (2) Preliminary figures.
- (3) Money in circulation plus local currency demand deposits.
- (4) M1 plus local currency time and saving deposits and foreign currency deposits.
- (5) Including public enterprises and authorities.

Domestic liquidity grew by 144.1% from LE 5,356.6 billion, as at 30 June 2021, to LE 13,072.9 billion, as at 30 June 2025, while domestic credit increased by 174.3% from LE 5,420.4 billion, as at 30 June 2021, to LE 14,870.9 billion, as at 30 June 2025. Domestic liquidity was LE 13,853.4 billion as at 30 November 2025 (according to preliminary figures), while domestic credit was LE 16,18.8 billion as at 30 November 2025 (according to preliminary figures).

Domestic liquidity increased on a year-on-year basis by LE 2,454.4 billion, or 23.1%, from 30 June 2024 to 30 June 2025, as compared to LE 2,370.4 billion, or 28.7%, from 30 June 2023 to 30 June 2024.

Foreign currency deposits, as a percentage of M2, increased over the period from 12.1% as at 30 June 2021 to 23.7% as at 30 June 2025. Foreign currency deposits, as a percentage of total deposits, increased over the period from 13.9% as at 30 June 2021, to 26.4%, as at 30 June 2025. As at 30 November 2025, foreign currency deposits as a percentage of M2 were 21.9% (according to preliminary figures) and foreign currency deposits as a percentage of total deposits were 24.4% (according to preliminary figures).

The following table sets forth the discount rate, 91-day treasury bill rate and overnight interbank rates as at the end of the periods indicated.

Interest Rates	Discount Rate	Treasury Bills	Overnight Interbank Rate
		(%)	
<b>2022</b>			
January .....	8.75	11.33	9.96
February .....	8.75	11.34	9.60
March .....	9.75	11.35	9.46
April .....	9.75	12.32	9.51
May .....	11.75	13.42	11.79
June .....	11.75	15.14	11.63
July .....	11.75	15.57	11.55
August .....	11.75	16.04	11.30
September .....	11.75	15.70	11.28
October .....	13.75	15.99	13.39
November .....	13.75	17.63	13.43
December .....	16.75	18.06	16.33
<b>2023</b>			
January .....	16.75	20.09	16.77
February .....	16.75	20.52	16.41
March .....	16.75	20.67	16.37
April .....	18.75	21.41	18.28
May .....	18.75	22.56	18.37
June .....	18.75	23.19	18.31
July .....	18.75	23.43	18.33
August .....	19.75	24.34	19.39
September .....	19.75	25.04	19.42
October .....	19.75	25.36	19.47
November .....	19.75	25.56	19.36
December .....	19.75	25.67	19.37
<b>2024</b>			
January .....	19.75	25.87	19.29
February .....	21.75	27.14	21.28
March .....	27.75	27.83	27.29
April .....	27.75	25.69	27.34
May .....	27.75	25.93	27.41
June .....	27.75	25.73	27.38
July .....	27.75	26.50	27.27
August .....	27.75	28.67	27.31
September .....	27.75	29.72	27.29
October .....	27.75	29.76	27.57
November .....	27.75	30.55	27.59
December .....	27.75	30.84	27.34
<b>2025</b>			
January .....	27.75	26.85	27.58
February .....	27.75	27.99	27.38
March .....	27.75	29.00	27.43
April .....	25.50	28.16	25.44
May .....	24.50	28.40	24.44
June .....	24.50	28.38	24.43
July .....	24.50	27.96	24.44
August .....	22.50	28.55	22.23
September .....	(as at 31/8/25) 22.50	27.08	22.47
October .....	21.50	26.71	21.51
November .....	(as at 5/10/25) 21.50	26.57	21.48
December .....	20.50	26.07	20.64
	(as at 28/12/25)		

## Foreign Exchange

The currency of the Republic is the Egyptian Pound. The CBE has historically intervened in foreign exchange rates, in particular between the Egyptian Pound and the U.S. Dollar. Restrictions in auctions and on the interbank market, as well as only partial clearance of foreign exchange requests from commercial banks, have generated, in the past, a parallel market for foreign currency.

Prior to 3 November 2016, there were restrictions on the remittance of foreign currency outside of Egypt. From time to time, there has also been a shortage of U.S. Dollars in Egypt, as a result of which, the ability to repatriate foreign currency has been limited or subject to delay. In order to address these imbalances, on 3 November 2016, the CBE announced the move to a liberalised exchange rate regime and the adoption of a series of other measures, as described below. These measures included lifting the restrictions on the deposit and withdrawal of foreign currency by all individuals and companies, except for certain restrictions (which were subsequently been lifted). Following the CBE's announcement, the Egyptian Pound depreciated against the U.S. Dollar to LE 14.6350 per U.S.\$1.00 (buy rate) on 3 November 2016, as compared to LE 8.7700 (buy rate) per U.S.\$1.00 on 2 November 2016.

Between 2020 and 2022, COVID-19 negatively impacted Egypt's tourism and oil and gas sectors, as well as receipts from the Suez Canal, typically significant generators of foreign currency. While these sectors started to recover in 2022, revenue in these sectors did not return to pre-COVID levels in 2021/22 or, in the case of oil and gas, 2022/23, in particular, due to the impact of the military conflict in Ukraine since 2022. The conflict in Ukraine also negatively impacted prices for commodities, such as wheat. In response to such pressures, the CBE devalued the Egyptian Pound on several occasions in 2022 and 2023 and made several interventions in the foreign exchange market. The Egyptian Pound depreciated against the U.S. Dollar by 65% in 2022/23. Despite heightened global pressures, in October 2022, the CBE introduced foreign exchange derivatives (forwards, swaps and non-deliverable forwards), proving risk hedging tools for importers and exporters, which helped to develop market infrastructure.

Following a depreciation in early January 2023 of the Egyptian Pound (after the approval of the EFF in December 2022), the official exchange rate remained unchanged between early March 2023 and March 2024 and a large local parallel market premium developed and persisted until March 2024. The outbreak of the conflict in Gaza in October 2023 and subsequent disruptions in Red Sea trade and in tourism further strained Egypt's sources of foreign exchange earnings from tourism and the Suez Canal. As a result of such factors the parallel market exchange rate declined, further credit default swap rates increased (with five-year credit default swaps increasing from 877 in December 2022 to 1,153 in December 2023) and Egypt's credit rating was downgraded. For example, in November 2023, Fitch downgraded Egypt's long-term foreign currency issuer default rating to "B-" from "B" citing the difference between the official exchange rate and the parallel market rate, the hoarding of foreign currency by the private sector and foreign currency shortages at the official rate.

As part of discussions relating to the EFF with the IMF, in March 2024, the official exchange rate and parallel market exchange rate were unified, resulting in a devaluation of the Egyptian Pound against the U.S. Dollar of 38%. Following this unification, foreign exchange demand backlogs have been cleared, and daily interbank foreign exchange turnover has increased. The CBE has not conducted any foreign exchange sale interventions since the unification of the rates in March 2024 (other than certain purchases for the purpose of reserves accumulation under the EFF). In November 2024, Fitch upgraded Egypt's long-term foreign currency issuer default rating to "B" from "B-". In October 2025, S&P upgraded Egypt's long-term foreign currency issuer default rating from "B-" to "B" citing, *inter alia*, Egypt's transition to a flexible exchange rate regime, as well as increased tourism revenues and remittances inflows. See "Risk Factors Relating to Egypt—Exchange Rate Risks".

The following table sets forth average data relating to the official exchange rate between the Egyptian Pound and the U.S. Dollar for the years indicated.

Egyptian Pound–U.S. Dollar Exchange Rates <sup>(1)(2)</sup>				
2021	2022	2023	2024	2025
(LE per U.S.\$1.00)				
15.645	19.215	30.628	45.290	47.245

Source: CBE

### Notes:

- (1) The rates in this table may differ from the actual rates used in the preparation of the information appearing in this Base Offering Circular. See "Presentation of Information".
- (2) Average buy rate for the calendar year.

On 24 March 2026, the official exchange rate (buy rate), as published by the CBE, was U.S.\$1.00 = LE 52.6260, as compared to U.S.\$1.00 = LE 47.6043 on 31 December 2025 and U.S.\$1.00 = LE 50.7866 on 31 December 2024.

Derivatives, forward and swap transactions are allowed in the Egyptian foreign exchange interbank market, subject to certain limitations, including the requirement that they can only be initiated in connection with underlying commercial transactions and dividends payments. The market for such products, however, remains thin.

### Net International Reserves

NIR with the CBE were U.S.\$48.7 billion as at 30 June 2025, as compared to U.S.\$46.4 billion as at 30 June 2024, U.S.\$34.8 billion as at 30 June 2023, U.S.\$33.4 billion as at 30 June 2022 and U.S.\$40.6 billion as at 30 June 2021. The increase in NIR since 30 June 2023 reflects, *inter alia*, the purchase by the CBE of approximately U.S.\$15 billion of financing received under the ADQ Ras El-Hekma Investment in the first half of 2024. As at 31 December 2025, NIR with the CBE were U.S.\$51.5 billion and, as at 28 February 2026, NIR with the CBE were U.S.\$52.7 billion.

NIR covered 6.0 months of merchandise imports as at 31 December 2025, 6.4 months as at 30 June 2025, 7.7 months as at 30 June 2024, 5.9 months as at 30 June 2023, 4.6 months as at 30 June 2022 and 6.9 months as at 30 June 2021.

The following table sets forth details of NIR as at the dates indicated.

	Net International Reserves					As at 31 December 2025
	As at 30 June					
	2021	2022	2023	2024	2025	
	<i>(U.S.\$ millions)</i>					
<b>Net International Reserves</b> .....	<b>40,584</b>	<b>33,380</b>	<b>34,828</b>	<b>46,385</b>	<b>48,720</b>	<b>51,452</b>
Gross Official Reserves .....	40,591	33,385	34,830	46,387	48,723	51,454
Gold .....	4,111	7,314	7,738	9,485	13,586	18,166
Foreign Currencies .....	36,279	26,021	27,065	36,890	35,096	33,232
Special Drawing Rights .....	201	50	27	12	41	56
Loans to IMF .....	0	0	0	0	0	0
<b>Banks' Net Foreign Assets</b> .....	<b>1,686</b>	<b>(11,660)</b>	<b>(17,146)</b>	<b>2,750</b>	<b>4,883</b>	<b>N/A<sup>(1)</sup></b>
Assets .....	21,934	14,529	12,792	30,670	36,212	N/A <sup>(1)</sup>
Liabilities .....	20,248	26,189	29,938	27,920	31,329	N/A <sup>(1)</sup>
NIR in months of merchandise imports .....	6.9	4.6	5.9	7.7	6.4	6.0

Source: CBE

#### Note:

(1) Figures not available.

As at 30 June 2025, banks had net foreign assets of U.S.\$4.9 billion, as compared to net foreign assets of U.S.\$2.8 billion as at 30 June 2024, net foreign liabilities of U.S.\$17.1 billion as at 30 June 2023 and net foreign liabilities of U.S.\$11.7 billion as at 30 June 2022.

There are no encumbrances or potential encumbrances to the Republic's foreign exchange reserves, such as forward contracts or derivatives.

### The Egyptian Stock Market

Egypt's stock exchange, the EGX, is governed by a board of directors. The Nile Stock Exchange (the "NILEX"), established under the EGX, was launched to offer small- and medium-sized companies the means to raise capital under an appropriate regulatory framework and was the first such market in the MENA region.

Misr for Central Clearing, Depository and Registry ("MCDR") was established in 1994 to handle clearing and settlement operations. Its shareholders include the EGX, brokers and dealers, the public and private sector banks. Since July 2000, all shares are traded in dematerialised form on the EGX. MCDR is 50% owned by Egyptian banks and financial intermediaries, 45% owned by securities intermediaries and 5% owned by the EGX.

In February 2018, Parliament approved a set of amendments to the Capital Markets Law, which establish a legal framework for Sukuk issuances and trading in Egypt, authorise the establishment of an exchange for regulated trading in derivatives, including futures, options and swaps, abolish bearer securities and expand the scope of criminal offences and sanctions set out in the Capital Markets Law. The amendments to the Capital Markets Law were ratified by the President

and published in March 2018.

### **EGX 30 Performance**

The EGX 30 Index (the “**Index**”) grew by 40.6% in 2025, as compared to 19.5% in 2024.

As at 31 December 2025, there were 228 listed companies on the main market of the EGX, with a total market capitalisation of LE 2,996.0 billion.

The following table sets forth selected indicators for the EGX as at the dates, or for the periods, indicated.

	<b>Selected Indicators for the Egyptian Exchange<sup>(1)</sup></b>				
	<b>As at or for the year ended 31 December</b>				
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Total Market Capitalisation <sup>(2)</sup> (LE billion).....	763.1	959.8	1,717.0	2,166.8	2,996.0
Total Value of Trading <sup>(3)</sup> (LE billion).....	1,007.0	1,115.8	3,222.8	14,334.1	17,087.6
Number of Listed Companies <sup>(2)</sup> .....	212	214	213	224	228
EGX 30 Index (end of period) .....	11,949.2	14,598.5	24,894.3	29,740.6	41,829.0

*Source: EGX*

**Notes:**

- (1) This data differs from previously published data. See “*Presentation of Information*”.
- (2) Main market.
- (3) Listed, NILEX, Operations & OTC. Trading on NILEX has been effective since 3 June 2010.

## PUBLIC FINANCE

### The Budget Process

The Government's fiscal year runs from 1 July to 30 June. In October of each year, the Ministry of Finance issues a circular to all Government authorities outlining in a general manner the fiscal policies, targets and economic assumptions to be adhered to in the preparation of their respective budgets. By December of each year, the Ministry of Finance receives and reviews the draft budgets submitted by Government authorities, following which mutual discussions of submitted budgets take place through joint committees. Such submitted budgets may be revised by the Ministry of Finance's Budget Department to ensure that the aggregate revenue and expenditure figures in the draft budget conform to the integrated macroeconomic targets previously set by the Macro Fiscal Policy Unit (the "MFPU").

By February, the Ministry of Finance submits a preliminary draft budget (comprising the budgets of the Government, the central and local administration units and Service Authorities) to the Ministerial Economic Sub-committee, which is headed by the Prime Minister. The Ministerial Economic Sub-Committee may introduce amendments to the draft budget before submitting the budget to the Council of Ministers for approval. The final budget is then submitted first to the President and then to the House of Representatives before the end of March, following which the budget is discussed among various legislative committees and must be approved and ratified in an annual budget law by the House of Representatives before the end of June. In the event that the House of Representatives has been dissolved or is otherwise absent, pursuant to the Constitution, the President has temporary legislative authority and may ratify the budget.

The ratified budget represents a ceiling for total expenditure for Government authorities during the year. If an exceptional expenditure item arises during a fiscal year, the Ministry of Finance will prepare a supplementary appropriation, which is submitted to the Ministerial Economic Sub-Committee and subsequently to the Council of Ministers, which, in turn, will submit it to the House of Representatives for approval and ratification.

Prior to the end of each fiscal year, the Final Accounts Department at the Ministry of Finance issues a circular to all Government authorities with instructions regarding the preparation of their final accounts. The Government authorities then submit their final accounts to the Ministry of Finance and the Accountability State Authority (the "ASA"), which audits the accounts both on a standalone (for each Government authority) and consolidated basis. Final accounts are submitted by the Minister of Finance to the House of Representatives before the end of October of each year for ratification.

Pursuant to the Unified Public Finance Law (as defined below), with effect from fiscal year 2025/26 (commencing on 1 July 2025) the Ministry of Finance submits its medium-term budget framework, including the budgets of the 59 Economic Authorities. See "*Unified Public Finance Law*".

### Unified Public Finance Law

Law № 6 of 2022, as amended (the "**Unified Public Finance Law**"), was approved and published in the *Official Gazette* in February 2022. The Unified Public Finance Law repeals Law № 53 of 1973 regarding the State budget and Law № 127 of 1981 regarding Government accounting.

The Unified Public Finance Law enacts programme-based budgeting (tying programmes to specific performance indicators, and linking funding directly to performance and outcomes and facilitating monitoring, evaluation and transparency) and introduces the transition to a medium-term budgetary framework. Article 11 of the Unified Public Finance Law requires that a medium-term budgetary framework is developed for the State budget, the budget of public economic entities and for the National Authority for Military Protection for three fiscal years following the budget year (thereby setting expenditure limits and revenue forecasts for a three-year period), which takes into account the Government's general plan for economic and social development, as well as national strategic objectives. Such measures are intended to enhance fiscal discipline, improve spending efficiency and align resources with strategic national goals. Article 30 of the Unified Public Finance Law requires the Ministry of Finance's view to be sought on draft laws that would place additional financial burdens on the State budget.

Executive regulations for the Unified Public Finance Law were issued in February 2024. These regulations include the rules and procedures for preparing the medium-term budget framework, as well as governance guidelines for funds and special accounts (the establishment of which require a law under the Unified Public Finance Law).

Amendments to the Unified Public Finance Law were signed into law in March 2024. These amendments provide for: (i) full implementation of programme-based budgeting within six years of implementation of the law (as compared to the originally targeted four years); (ii) the gradual integration (over a five-year period) of the budgets of all 59 Economic

Authorities into the definition of the “general Government” budget, merging the budgets of Economic Authorities into the State budget; and (iii) for annual budget laws to specify an annual maximum limit on general Government debt (in both nominal terms and as a percentage of GDP) and on public investment spending.

The 2024/25 budget was the first State budget prepared since the adoption of the Unified Public Finance Law.

### **Treatment of Public Sector and State-Owned Enterprises**

The Unified Public Finance Law, which repealed Law № 53 of 1973, now regulates the process of preparing and implementing the General State Budget of the Republic. The consolidated general Government account is comprised of the budget sector, the National Investment Bank (“NIB”) and the Social Insurance Funds. Fiscal reporting is completed on a consolidated cash basis, which requires the exclusion of financial interrelations among the consolidated bodies.

The budget sector consolidates the fiscal operations of the following entities:

- Central Administration Units, such as ministries and their affiliated agencies;
- Local Administration Units, representing the 27 governorates; and
- Service Authorities.

Both Local Administration Units and Service Authorities depend on the treasury to finance their respective yearly deficits.

There are two levels of published public finance data: (i) stand-alone budget sector fiscal data and (ii) general Government fiscal data, which include consolidated fiscal data of the budget sector, the NIB and Social Insurance Funds accounts.

#### ***Service Authorities***

Service Authorities are Government-owned and administered organisations operating on a non-profit basis, such as Cairo University, the National Sewage Authority, the National Meteorology Authority and the National Authority for Roads and Bridges. Service Authorities generally provide public services, including public infrastructure services, education, health and research.

#### ***Economic Authorities***

Economic Authorities, such as the Suez Canal Authority, the General Authority for Supply of Commodities, the New Urban Communities Authority, the National Postal Authority and the Radio and Television Authority are owned by the Government but operate on a for-profit basis. For purposes of the financial information set out in this Base Offering Circular, EGPC is included in this classification. The financial operations of the Economic Authorities are accounted for in the national budget either in the form of dividends paid to the Ministry of Finance (if such entities are in profit) or capital contributions made by the Ministry of Finance to such authorities (if such entities are in deficit). With effect from the 2024/25 budget, the budgets of the Economic Authorities are included in the general Government budget. See “—*Unified Public Finance Law*”.

#### ***Other Government-owned entities***

The Government also has a portfolio of other public sector companies that play an important role in the Egyptian economy. The companies are managed on a for-profit basis and seek to maximise shareholder value. The profits of these companies are accounted for in the national budget in the form of dividends. The Government may also inject capital in such companies through capital contributions (in the case of a deficit). Other Government-owned entities include public sector banks regulated by the CBE Law and its executive regulations, including National Bank of Egypt and Bank Misr, and holding companies regulated by Law № 203 of 1991, including Misr Insurance Holding Company, the EEHC, EGAS and ECHM.

### **Fiscal Policy and Budget Performance**

The soundness of public finances is a key pillar in the Government’s economic programme, which aims to balance fiscal consolidation efforts with social objectives in order to promote inclusive and sustainable economic growth through, *inter alia*, enhancing tax efficiency and reprioritising public spending. As part of its economic programme, the Government has indicated economic targets, including achieving a primary surplus of 4.0% in 2025/26 (having achieved the targeted primary surplus of 3.5% in 2024/25). In addition, the Republic’s Medium Term Debt Management Strategy (“MTDS”)

for 2026-2029 targets reducing the central Government debt to GDP ratio (to a range of 71%-73% in the medium-term (by the end of 2028/29), as compared to 83.8% as at 30 June 2025).

The key pillars of the Ministry of Finance's Medium-Term Fiscal Strategy are: (i) building trust, predictability and confidence between tax entities and the business community; (ii) implementing balanced fiscal policy anchored towards navigating fiscal discipline and economic support; (iii) implementing an integrated strategy to improve debt management and public debt indicators; and (iv) generating adequate fiscal space for targeted social programmes and human capital. See "*The Economy—Government Programme, Recent Developments and Reforms*".

### **Fiscal Reforms**

Key Government reforms to increase Government revenue and control Government expenditure have included:

- **Budget and Financial Management Reforms:** The Government has introduced the Unified Public Finance Law to enhance fiscal discipline, improve spending efficiency and align resources with strategic national goals. Amendments to the Unified Public Finance Law provide for annual budget laws to specify annual maximum limits on general Government debt (in both nominal terms and as a percentage of GDP) and public investment expenditures. See "*—Unified Public Finance Law*".
- **Medium-Term Revenue Strategy:** The Government has prepared a Medium-Term Revenue Strategy. The MTRS is intended to strengthen and modernise tax revenue administration and policy to support increased spending on the health, education and infrastructure sectors, as well as to modernise and increase the efficiency of social safety nets. The MTRS is also intended to support inclusive growth and ensure debt sustainability. The MTRS, which is updated every four years, targets an increase in the primary surplus to 4.0% of GDP by the end of 2025/26, in addition to further revenue mobilisation and tax base widening initiatives.
- **Prior Tax Reforms:** The Government has introduced a number of tax reforms to increase tax collection and reporting including:
  - amendments to the income tax law to increase annual personal income tax allowances and introducing new tax rates and tax brackets; further amendments made in 2023 affected both multinational corporations (in terms of international tax) and local corporations (for domestic tax), with the amendments aimed at eliminating tax loopholes. The 2023 amendments to international tax matters (including expanding the definition as to what constitutes a "permanent establishment") are aligned with international best practices and to keep track of international tax developments. The 2023 amendments also grant incentives to investors in shares listed on the EGX and initial public offerings;
  - the publication, in October 2020, of Law № 206 of 2020 was published, which introduced unified tax procedures for the assessment and collection of tax amounts applied for income tax, VAT, state development tax, stamp duty and any other similar taxes (the "**Unified Tax Procedures Law**"). The Unified Tax Procedures Law unifies procedures for similar types of taxes and establishes a legal basis to transfer tax procedures to a new tax e-system. In December 2020, the Unified Tax Procedures Law was amended to introduce stricter penalties for non-compliance relating to transfer pricing documentation and tax return filings; In February 2025, the Unified Tax Procedures Law was amended to introduce caps on late payment interest and tax sub-charges at 100% of the original tax due and, *inter alia*, expanding the scope of pre-trial settlement powers allocated to the Minister of Finance (or their delegate);
  - the introduction, in 2020, of a customs tax law to simplify customs procedures, develop new customs systems, further develop processing techniques using new technologies, comply with international practices, improve the investment environment in Egypt and increase Egypt's competitiveness; and
  - the introduction, in February 2022, of changes to the VAT law, implementing a simplified vendor registration system, amending certain VAT rates and widening certain exemptions.
- **2024 Tax Initiatives:** The Government's current tax policy does not include imposing new taxes, instead focusing on better tax administration (through digitalisation and automation, widening the tax basis (including through imposing VAT on digital activities and e-commerce) and reviewing existing tax exemptions and closing tax loopholes to reduce tax avoidance and evasion) and neutralising competition tax-related measures (including through the elimination of preferential tax treatment and exemptions for State-owned enterprises and streamlining exemptions provided to companies operating in free zones, State-owned enterprises, public sector companies and Economic Authorities. In September 2024, the Ministry of Finance launched the first phase of its tax reform initiative aimed at streamlining administrative procedures, expanding the taxpayer base and fostering a more

supportive business environment through the implementation of 20 targeted reforms. This tax facilitation package is aimed at supporting small businesses, start-ups and freelancers (each with annual turnover not exceeding LE 20 million), simplifying the tax filing process and raising the exemption threshold for international companies to reduce compliance challenges. The Ministry of Finance also introduced initiatives to resolve tax disputes relating to pre-2020 tax declarations, as well as tax declarations made between 2020 and 2024. A key aim of the facilitation package is to integrate the informal economy into the formal sector (including an amnesty on failures to file returns for certain prior periods), encouraging economic growth while supporting small enterprises and facilitating the relationship between the Egyptian tax authority and businesses and the community.

- *2025 Initiatives:* Since the beginning of 2025, further reforms have focused on boosting local manufacturing, decreasing smuggling and mobilising revenues. Customs reforms have been introduced to cover, *inter alia*, enhanced clearance systems (with an estimated 75% reduction in customs related procedures, time and costs), digital integration and the unification of certain procedures to ease trade and reduce delays. Property tax reforms have also been introduced in 2025 to facilitate valuation updates, simplified collection and integration of the informal sector. In February 2025, Law № 5 of 2025 was passed to establish a temporary framework for the regularisation of certain taxpayers and taxable persons with an unsettled tax position.
- *2025 Tax Initiatives:* In December 2025, the Government announced a second tax facilitation package, which aims to reward compliant taxpayers through faster services, clearer rules and lower administrative burdens. The package aims to shift the tax authority toward a partnership-based model, aligning with the IMF EFF’s focus on structural reforms, voluntary compliance and broadening the tax base, rather than raising tax rates. Measures forming part of the second tax facilitation package include: (i) replacing capital gains tax on EGX transactions with a simpler stamp duty (aimed at boosting liquidity and encouraging investment); (ii) reducing VAT on medical devices from 14% to 5%; (iii) applying a fixed 2.5% tax on real estate unit disposals; (iv) extending the real estate valuation cycle to seven years (with the aim of enhancing market stability); and (v) introducing a new “Excellence Card” whitelist system, which aims to reward compliant taxpayers with priority services and VAT refunds within seven days.
- *MSMEs Law:* In July 2020, Law № 152 of, 2020 was issued to regulate and incentivise MSMEs through a variety of non-tax and tax incentives (including exemption from governmental fees relating to incorporation, reduced tax rates and exemption from intellectual property registration fees, as well as measures to facilitate licensing processes).

*State Ownership Policy:* In 2022, the Government’s State Ownership Policy was announced, which sets out fiscal reforms to increase the role and contribution of the private sector.

See “*The Economy—Government Programme, Recent Developments and Reforms*”.

### ***Recent Developments***

Since the launch of airstrikes on Iran in February 2026, the Government has activated crisis management committees (both at Government and Ministry of Finance level) to monitor the evolving situation. A number of measures have been taken by the Government since the start of the conflict, including entering into hedging transactions for its oil needs (including forward contracts), adjusting the prices of fuel products (to mitigate increases in the fuel subsidy bill), releasing a social protection package to help alleviate pressures on the most vulnerable segments of society in response to fuel price increases and utilising maximum available contingency levels in the preparation of the 2026/27 budget to increase fiscal space. See “*Risk Factors—Risk Factors Relating to Egypt—The 2026 Iran War*”.

### **2025/26 Budget**

The budget for 2025/26 was approved by the House of Representatives in June 2025, with a projected fiscal deficit to GDP ratio of 7.3%, as compared to an actual fiscal deficit ratio of 7.2% in 2024/25 (based on preliminary figures) and an actual fiscal deficit ratio of 3.6% in 2023/24. The decrease in the budgeted fiscal deficit in the 2025/26 budget is primarily due to tax mobilisation efforts. The 2025/26 budget targets a primary surplus of 4.0% of GDP (excluding debt interest payments).

The budget for 2025/26 has been prepared on the basis of the following key assumptions:

- nominal GDP growth of 16.9%;
- average inflation of approximately 13%;
- an average oil price (Brent crude) of U.S.\$80 per barrel; and

- average wheat prices of U.S.\$280 per tonne.

The 2025/26 budget focuses on growth and social investment, with large allocations to the healthcare, education and social protection sectors. In total, social support spending is budgeted to increase by 14.8% to LE 1,198.2 billion. The 2025/26 budget also focuses on boosting economic productivity with increased allocations for the tourism sector, as well as top priority industrial activities.

The following table sets out the budget for 2025/26 and actual results for 2022/23 to 2024/25.

2022/23 - 2024/25 (Actual Results) – 2025/26 (Budget)							
	2022/23 (Actual)	2023/24 (Actual)	Growth Rate (%)	2024/25 (Actual)	Growth Rate (%)	Budget 2025/26 <sup>(1)</sup>	Budgeted Growth Rate (%)
<i>(LE millions, except for percentages)</i>							
<b>Revenues and Grants</b> .....	<b>1,563,921</b>	<b>2,543,690</b>	<b>62.6</b>	<b>2,644,113</b>	<b>3.9</b>	<b>3,119,610</b>	<b>18.0</b>
Tax Revenue.....	1,258,582	1,628,998	29.4	2,202,281	35.2	2,654,710	20.5
Grants .....	5,432	11,909	119.2	16,903	41.9	9,486	(43.9)
Other Revenues .....	299,907	902,783	201.0	424,929	(52.9)	455,414	7.2
<b>Expenditures</b> .....	<b>2,184,594</b>	<b>3,055,194</b>	<b>39.9</b>	<b>3,904,865</b>	<b>27.8</b>	<b>4,573,963</b>	<b>17.1</b>
Wages and Salaries .....	412,463	512,695	24.3	588,055	14.7	679,110	15.5
Purchases of Goods and Services .....	127,780	146,402	14.6	186,200	27.2	217,570	16.8
Interest Payments.....	774,203	1,364,089	76.2	1,919,098	40.7	2,298,030	19.7
Subsidies, Grants and Social Benefits .....	454,101	573,008	26.2	645,499	12.7	742,554	15.0
Other Expenditures.....	127,060	144,263	13.5	179,113	24.2	201,805	12.6
Purchases of Non-Financial Assets.....	288,987	311,738	7.9	386,900	24.1	434,894	12.4
<b>Cash Deficit</b> .....	<b>(620,672)</b>	<b>(511,505)</b>	<b>(17.6)</b>	<b>(1,260,752)</b>	<b>146.5</b>	<b>(1,454,353)</b>	<b>15.4</b>
Net Acquisition of Financial Assets .....	<b>10,772</b>	<b>(7,008)</b>	<b>(165.1)</b>	<b>29,340</b>	<b>318.7</b>	<b>36,617</b>	<b>24.8</b>
<b>Overall Fiscal Deficit</b> .....	<b>(609,901)</b>	<b>(504,496)</b>	<b>(17.3)</b>	<b>(1,290,092)</b>	<b>155.7</b>	<b>(1,490,970)</b>	<b>15.6</b>
<b>Primary Surplus</b> .....	<b>164,302</b>	<b>859,592</b>	<b>5.2</b>	<b>629,006</b>	<b>(26.8)</b>	<b>807,060</b>	<b>28.3</b>
Cash Deficit/GDP (%) .....	6.1	3.7	—	7.1	—	7.1	—
Primary Surplus/GDP (%) .....	1.6	6.2	—	3.5	—	4.0	—
Overall Deficit/GDP (%) .....	6.0	3.6	—	7.2	—	7.3	—

Source: Ministry of Finance

#### Notes:

- (1) Preliminary figures.
- (2) No assurance can be given that the actual financial performance and condition will match the forecasts in Egypt's budget. The budget was approved by the House of Representatives in June 2025.

#### Revenues

Total revenues and grants for 2025/26 are budgeted to be LE 3,119.6 billion, compared with actual revenues and grants of LE 2,644 billion in 2024/25, representing an annual increase of LE 475.5 billion, or 18%, primarily due to an increase of LE 452.4 billion in tax revenues and, to a lesser extent, a LE 30.5 billion increase in other revenues. Tax revenues are budgeted to increase by 20.5% to LE 2,655.0 billion for 2025/26, as compared to actual revenues of LE 2,202.0 billion for 2024/25. Total grants are budgeted to be LE 9.5 billion in 2025/26, as compared to actual revenues of LE 16.9 billion in 2024/25. See “*Risk Factors—Risk Factors Relating to Egypt—Foreign grants*”.

Other revenues, comprising mainly of year-end profits, royalties and dividends transferred to the treasury from various Economic Authorities, such as the Suez Canal Authority, EGPC, the New Urban Community Authority or public sector banks and publicly-owned companies for 2025/26, are budgeted at LE 455.4 billion, as compared to LE 404.4 billion for 2024/25, representing an annual increase of 12.6%.

#### Expenditures

Government expenditure is budgeted to increase by 17.1% to LE 4,574.0 billion in 2025/26, as compared to actual expenditures of LE 3,904.9 billion in 2024/25. This increase is primarily due to budgeted increases in all expenditure items, including budgeted increases of: (i) LE 378.9 billion, or 19.7%, in interest payments; (ii) LE 91.1 billion, or 15.5% in wages and salaries (reflecting planned increases in salaries for state employees (as well as a planned increase in the public sector minimum wage to LE 7,000)); and (iii) LE 48.0 billion, or 12.4%, in purchases of non-financial assets. Subsidies, grants and social benefits expenditures are also budgeted to increase by 15.0% from LE 645.5 billion in 2024/25 to LE 742.6 billion in 2025/26.

## Public Accounts

The following table sets forth an overview of the revenues, expenditure and overall balance of the budget sector public accounts for the years indicated.

Public Accounts <sup>(1)</sup>						
	2020/21	2021/22	2022/23	2023/24	2024/25 <sup>(2)</sup>	2025/26 Budget <sup>(3)</sup>
	(LE millions)					
<b>Revenues and Grants</b> .....	<b>1,108,625</b>	<b>1,347,178</b>	<b>1,563,921</b>	<b>2,543,690</b>	<b>2,644,113</b>	<b>3,119,610</b>
Tax Revenues .....	<b>833,993</b>	<b>991,403</b>	<b>1,258,582</b>	<b>1,628,998</b>	<b>2,202,281</b>	<b>2,654,710</b>
Income Tax .....	321,246	386,393	516,286	682,795	836,804	915,708
Property Taxes .....	72,404	90,221	125,157	179,304	320,920	361,689
Value Added Taxes .....	384,913	454,211	555,556	681,503	916,157	1,103,556
Taxes on International Trade .....	36,130	42,956	59,390	75,478	110,727	135,777
Other Taxes .....	19,300	17,621	2,193	9,918	17,738	137,982
<b>Grants</b> .....	<b>2,955</b>	<b>4,081</b>	<b>5,432</b>	<b>11,909</b>	<b>16,903</b>	<b>9,486</b>
<b>Other Revenues, of which</b> .....	<b>271,678</b>	<b>351,694</b>	<b>299,907</b>	<b>902,783</b>	<b>424,929</b>	<b>455,414</b>
Returns on Financial Assets .....	79,669	93,120	86,939	105,014	94,978	165,368
Proceeds from Sales of Goods and Services .....	57,730	77,814	94,706	125,119	154,527	155,058
Miscellaneous Revenues .....	126,619	170,870	105,329	663,130	169,038	131,281
<b>Expenditures</b> .....	<b>1,578,774</b>	<b>1,831,022</b>	<b>2,184,594</b>	<b>3,055,194</b>	<b>3,904,865</b>	<b>4,573,963</b>
Wages and Salaries .....	318,806	358,735	412,463	512,695	588,055	679,110
Purchases of Goods and Services .....	81,462	99,580	127,780	146,402	186,200	217,570
Interest Payments.....	565,497	584,826	774,203	1,364,089	1,919,098	2,298,030
Subsidies, Grants and Social benefits .....	263,886	343,405	454,101	573,008	645,499	742,554
Other Expenditures .....	99,751	114,746	127,060	147,263	179,113	201,805
Purchases of Non-Financial assets.....	249,372	329,730	288,987	311,738	386,900	434,894
<b>Cash Deficit<sup>(4)</sup></b> .....	<b>(470,149)</b>	<b>(483,844)</b>	<b>(620,672)</b>	<b>(511,505)</b>	<b>(1,260,752)</b>	<b>(1,454,353)</b>
<b>Net Acquisition of Financial assets</b> .....	<b>2,196</b>	<b>570</b>	<b>10,772</b>	<b>(7,008)</b>	<b>29,340</b>	<b>36,617</b>
<b>Overall Fiscal Deficit</b> .....	<b>(472,345)</b>	<b>(484,414)</b>	<b>(609,901)</b>	<b>(504,496)</b>	<b>(1,290,092)</b>	<b>(1,490,970)</b>
Overall Deficit/GDP (%) <sup>(5)</sup> .....	6.8	6.1	6.0	3.6	7.2	7.3
Primary Balance/GDP (%) <sup>(5)</sup> .....	1.3	1.3	1.6	6.1	3.5	4.0
Revenues/GDP (%) <sup>(5)</sup> .....	16.0	17.0	15.5	18.3	14.8	15.3
Expenditure/GDP (%) <sup>(5)</sup> .....	22.8	23.1	21.6	22.0	21.9	22.4

Source: Ministry of Finance

### Notes:

- (1) The figures in this table have been revised and differ from previously published data. See "Presentation of Information".
- (2) Preliminary figures.
- (3) Budgeted figures.
- (4) Overall deficit excluding net acquisition of financial assets.
- (5) See "The Economy—Gross Domestic Product".

## Overview

Total budget sector revenues and grants have grown over each of the past five years from LE 1,108.6 billion in 2020/21 to LE 2,644.1 billion in 2024/25, or by 138.5%. Principal factors in the growth of revenues since 2020/21 include increases in tax revenues, as a result of the implementation of tax reforms, including the introduction of VAT and measures to improve the efficiency of tax administration and widen the tax base.

Total budget sector expenditures have also grown over each of the past five years from LE 1,578.8 billion in 2020/21 to LE 3,904.9 billion in 2024/25. Total budget sector expenditures increased by 16.0% in 2021/22, 19.3% in 2022/23, 39.9% in 2023/24 and 27.8% in 2024/25. Principal factors in the growth of expenditures since 2020/21 include increases in interest payments as a result of an increased level of public debt and monetary policy decisions taken in response to inflationary pressures, as well as increases in the subsidy bill and the growth of public investments.

The overall fiscal deficit was LE 472.3 billion in 2020/21 (6.8% of GDP), LE 484.4 billion in 2021/22 (6.1% of GDP), LE 609.9 billion in 2022/23 (6.0% of GDP), LE 504.5 billion in 2023/24 (3.6% of GDP) and LE 1,290.1 billion in 2024/25.

## Revenues

The Government's principal sources of revenues are corporate taxes, general sales taxes, customs duties and transferred profits (dividends) from Government-owned entities. The Government also receives revenue in the form of grants from international agencies and countries.

The following table sets out budget sector revenues for the years indicated.

	Revenues <sup>(1)</sup>				
	2020/21	2021/22	2022/23	2023/24	2024/25 <sup>(2)</sup>
	(LE millions)				
<b>Total Revenues and Grants</b>	<b>1,108,625</b>	<b>1,347,178</b>	<b>1,563,921</b>	<b>2,543,690</b>	<b>2,644,113</b>
Annual Change (%).....	13.7	21.5	16.1	62.6	3.9
Percentage of GDP <sup>(3)</sup> .....	16.0	17.2	15.4	18.3	14.8
Percentage of Tax Revenues .....	132.9	135.9	124.3	156.2	120.1
<b>Tax Revenues</b> .....	<b>833,993</b>	<b>991,403</b>	<b>1,258,582</b>	<b>1,628,998</b>	<b>2,202,281</b>
Annual Change (%).....	12.8	18.9	26.9	29.4	35.2
Percentage of GDP <sup>(3)</sup> .....	12.0	12.6	12.5	11.7	12.3
Percentage of Total Revenues and Grants .....	75.2	73.6	80.5	64.0	83.3
<b>Taxes on Income, Profits and Capital Gains</b> .....	<b>321,246</b>	<b>386,393</b>	<b>516,286</b>	<b>682,795</b>	<b>836,804</b>
Annual Change (%).....	12.0	20.0	33.6	32.3	22.6
Percentage of GDP <sup>(3)</sup> .....	4.6	4.9	5.1	4.9	4.7
Percentage of Total Revenues and Grants .....	29.0	28.7	33.0	26.8	31.6
Percentage of Tax Revenues .....	38.5	39.0	41.0	41.9	38.0
<b>Property Tax</b> .....	<b>72,404</b>	<b>90,221</b>	<b>125,157</b>	<b>179,304</b>	<b>320,920</b>
Annual Change (%).....	21.5	24.6	38.7	43.3	79.0
Percentage of GDP <sup>(3)</sup> .....	1.0	1.2	1.2	1.3	1.8
Percentage of Total Revenues and Grants .....	6.5	6.7	8.0	7.0	12.1
Percentage of Tax Revenues .....	8.7	9.1	9.9	11.0	14.6
<b>Value Added Taxes</b> .....	<b>384,913</b>	<b>454,211</b>	<b>555,556</b>	<b>681,503</b>	<b>916,157</b>
Annual Change (%).....	16.6	18.0	22.3	22.7	34.4
Percentage of GDP <sup>(3)</sup> .....	5.6	5.8	5.5	4.9	5.1
Percentage of Total Revenues and Grants .....	34.7	33.7	35.5	26.8	34.6
Percentage of Tax Revenues .....	46.2	45.8	44.1	41.8	41.6
<b>Taxes on International Trade</b> .....	<b>36,130</b>	<b>42,956</b>	<b>59,390</b>	<b>75,478</b>	<b>110,727</b>
Annual Change (%).....	10.9	18.9	38.3	27.1	46.7
Percentage of GDP <sup>(3)</sup> .....	0.5	0.5	0.6	0.5	0.6
Percentage of Total Revenues and Grants .....	3.3	3.2	3.8	3.0	4.2
Percentage of Tax Revenues .....	4.3	4.3	4.7	4.6	5.0
<b>Grants</b> .....	<b>2,955</b>	<b>4,081</b>	<b>5,432</b>	<b>11,909</b>	<b>16,903</b>
Annual Change (%).....	(43.9)	1.6	33.1	119.2	41.9
Percentage of GDP <sup>(3)</sup> .....	0.0	0.1	0.1	0.1	0.1
Percentage of Total Revenues and Grants .....	0.3	0.3	0.3	0.5	0.6
Percentage of Tax Revenues .....	0.4	0.4	0.4	0.7	0.8
<b>Other Revenues</b> .....	<b>271,678</b>	<b>351,694</b>	<b>299,907</b>	<b>902,783</b>	<b>424,929</b>
Annual Change (%).....	17.8	29.5	(14.7)	201.0	(55.9)
Percentage of GDP <sup>(3)</sup> .....	3.9	4.5	3.0	6.5	2.4
Percentage of Total revenues and Grants .....	24.5	26.1	19.2	35.5	16.1
Percentage of Tax Revenues .....	32.6	35.5	23.8	55.4	19.3

Source: Ministry of Finance

### Notes:

- (1) The figures in this table have been revised and differ from previously published data. See "Presentation of Information".
- (2) Preliminary figures.
- (3) See "The Economy—Gross Domestic Product".

Total budget sector revenues and grants increased from LE 2,543.7 billion in 2023/24 to LE 2,644.1 billion in 2024/25, representing a 3.9% increase. This increase was primarily due to increases in tax revenues, partially offset by a decrease in other revenues.

Tax revenues increased by 35.2% to LE 2,202.3 billion in 2024/25 from LE 1,629.0 billion in 2023/24. This increase in tax revenues was primarily due to increases in receipts of all types of tax. Taxes on income, profits and capital gains increased by 22.6% to LE 836.8 billion in 2024/25 from LE 682.8 billion in 2023/24, while value added taxes increased by 34.4% to LE 916.2 billion in 2024/25 from LE 681.5 billion in 2023/24. These increases were primarily due to increased VAT collection on local commodities, imported goods and tourist hotel and restaurant services. In 2024/25, tax revenues accounted for 83.3% of total budget sector revenues, compared with 64.0% in 2023/24.

Non-tax revenues mainly comprise grants, the proceeds of assets sales, as well as yearly royalties, profits and dividend transfers from the Suez Canal Authority, the CBE, various economic authorities and other public sector enterprises. Other revenues comprise one of the principal components of non-tax revenues. Other revenues decreased by 55.9% to LE 424.9 billion in 2024/25 from LE 902.8 billion in 2023/24. This decrease was primarily due to the one-off recognition in 2023/24 of revenues received to the treasury from the ADQ Ras El-Hekma Investment, which accounted for approximately 50% of the deal total amount.

In 2024/25, grants accounted for 0.6% of total budget sector revenues and grants, as compared to 0.5% in 2023/24, while other revenues accounted for 16.1% of total budget sector revenues and grants, as compared to 35.5% in 2023/24.

## Expenditures

The following table sets out budget sector expenditures for the years indicated.

	Expenditures <sup>(1)</sup>				
	2020/21	2021/22	2022/23	2023/24	2024/25 <sup>(2)</sup>
	(LE millions)				
<b>Expenditures</b> .....	<b>1,578,774</b>	<b>1,831,022</b>	<b>2,184,594</b>	<b>3,055,194</b>	<b>3,904,865</b>
Annual Change (%) .....	10.0	16.0	19.3	39.9	27.8
Percentage of GDP <sup>(3)</sup> .....	22.8	23.3	21.5	22.0	21.9
Percentage of Tax Revenues.....	189.3	184.7	173.6	187.6	177.3
<b>Wages and Salaries</b> .....	<b>318,806</b>	<b>358,735</b>	<b>412,463</b>	<b>512,695</b>	<b>588,055</b>
Annual Change (%) .....	10.4	12.5	15.0	24.3	14.7
Percentage of GDP <sup>(3)</sup> .....	4.6	4.6	4.1	3.7	3.3
Percentage of Total Expenditures .....	20.2	19.6	18.9	16.8	15.1
Percentage of Tax Revenues.....	38.2	36.2	32.8	31.5	26.7
<b>Purchases of Goods and Services</b> .....	<b>81,462</b>	<b>99,580</b>	<b>127,780</b>	<b>146,402</b>	<b>186,200</b>
Annual Change (%) .....	16.6	22.2	28.3	14.6	27.2
Percentage of GDP <sup>(3)</sup> .....	1.2	1.3	1.3	1.1	1.0
Percentage of Total Expenditures .....	5.2	5.4	5.8	4.8	4.8
Percentage of Tax Revenues.....	9.8	10.0	10.2	9.0	8.5
<b>Interest Payments</b> .....	<b>565,497</b>	<b>584,826</b>	<b>774,203</b>	<b>1,364,089</b>	<b>1,919,098</b>
Annual Change (%) .....	(0.5)	3.4	32.4	76.2	40.7
Percentage of GDP <sup>(3)</sup> .....	8.2	7.5	7.6	9.8	10.7
Percentage of Total Expenditures .....	35.8	31.9	35.4	44.6	49.1
Percentage of Tax Revenues.....	67.8	59.0	61.5	83.7	87.2
<b>Subsidies, Grants and Social Benefits</b> .....	<b>263,886</b>	<b>343,405</b>	<b>454,101</b>	<b>573,008</b>	<b>645,499</b>
Annual Change (%) .....	15.1	30.1	232.2	26.2	12.7
Percentage of GDP <sup>(3)</sup> .....	3.8	4.4	4.5	4.1	3.6
Percentage of Total Expenditures .....	16.7	18.8	20.8	18.8	16.5
Percentage of Tax Revenues.....	31.6	34.6	36.1	35.2	29.3
<b>Other Expenditures</b> .....	<b>99,751</b>	<b>114,746</b>	<b>127,060</b>	<b>147,263</b>	<b>179,113</b>
Annual Change (%) .....	14.9	15.0	10.7	15.9	21.6
Percentage of GDP <sup>(3)</sup> .....	1.4	1.5	1.3	1.1	1.0
Percentage of Total Expenditures .....	6.3	6.3	5.8	4.8	4.6
Percentage of Tax Revenues.....	12.0	11.6	10.1	9.0	8.1
<b>Purchase of Non-financial Assets</b> .....	<b>249,372</b>	<b>329,730</b>	<b>288,987</b>	<b>311,738</b>	<b>386,900</b>
Annual Change (%) .....	30.1	32.2	(12.4)	7.9	24.1
Percentage of GDP <sup>(3)</sup> .....	3.6	4.2	2.8	2.2	2.2
Percentage of Total Expenditures .....	15.8	18.0	13.2	10.8	9.9
Percentage of Tax Revenues.....	29.9	33.3	23.0	19.1	17.6

Source: Ministry of Finance

### Notes:

- (1) The figures in this table have been revised and differ from previously published data. See “*Presentation of Information*”.
- (2) Preliminary figures.
- (3) See “*The Economy—Gross Domestic Product*”.

Total expenditures increased from LE 3,055.2 billion in 2023/23 to LE 3,904.9 billion in 2024/25, representing an increase of 27.8%, primarily due to increases in interest payments, and, to a lesser extent, wages and salaries and subsidies, grants and social benefits.

Wages and salaries increased by 14.7% in 2024/25 to LE 588.1 billion, as compared to 2023/24. In 2024/25, wages and salaries accounted for 15.1% of total expenditures, as compared to 16.8% in 2023/24. See “*The Economy — Employment and Labour*”.

Interest payments increased by 40.7% in 2024/25 to LE 1,919.1 billion, as compared to 2023/24. In 2024/25, interest payments accounted 49.1% of total expenditures, as compared to 44.6% in 2023/24. This increase is due to high levels of public debt, the high cost of borrowing, and impacts of the depreciation of the Egyptian Pound. In June 2025, the House of Representatives approved a revision to the 2024/25 budget, adding LE 85 billion to cover increased interest

expenses linked to the effects of the depreciation of the Egyptian Pound and the impact of Egypt of ongoing economic and geopolitical pressures that have resulted in increased debt servicing costs. See “*Public Debt*”.

Subsidies, grants and social benefits increased by 12.7% in 2024/25 to LE 645.5 billion, as compared to 2023/24. In 2024/25, subsidies, grants and social benefits accounted for 16.5% of total expenditures, as compared to 18.8% in 2023/24. See “—*Social Spending and Subsidies*”.

## Interim Results

The following table sets forth an overview of the revenues, expenditure and overall balance of the budget sector public accounts for the interim periods indicated.

	<b>Interim Public Accounts<sup>(1)</sup></b>	
	<b>For the six months ended 31 December</b>	
	<b>2024/25</b>	<b>2025/26<sup>(2)</sup></b>
	<i>(LE millions)</i>	
<b>Revenues and Grants</b> .....	<b>1,060,938</b>	<b>1,381,809</b>
Tax Revenues .....	912,472	1,204,291
<i>Income Tax</i> .....	258,497	380,099
<i>Property Taxes</i> .....	167,206	218,143
<i>Value Added Taxes</i> .....	416,814	516,474
<i>Taxes on International Trade</i> .....	62,695	69,518
<i>Other Taxes</i> .....	7,260	20,057
Grants .....	2,841	6,990
Other Revenues .....	145,626	170,529
<b>Expenditures</b> .....	<b>1,761,561</b>	<b>2,235,520</b>
Wages and Salaries.....	286,277	320,547
Purchases of Goods and Services .....	83,760	97,802
Interest Payments.....	939,088	1,264,497
Subsidies, Grants and Social Benefits .....	278,690	324,042
Other Expenditures .....	81,064	87,207
Purchases of Non-Financial Assets.....	92,682	141,425
<b>Cash Deficit<sup>(4)</sup></b> .....	<b>700,623</b>	<b>853,711</b>
<b>Net Acquisition of Financial assets</b> .....	<b>8,193</b>	<b>28,024</b>
<b>Overall Fiscal Deficit</b> .....	<b>708,816</b>	<b>881,735</b>
Overall Deficit/GDP (%) <sup>(5)</sup> .....	4.0	4.2
Primary Balance/GDP (%) <sup>(5)</sup> .....	1.3	1.8
Revenues/GDP (%) <sup>(5)</sup> .....	5.9	6.8
Expenditure/GDP (%) <sup>(5)</sup> .....	9.9	11.0

*Source: Ministry of Finance*

### Notes:

- (1) The figures in this table have been revised and differ from previously published data. See “*Presentation of Information*”.
- (2) Preliminary figures.
- (3) Budgeted figures.
- (4) Overall deficit excluding net acquisition of financial assets.
- (5) See “*The Economy—Gross Domestic Product*”.

Total budget sector revenues and grants increased from LE 1,060.9 billion in the six months ended 31 December 2024 to LE 1,381.8 billion in the corresponding period in 2025 (according to preliminary figures), representing a 30.2% increase. This increase was primarily due to an increase in tax revenues.

Tax revenues increased to LE 1,204.4 billion in the six months ended 31 December 2025 (according to preliminary figures) from LE 912.5 billion in the corresponding period in 2024. This increase in tax revenues was primarily due to an increase in tax revenues from taxes on income profits and capital gains, as well as VAT, reflecting improved confidence in tax administration measures, enhanced private sector activity and measures taken to widen the tax base and ease tax administration procedures. The tax to GDP ratio increased to 5.8% in the six months ended 31 December 2025, as compared to 5.1% in the correspondence period in 2024.

Grants increased to LE 7.0 billion in the six months ended 31 December 2025 (according to preliminary figures) from LE 2.8 billion in the corresponding period in 2024.

Other revenues increased by 17.1% to LE 170 billion in the six months ended 31 December 2025 (according to preliminary figures) from LE 145.6 billion in the corresponding period in 2024, reflecting an increase in dividends transferred to the treasury by Economic Authorities, as well as an increase in self-financed investments undertaken by central Government entities.

Total expenditures increased from LE 1,761.6 billion in the six months ended 31 December 2024 to LE 2,235.5 billion in the corresponding period in 2025 (according to preliminary figures), representing an increase of 26.9%, primarily due to an increase in public sector investments, high interest payments and an increase in subsidies, grants and social benefits, in turn, due to a widening of social protection programmes. As a percentage of GDP, total expenditures increased from 9.9% of GDP for the six months ended 31 December 2024 to 11.0% of GDP for the corresponding period in 2025. Purchases of non-financial assets increased by LE 48.7 billion, or 52.6%, to LE 141.4 billion for the six months ended 31 December 2025, as compared to the corresponding period in 2024.

Wages and salaries increased by 12.0% in the six months ended 31 December 2025 to LE 320.5 billion (according to preliminary figures), as compared to the corresponding period in 2024. See “*The Economy — Employment and Labour*”.

Interest payments increased by 34.7% in the six months ended 31 December 2025 to LE 1,264.5 billion (according to preliminary figures), as compared to the corresponding period in 2024.

Subsidies, grants and social benefits increased by 16.3% in the six months ended 31 December 2025 to LE 324 billion. See “*—Social Spending and Subsidies*”.

In the six months ended 31 December 2025, the overall deficit was 4.2% of GDP (according to preliminary figures), as compared to 4.0% in the corresponding period in 2024, primarily due to higher interest payments.

In the six months ended 31 December 2025, a primary surplus of 1.8% of GDP was recorded (according to preliminary figures), as compared to a primary surplus of 1.3% in the corresponding period in 2024, primarily due to the implementation of the Government’s revenue mobilisation policy.

### **Social Spending and Subsidies**

In recent years, the Government has implemented several measures to increase fiscal space for social protection, particularly in response to global economic challenges and rising inflation. Such initiatives reflect the Government’s focus on both expanding social safety nets and enhancing revenue collection.

The Government’s current subsidy policy targets:

- rationalising energy and bread subsidies to provide targeted support to the most vulnerable segments of Egyptian society;
- shifting from broad-based subsidies to social welfare programmes and initiatives providing direct and targeted support to more effectively address poverty, inequality and other social challenges;
- enhancing social protection coverage;
- improving the efficiency of subsidy systems; and
- continuing public sector reforms and investing in human capital, with continued investment in education, healthcare and social services, as well as medium-term plans to reform public sector wages and pensions to better align with inflation and cost of living increases.

The following table sets forth the details of the actual subsidies for the fiscal years indicated.

<b>Subsidies 2020/21 – 2024/25 (Actual Figures)<sup>(1)</sup></b>					
	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25<sup>(2)</sup></u>
	<i>(LE millions)</i>				
<b>Food subsidies</b> .....	<b>83,018</b>	<b>96,805</b>	<b>121,810</b>	<b>133,278</b>	<b>165,401</b>
<b>Fuel subsidies</b> .....	<b>18,913</b>	<b>59,829</b>	<b>125,632</b>	<b>165,133</b>	<b>155,573</b>
<b>Electricity subsidies</b> .....	—	—	<b>2,081</b>	<b>2,423</b>	<b>10,000</b>
<b>Support subsidies</b> .....	<b>19,600</b>	<b>26,139</b>	<b>26,324</b>	<b>53,030</b>	<b>78,117</b>
Housing loan Interest.....	369	260	232	202	121
Transportation .....	1,800	1,848	1,901	2,228	2,459
Potable water .....	1,497	5,926	4,294	950	1,444
Low-income housing .....	1,499	2,048	4,380	10,237	9,956
Export Subsidies.....	3,927	2,528	1,959	12,840	17,990
Industrial Zones.....	0	0	1,073	10,990	14,296
Other subsidies <sup>(3)</sup> .....	10,508	13,529	12,485	15,582	31,851
<b>Total</b> .....	<b>121,530</b>	<b>182,773</b>	<b>275,847</b>	<b>356,843</b>	<b>409,091</b>

**Notes:**

- (1) The figures in this table have been revised and differ from previously published data. See “*Presentation of Information*”.
- (2) Preliminary figures.
- (3) Includes, among other items, subsidies to farmers, medical insurance and subsidies in respect of the development of Upper Egypt.

See “*Risk Factors—Risk Factors Relating to Egypt—Economic Risk*”.

Total subsidies for 2024/25 were LE 409.1 billion (according to preliminary figures), as compared to LE 356.8 billion in 2023/24 (representing an increase of 14.6%). This increase was primarily due to increases in food and support subsidies.

The 2025/26 budget provides for an increase in subsidies, a 25% increase in funding to the *Takaful* and *Karama* social security programmes and continued funding of 25% permanent increase in cash allowances for beneficiaries (which has been in effect since April 2025). See “*—Food Subsidies and Social Support*”. The 2025/26 budget allocates approximately LE 75 billion for fuel subsidies, approximately LE 75 billion for electricity subsidies and LE 3.5 billion to expand household natural gas connections.

**Fuel Subsidies**

The Government has a long-stated intention to reduce, and ultimately eliminate, fuel subsidies. The effect of increased commodity prices in recent years has led to increased fuel subsidies.

In July 2019, a fuel price indexation for all fuel types (excluding LPG and fuel used for electricity generation and bakeries) was implemented. The mechanism is intended to maintain prices at cost-recovery levels and safeguard the budget from unexpected changes in the exchange rate and global oil prices. The first price adjustment took place in 2019, with adjustments made on a regular basis since such date. The Government formed a fuel pricing committee (the “**Fuel Committee**”) in 2019, which meets quarterly to review fuel prices.

In April 2020, the Fuel Committee cut the price of fuel grades to reflect the impact of the COVID-19 pandemic on oil markets generally. By 2021, the Government had reduced on-budget fuel subsidies to 0.3% of GDP. This level, however, increased to 1.2% in 2022/23, demonstrating a widened gap between fuel prices and cost recovery, primarily due to depreciations in local currency and an elevated cost of borrowing, which was, in turn, linked to increased global fuel prices following the launch of the military conflict in Ukraine in 2022.

In 2024, the Fuel Committee increased fuel prices on three occasions (July 2024, September 2024 and October 2024), with the aims of ensuring the availability of petroleum products, market regulation and reducing the gap between the sales prices of petroleum products and their production and import costs. Such price adjustments provide savings to the annual fuel subsidies bill and are in line with the Government’s previously announced target to gradually push fuel prices to their cost recovery level (thereby phasing out fuel subsidies) by the end of 2025 (which target was met).

In April 2025, the Fuel Committee raised the prices of gasoline and diesel (by LE 2, or approximately 15%), while keeping the prices of diesel fuel supplied to the electricity and food industries, as well as for vehicle gas, unchanged. In August 2025, the third quarter price review was postponed, keeping fuel prices unchanged until October 2025 to ease household cost pressures. In October 2025, the Fuel Committee raised the prices of gasoline and diesel (by LE 2, or approximately

12%). As fuel subsidies are phased out, the Government intends to focus on providing more targeted subsidies to low-income households and the most vulnerable sectors of society.

With effect from September 2025, the Government has removed subsidised natural gas pricing for new industrial plants, instead selling gas to factories at a market-linked rate based on the weighted average cost of domestically produced and imported gas, via pipelines and LNG, plus a U.S.\$1 surcharge per million British thermal unit (“MMBtu”). Prices will be reviewed on a quarterly basis.

As EGPC receives free crude oil and natural gas under its product, or sharing contracts, when international prices exceed budgeted assumptions, the excess cost is borne by EGPC under the subsidy system, which, in turn, negatively affects EGPC’s financial performance and has, in the past resulted in large arrears being owed to international oil and gas companies. See “*The Economy—Commodity Sector—Extractive Industry—Petroleum*”.

### ***Food Subsidies and Social Support***

Since 2015, the Government has gradually shifted away from providing in-kind transfers, instead focusing on cash transfer programmes. The Government’s main cash transfer schemes, which operate in addition to the existing pension system, are an unconditional benefit for the elderly and disabled (*Karama*) and a conditional transfer for families to support children’s health and education in poor areas (*Takaful*).

In addition to these cash transfer schemes, the Government provides: (i) semi-cash transfer schemes for food subsidies pursuant to which the Government provides LE 50 in benefits per person, which can be spent on over 100 products (rather than rationing specific quantities of chosen products); beneficiaries are also allocated a daily quota of five loaves of bread at a subsidised cost of LE 0.05; (ii) in-kind transfer schemes, including transportation and petroleum products (namely fuel oil and butane), cylinders for electricity generation and food industries; and (iv) continued expenditures on health, education and scientific research in line with the constitutional mandates. See “*The Arab Republic of Egypt—Health and Sanitation*” and “*The Arab Republic of Egypt—Education*”.

In October 2022, the Government announced an exceptional LE 68.3 billion social assistance package to address short-term hardship Including:

- LE 32 billion to increase all pensions by an additional LE 300 per month;
- LE 18.5 billion in temporary bonuses of LE 300 to all Government employees;
- LE 3.3 billion to increase ration card values for 10.5 million families until 30 June 2023;
- increasing the untaxable income bracket to LE 30,000 from LE 24,000;
- freezing electricity prices until 30 June 2023;
- increasing the minimum wage from LE2,700 to LE 3,000 and increasing all government wage brackets by LE 300; and
- the temporary funding of certain private sector salaries for companies in financial difficulty.

A further LE 180 billion social protection package was announced in 2024 to alleviate the impact of inflation, which includes:

- a 50% increase in the public sector minimum wage (from LE 4,000 to LE 6,000);
- an increase in the monthly salaries of Government workers and employees of economic authorities by at least LE 1,000 – LE 1,200;
- a 15% increase in pension transfers for the *Takaful* and *Karama* schemes (an estimated cost of LE 5.5 billion);
- a 33% increase in the individual income tax exemption threshold (from LE 45,000 to LE 60,000); and
- an increase in performance bonuses and other specific allowances to almost two million teachers and 600,00 doctors and health experts.

The Government plans to continue the expansion of the *Takaful* and *Karama* cash transfer schemes, in line with its broader aims to reduce poverty and inequality. In 2023, the coverage of these programmes increased to 5.3 million households.

In February 2025, the Government announced a new social protection package to support vulnerable groups, increase wages and pensions and strengthen economic stability. Key elements of this package include:

- the immediate granting of direct financial aid ahead of Ramadan and Eid al-Fitr to approximately 10 million ration cardholders and the receipt by 5.2 million beneficiaries under the *Takaful* and *Karama* programmes of LE 300 per family in Ramadan and a 25% permanent increase in cash allowances with effect from April 2025;
- prioritisation of healthcare through the funding of 60,000 critical medical cases;
- the launching of a LE 10 billion fund to support young people not covered by the *Takaful* and *Karama* programmes to encourage entrepreneurship and small business development, to provide financial support for job seekers and to promote collaboration with funding institutions;
- the granting of a LE 1,500 grant to be paid six times a year to irregular workers to improve financial security, as well as the granting of LE 35 to 40 billion in agricultural support by raising crop procurement prices, allocating additional funding to farmers and ensuring higher-than-global prices for local wheat supplies to stabilise incomes;
- with effect from July 2025, 4.5 million government employees and 13 million pensions have benefitted from LE 85 billion allocated for salary and pension adjustments, including (i) raising the public sector minimum wage to LE 7,000 per month; (ii) 10% salary increases for employees within the structured public sector; (iii) 15% salary increases for employees outside of structured pay scales; (iv) increasing the cost of living allowance from LE 400 to LE 1,000; and (v) a 15% increase in pension payments aimed at improving financial security; and
- the allocation of additional resources to improve education and healthcare, including by raising teacher and university faculty member incentives, strengthening teacher recruitment and training programmes and enhancing funding for healthcare professionals.

A steering committee, headed by the Prime Minister, has also been established to refine the eligibility criteria of subsidies and to apply a model to establish conditional cash transfer programmes with improved targeting. The Government also plans reforms aimed at preventing the black market trade of subsidised goods and to curb excessive consumption.

In April 2025, a social security law (Law № 12 of 2025) was enacted, which extends social security coverage to citizens that are not enrolled in any existing social insurance system and are unable to support themselves or their families due to disability or old age. The social security law establishes the “*Takaful and Karama Fund*”, which replaces the former Central Social Security Fund.

See “*Risk Factors—Risk Factors Relating to Egypt—Economic Risk*”.

### ***Electricity Subsidies***

No electricity subsidies were paid in 2020/21 and 2021/22, following the phasing out of previous subsidies in place. In 2022/23, due to the postponement of electricity tariff increases, electricity subsidies were LE 2.1 billion, increasing by 16.4% to LE 2.4 billion in 2023/24 and by 312.7% to LE 10 billion in 2024/25. The subsidies in each of 2022/23, 2023/24 and 2024/25 were to alleviate cost of living pressures as a result of the general increase in market prices for electricity prices. In addition, the subsidies for the difference between the average cost and average selling price were LE 30.1 billion for 2022/23, LE 86.3 billion for 2023/24 and LE 151.8 billion for 2024/25.

The Government has increased electricity prices on a number of occasions in line with the Government’s economic reform programme to reduce the subsidy bill and to meet targets under EFF arrangements with the IMF. For example, in June 2020, electricity tariffs were increased by an average of 20.5%, and, in January 2024, electricity prices for both residential and commercial use were increased (with increases of between 7% and 20% across various categories) in line with the Government’s economic reform programme and targets under the EFF with the IMF. In August 2024, electricity tariffs for all consumers were increased by approximately 45%, and prices of butane and natural gas for the electricity and industrial sectors were increased.

## National Investment Bank

The NIB was established by Law № 119 of 1980 for funding infrastructure investments according to the Government's five year economic and development plans.

The NIB serves as a development fund to finance infrastructure projects on a for-profit basis.

A committee comprising representatives of the CBE, the Ministry of Planning, Economic Development and International Co-operation and the Ministry of Finance has been established to strengthen NIB oversight and governance and has been tasked to develop a plan for reforming and improving its financial performance. An international auditor has been hired to evaluate NIB's assets and liabilities.

A reform plan has been announced to restructure the NIB, containing fiscal and financial stability risks arising from the NIB, which has ceased lending and funding operations. Pursuant to the plan, NIB's balance sheet is expected to be reduced gradually over time.

The following table sets forth the NIB's sources and use of funds as at the dates indicated.

<b>National Investment Bank Sources and Uses</b>						
	<b>As at 30 June</b>					<b>As at 31 December 2025<sup>(1)</sup></b>
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	
	<i>(LE millions)</i>					
<b>Sources</b> .....	<b>597,031</b>	<b>479,427</b>	<b>447,381</b>	<b>435,591</b>	<b>423,599</b>	<b>422,987</b>
Social Insurance Fund for Public and Private Business						
Sector Employees .....	57,007	60,786	65,224	61,697	62,804	63,398
Proceeds from Investment Certificates .....	345,167	210,855	162,531	137,940 <sup>(2)</sup>	122,350	112,580
Accumulated Interest on Investment Certificates (Category A).....	11,070	9,538	5,519	3,607	3,441	3,070
Post Office Savings .....	179,581	194,845	211,407	229,376	231,811	240,446
Others .....	4,206	3,404	2,700	2,972	3,193	3,493
<b>Uses, of which</b> .....	<b>597,031</b>	<b>479,427</b>	<b>447,381</b>	<b>435,591</b>	<b>423,599</b>	<b>422,987</b>
<i>Loans to Economic Authorities<sup>(3)</sup></i> .....	<i>72,674</i>	<i>57,484</i>	<i>46,631</i>	<i>44,305</i>	<i>42,314</i>	<i>42,164</i>
<i>Investments in government securities (bills and bonds)</i> .....	<i>174,634</i>	<i>67,930</i>	<i>57,937</i>	<i>28,884</i>	<i>34,168</i>	<i>55,529</i>
<i>Deposits of the NIB with the banking system</i> .....	<i>9,581</i>	<i>30,096</i>	<i>35,556</i>	<i>54,391</i>	<i>60,906</i>	<i>47,054</i>

*Source: National Investment Bank.*

### Notes:

- (1) Preliminary data.
- (2) Including the outstanding balance of a credit facility granted by National Bank of Egypt S.A.E. to the NIB and guaranteed by the Ministry of Finance, which will be used to pay any deficit in investment certificates coming due.
- (3) In addition to the marginal interest balance, which, as at 31 December 2025, amounted to approximately LE 203,652 million.

## Social Insurance Funds

In 2019, Law № 148 of 2019 (the “**2019 Pensions Law**”) was passed, which unified the pension system in Egypt for all categories, including Government employees, public and private sector employees, those working in the informal sector, self-employed persons and Egyptians working abroad. The 2019 Pensions Law merged the two general pension funds previously in place, and the system now operates through one entity, the National Organisation for Social Insurance. The 2019 Pensions Law sets the Government contribution to the pension scheme, providing for a LE 160.5 billion transfer from the treasury in July 2019, which increases by 6% on a compounded basis annually for a period of 50 years. This transfer includes a contribution from the Treasury to cover the informal sector, through the payment of 12% of the minimum pensionable salary for each contributor to the informal sector. As at 30 June 2025, cumulative transfers from the Treasury to the social insurance system under this arrangement were LE 1,140 billion. The 2019 Pensions Law provides that at least 75% of the system's assets should be invested in treasury bills and bonds, which aims to ensure the sustainability of the pension system.

The cash transfer schemes, *Karama* and *Takaful*, which were introduced in 2015, are available in addition to the pension scheme. See “—*Social Spending and Subsidies*”.

## PUBLIC DEBT

### Overview

Egypt's public sector debt is comprised of the domestic debt of the central Government, the debt of Economic Authorities and Service Authorities and the external debt of the central Government. For the purposes of this section, external debt is debt payable in foreign currency held by non-Egyptian entities.

As at 30 June 2025, Egypt's net consolidated public domestic debt was LE 12,324 billion, representing 69.0% of GDP and a 44.6% increase compared to net consolidated public domestic debt as at 30 June 2024, which was LE 8,522.5 billion, representing 60.9% of GDP. This increase was primarily a result of an increase in gross consolidated general Government debt, which was only partially offset by an increase in deposits.

As at 30 June 2025, gross external debt was U.S.\$161.2 billion, representing 44.2% of GDP and a 5.5% increase, as compared to gross external debt of U.S.\$152.9 billion as at 30 June 2024, in turn, a decrease of 7.2%, as compared to U.S.\$164.7 billion as at 30 June 2023. As at 30 June 2025, gross external Government debt was U.S.\$82.0 billion, representing 22.5% of GDP and a 2.3% increase, as compared to gross external Government debt of U.S.\$80.2 billion as at 30 June 2024, representing 20.3% of GDP, in turn, a decrease of 3.9%, as compared to U.S.\$83.4 billion as at 30 June 2023.

The public debt figures set out herein do not include Government guarantees of debt owed by state-owned enterprises and Economic Authorities. The Government estimates that total Government-guaranteed debt (including state-owned enterprise and Economic Authority-guaranteed debt) was approximately 30.1% of GDP, as at 30 June 2025, which is split between domestic and external guaranteed debt. See *“Risk Factors—Risk Factors Relating to Egypt—The statistics published by the Republic may differ from those produced by other sources”*.

The following table sets forth Egypt's general Government debt as at the dates indicated.

**Total General Government Debt<sup>(1)(2)</sup>**

	As at 30 June				
	2021	2022	2023	2024	2025
	<i>(LE millions, unless otherwise stated)</i>				
<b>I. Gross Consolidated Public Domestic Debt...</b>	<b>5,046,259</b>	<b>5,971,322</b>	<b>8,281,081</b>	<b>11,289,650</b>	<b>14,471,087</b>
Gross Consolidated General Government					
Domestic Debt .....	4,564,074	5,243,768	6,983,556	8,589,309	10,834,407
Economic Authorities' Domestic Debt .....	672,118	907,330	1,454,710	2,848,034	3,729,280
Less:					
<i>Economic Authorities' Borrowings from NIB</i> .....	184,707	168,554	147,829	143,222	129,058
<i>Economic Authorities' Deposits in TSA<sup>(3)</sup></i> .....	5,226	11,222	9,356	4,470	(36,458)
Less:					
<b>II. Public Sector Deposits .....</b>	<b>645,504</b>	<b>1,077,425</b>	<b>1,780,753</b>	<b>2,767,127</b>	<b>2,146,987</b>
General Government Deposits .....	402,272	723,837	1,211,351	1,238,371	803,934
Economic Authorities Gross Deposits .....	322,973	458,651	687,758	1,642,226	1,415,595
Less:					
<i>Social Insurance Funds Deposits<sup>(4)</sup></i> .....	74,515	93,841	109,000	109,000	109,000
<i>Economic Authorities' Deposits in TSA<sup>(3)</sup></i> .....	5,226	11,222	9,356	4,470	(36,458)
<b>Net Consolidated Public Domestic Debt (I-II.) .....</b>	<b>4,400,755</b>	<b>4,893,897</b>	<b>6,500,328</b>	<b>8,522,523</b>	<b>12,324,100</b>
<b>Gross External Debt (U.S.\$ millions) .....</b>	<b>137,860</b>	<b>155,709</b>	<b>164,728</b>	<b>152,885</b>	<b>161,230</b>
<b>Gross External Government Debt (U.S.\$ millions) .....</b>	<b>82,446</b>	<b>82,275</b>	<b>83,428</b>	<b>80,178</b>	<b>81,994</b>
Special drawing rights (U.S.\$ millions).....	—	—	—	1,085	2,267
Bonds and Notes (U.S.\$ millions).....	28,709	29,014	29,479	27,695	28,740
Loans (U.S.\$ millions).....	51,736	53,262	53,949	51,398	50,987
Shot-term Debt (Loans) (U.S.\$ millions).....	2,000	—	—	—	—
<b>Gross External Non-Government Debt (U.S.\$ millions) .....</b>	<b>55,414</b>	<b>73,434</b>	<b>81,299</b>	<b>72,707</b>	<b>79,236</b>
Monetary Authorities (U.S.\$ millions).....	25,567	40,882	43,617	34,668	37,336
Banks (U.S.\$ millions).....	14,390	17,714	20,979	20,673	22,236
Other sectors (U.S.\$ millions).....	15,457	14,837	16,703	17,366	19,664
<b>Total General Government Debt (LE millions)<sup>(5)(6)</sup> .....</b>	<b>5,688,364</b>	<b>6,436,304</b>	<b>9,072,847</b>	<b>12,393,807</b>	<b>14,895,578</b>
<b>Debt to GDP Ratios<sup>(7)</sup></b>					
Gross Consolidated Public Domestic Debt/GDP (%).....	72.9	75.2	82.0	80.6	81.0
Net Consolidated Public Domestic Debt/GDP (%).....	63.6	61.4	64.4	60.9	69.0
Gross External Debt/GDP (%) <sup>(8)</sup> .....	32.6	32.6	40.5	38.8	44.2
Gross External Government Debt/GDP (%) <sup>(8)</sup> .....	19.4	17.2	20.5	20.3	22.5
General Government Debt/GDP (%).....	82.0	81.1	89.8	88.5	83.4
Budget Sector Debt/GDP (%).....	84.6	87.2	95.7	89.4	83.8

Sources: Ministry of Finance and CBE

**Notes:**

- (1) The figures in this table have been revised and differ from previously published data. See "Presentation of Information".
- (2) Represents a portion of the Economic Authorities' deposits at TSA that is borrowed by the budget sector in the form of loan facilities. Accordingly, it represents an interrelated debt between the Budget and Economic Authorities and is deducted on consolidation from both gross public sector debt and deposits of Economic Authorities.
- (3) Data revised to exclude deposits used as loan facilities for the budget sector.
- (4) In 2006, outstanding debt of the treasury to the Social Insurance Fund (through the NIB) was recognised as a direct liability of the treasury to the Social Insurance Fund. The outstanding debt relates to the issuance of two treasury bonds in the interest of the Social Insurance Fund of LE1.2 billion. A third bond of LE74.5 million was issued in June 2007. A fourth bond of LE1.1 billion was issued in June 2008. A fifth bond of LE2.3 billion was issued in June 2009. A sixth bond of LE988.8 million was issued in June 2010. A seventh bond of LE1.8 billion was issued in June 2011. In December 2012, additional bonds were issued with a total amount of LE15.5 billion to repay part of the historical liability.
- (5) Total General Government debt is the sum of Gross Consolidated General Government Domestic Debt and Gross External Government Debt.
- (6) The Gross External Debt portion of Total General Government Debt is calculated into Egyptian Pounds using the CBE's official exchange buy rate as at 30 June of each year.
- (7) See "The Economy—Gross Domestic Product".
- (8) As calculated by the CBE.

## Domestic Debt

Budget Sector domestic debt consists of debt payable in Egyptian Pounds and foreign currency debt held by Egyptian entities and excludes the debt of the NIB and Economic Authorities.

Egypt's net consolidated public domestic debt represented 69.0% of GDP as at 30 June 2025, as compared to 60.9% of GDP as at 30 June 2024. Total outstanding Government securities increased from LE 9,037.0 billion as at 30 June 2024 to LE 11,533 billion as at 30 June 2025.

The following table sets forth Egypt's outstanding domestic debt as at the dates indicated.

	<b>Budget Sector Domestic Debt<sup>(1)</sup></b>				
	<b>As at 30 June</b>				
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>(LE millions)</i>				
<b>I. Gross Domestic Budget Sector Debt</b> .....	<b>4,591,676</b>	<b>5,399,149</b>	<b>7,119,506</b>	<b>8,727,220</b>	<b>11,072,266</b>
<b>II. Ministry of Finance Securities</b> .....	<b>4,812,921</b>	<b>5,474,564</b>	<b>7,268,177</b>	<b>9,036,978</b>	<b>11,533,450</b>
Treasury Bills <sup>(3)</sup> .....	1,786,568	1,758,783	2,601,282	4,211,235	5,063,434
Treasury Bonds.....	2,198,487	2,805,549	2,862,195	2,960,778	4,121,001
Treasury Bonds and Notes issued to Bank Misr and NBE .....	42,948	51,555	84,797	131,892	136,208
Treasury Bonds and Notes issued to the CBE .....	672,838	689,143	752,121	889,756	832,553
Revaluation Bonds.....	41,062	83,068	209,068	264,570	327,662
Insurance Notes .....	—	—	—	—	—
Eurobonds (held domestically).....	70,967	86,413	140,359	223,424	235,037
Housing Bonds .....	51	53	55	55	58
Other.....	—	—	618,300	355,268	814,497
<b>III. Budget Sector Bank Loans</b> .....	<b>(221,245)</b>	<b>(75,415)</b>	<b>(148,671)</b>	<b>(309,758)</b>	<b>(461,184)</b>
<b>IV. Budget Sector Deposits</b> .....	<b>311,859</b>	<b>617,722</b>	<b>1,055,935</b>	<b>1,062,586</b>	<b>632,504</b>
<b>V. Net Domestic Budget Sector Debt (I. + II. + III. + IV)</b> .....	<b>4,279,817</b>	<b>4,781,427</b>	<b>6,063,571</b>	<b>7,664,634</b>	<b>10,439,762</b>
Gross Domestic Budget Sector Debt/GDP (%) <sup>(4)</sup> ....	71.7	68.0	70.5	62.3	62.0
Net Domestic Budget Sector Debt/GDP (%) <sup>(4)</sup> .....	66.9	60.2	60.0	54.7	58.5

Sources: Ministry of Finance and CBE

### Notes:

- (1) Outstanding domestic debt stock due from the central administration, local governments and public service authorities. The figures in this table have been revised and differ from previously published data. See "*Presentation of Information*".
- (2) According to the Ministry of Finance's preliminary figures (which are subject to revision and amendment that could be material).
- (3) Includes treasury bills issued in U.S. Dollars and Euros.
- (4) See "*The Economy—Gross Domestic Product*".

As at 30 June 2025, 55.0%, or LE 6,103 billion, of outstanding domestic debt had a maturity of less than one year, 10.8%, or LE 1,191 billion, had a maturity of one to three years, 20.3%, or LE 2,237.6 billion, had a maturity of three to five years, 2.9%, or LE 328.7 billion, had a maturity of five to seven years, 10.4%, or LE 1,145 billion, had a maturity of seven to ten years, and 0.6%, or LE 66.4 billion, had a maturity of more than ten years.

### Treasury Bills and Bonds

Treasury bills and bonds placed in Egyptian Pounds through the auction market provide a substantial source of funding for the Government. As at 30 June 2025, treasury bills and bonds accounted for approximately 82% of net domestic budget sector debt, as compared to 85% as at 30 June 2024, 84% as at 30 June 2023 and 90% as at 30 June 2022.

The following table sets forth details of the Government's securities issuances, denominated in Egyptian Pounds as at the dates indicated.

<b>Government Securities Issuances<sup>(1)</sup></b>					
	<b>As at 30 June</b>				
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<i>(LE millions)</i>				
<b>Issued</b> .....	<b>3,402</b>	<b>3,040</b>	<b>4,989</b>	<b>7,747</b>	<b>9,353</b>
Treasury Bills .....	2,521	2,216	4,246	6,939	7,468
Treasury Bonds.....	881	824	743	808	1,885
<b>Matured</b> .....	<b>2,796</b>	<b>2,502</b>	<b>4,259</b>	<b>6,273</b>	<b>7,343</b>
Treasury Bills .....	2,501	2,283	3,561	5,565	6,645
Treasury Bonds.....	294	220	698	708	698
<b>Net Issuances</b> .....	<b>608</b>	<b>538</b>	<b>730</b>	<b>1,474</b>	<b>2,010</b>
<b>Outstanding Stock (End of Period)</b> .....	<b>3,916</b>	<b>4,454</b>	<b>5,184</b>	<b>6,658</b>	<b>8,667</b>
Treasury Bills .....	1,648	1,581	2,266	3,640	4,462
Treasury Bonds.....	2,269	2,873	2,918	3,018	4,205
	<i>(%)</i>				
<b>Average Interest Rates</b>					
91-day Treasury Bills .....	13.1	12.5	18.9	25.6	28.7
182-day Treasury Bills .....	13.3	12.9	19.7	26.1	28.1
273-day Treasury Bills .....	13.4	13.2	19.9	26.4	26.9
364-day Treasury Bills .....	13.4	13.4	20.0	26.5	25.7

*Source: Ministry of Finance*

**Note:**

(1) The figures in this table have been revised and differ from previously published data. See "Presentation of Information".

The Ministry of Finance began issuing U.S. Dollar-denominated treasury bills in the local market in November 2011 with the purpose of absorbing the excess liquidity of foreign currencies that was available with local banks. The first issuance was for a nominal amount of U.S.\$1.5 billion, issued at a 3.9% interest rate. Euro-denominated treasury bills were issued for the first time in August 2012, and the Ministry of Finance has subsequently conducted numerous issuances of U.S. Dollar- and Euro-denominated treasury bills in the local market.

As at 30 June 2025, the outstanding nominal amount of U.S. Dollar-denominated treasury bills was U.S.\$11.7 billion, the outstanding nominal amount of Euro-denominated treasury bills was €1.25 billion and the outstanding nominal amount of U.S. Dollar-denominated treasury bonds was U.S.\$2.75 billion.

The following table sets forth details of Egypt's outstanding amount of U.S. Dollar and Euro-denominated treasury bills and treasury bonds as at 30 June 2025.

<b>Issue Date</b>	<b>Issue Size</b>	<b>Interest Rate</b>	<b>Maturity Date</b>
13 August 2024 .....	€609,800,000	3.750%	12 August 2025
5 November 2024 .....	€642,800,000	3.500%	04 November 2025
17 July 2024 .....	U.S.\$200,000,000	5.149%	16 July 2025
12 November 2024 .....	U.S.\$1,574,300,000	4.500%	11 November 2025
19 November 2024 .....	U.S.\$1,057,800,000	4.500%	18 November 2025
3 December 2024.....	U.S.\$980,500,000	4.500%	02 December 2025
31 December 2024.....	U.S.\$840,000,000	4.250%	30 December 2025
4 February 2024.....	U.S.\$1,061,000,000	4.250%	03 February 2026
18 February 2024.....	U.S.\$3,899,500,000	4.250%	17 February 2026
19 February 2024.....	U.S.\$460,400,000	4.250%	18 February 2026
13 March 2024.....	U.S.\$644,400,000	4.250%	12 March 2026
17 July 2024 .....	U.S.\$2,750,000,000	SOFR + 1.50%	19 July 2027

*Source: Ministry of Finance*

Since September 2013, the Ministry of Finance has also issued zero-coupon bonds with maturities of 1.5 years and three years, which are primarily subscribed for by Egyptian banks.

### **External Debt**

External debt consists of the external portion of long-term indebtedness incurred directly by the Government, external long-term indebtedness incurred by Economic Authorities and Service Authorities and private sector non-guaranteed debt.

Since 1991, the majority of Egypt's external borrowings have consisted of bilateral and multilateral finance, as well as debt securities placed in international capital markets. Egypt has been current on its external debt payments since 1991.

As at 30 June 2025, gross external debt was U.S.\$161.2 billion, representing 44.2% of GDP and a 5.5% increase, as compared to gross external debt of U.S.\$152.9 billion as at 30 June 2024, in turn, a decrease of 7.2%, as compared to U.S.\$164.7 billion as at 30 June 2023. As at 30 June 2025, gross external Government debt was U.S.\$82.0 billion, representing 22.5% of GDP and a 2.3% increase, as compared to gross external Government debt of U.S.\$80.2 billion as at 30 June 2024, representing 20.3% of GDP, in turn, a decrease of 3.9%, as compared to U.S.\$83.4 billion as at 30 June 2023.

As at 30 June 2025, 19.2%, or U.S.\$ 30.9 billion, of total external debt had a maturity of one year or less, as compared to 17.0%, or U.S.\$26.0 billion, as at 30 June 2024 and 17.1%, or U.S.\$28.1 billion, as at 30 June 2023.

### **Recent Developments**

In October 2025, the Republic issued U.S.\$700 million Trust Certificates due 2029 and U.S.\$800 million Trust Certificates due 2032 under the trust certificate programme.

## Historical Development of Egypt's External Debt

The following table sets forth details of the development of Egypt's external debt stock as at the dates indicated.

	External Debt Stock				
	As at 30 June				
	2021	2022	2023	2024	2025 <sup>(1)</sup>
	<i>(U.S.\$ millions)</i>				
<b>Medium- and Long-term External Public and Publicly-Guaranteed Debt</b> .....	<b>123,752</b>	<b>128,255</b>	<b>134,991</b>	<b>125,113</b>	<b>127,860</b>
Rescheduled bilateral debt .....	1,926	1,275	1,005	686	456
Other bilateral debt .....	10,053	10,326	11,712	13,086	16,692
Multilateral Institutions <sup>(2)</sup> .....	49,947	51,275	52,947	48,904	44,784
Suppliers' and buyers' credit .....	18,139	21,404	24,895	25,442	27,888
Bonds and Notes .....	28,709	29,013	29,479	27,695	28,740
<i>Sovereign Notes</i> .....	355	355	355	345	345
<i>Eurobonds denominated in U.S. Dollars</i> .....	23,128	23,550	22,432	19,876	20,341
<i>Eurobonds denominated in Euros</i> .....	4,489	3,931	4,067	3,970	3,518
<i>Samurai bonds issued in JPY</i> .....	0	440	419	841	936
<i>Panda bonds issued in RMB</i> .....	0.0	0.0	0.0	482	489
<i>Green bonds issued in U.S. Dollars</i> .....	737	737	737	725	663
<i>Sukuk securities issued in U.S. Dollars</i> .....	0.0	0.0	1,469	1,456	2,448
Deposits <sup>(3)</sup> .....	14,977	14,962	14,953	9,300	9,300
<b>Medium- and Long-term Private Sector Non-guaranteed Debt</b> .....	<b>392</b>	<b>834</b>	<b>1,586</b>	<b>1,747</b>	<b>2,455</b>
<b>Short Term Debt</b> <sup>(4)</sup> .....	<b>13,716</b>	<b>26,620</b>	<b>28,151</b>	<b>26,025</b>	<b>30,915</b>
Currency and Deposits (non-residents) .....	4,035	16,859	18,686	16,027	16,129
Loans and Trade Credits .....	9,681	9,761	9,465	9,998	14,786
<b>Total</b> .....	<b>137,860</b>	<b>155,709</b>	<b>164,728</b>	<b>152,885</b>	<b>161,230</b>

### Notes:

- (1) Preliminary figures. See “—Recent Developments” for developments since 30 June 2025.
- (2) Includes, as at 30 June 2025, U.S.\$5,782.8 million disbursed under the EFF with the IMF (SDR 4,209 million), U.S.\$ 3,917.2 million of SDR allocations by the IMF to its member countries, of which Egypt's share is SDR 2,851 million, U.S.\$1,193.3 million representing amounts drawn down under the SBA with the IMF (SDR 868 million) and U.S.\$3,325.4 million representing amounts drawn down under the second EFF with the IMF (SDR 2,420 million).
- (3) Representing Saudi Arabia and Kuwait deposits of, as at 30 June 2025, U.S.\$5,300 million and U.S.\$4,000 million, respectively.
- (4) Includes, as at 30 June 2025, deposits from Arab countries amounting to U.S.\$11,103 million, U.S.\$2,512 million representing the currency swap arrangement entered into with the People's Bank of China, U.S.\$1,361 million representing a currency swap arrangement in respect of UAE Dirhams and U.S.\$500 million representing a currency swap arrangement with Afreximbank.

See “Monetary System—Foreign Exchange”.

The following table sets forth Egypt's total external debt, by currency, as at the dates indicated.

	<b>Total External Debt by Currency</b>				
	<b>As at 30 June</b>				
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025<sup>(1)</sup></b>
	<i>(U.S.\$ millions)<sup>(2)</sup></i>				
U.S. Dollar.....	85,382	103,463	112,634	101,240	109,692
Euro.....	17,550	16,374	18,271	18,390	20,017
Japanese Yen.....	2,582	2,794	2,628	3,195	3,751
Kuwaiti Dinar.....	3,730	3,904	3,897	3,767	3,756
Special Drawing Rights <sup>(3)</sup> .....	22,628	23,431	22,195	18,197	15,048
Chinese Yuan.....	3,900	3,635	3,201	4,839	5,929
Egyptian Pound.....	406	404	209	117	126
Swiss Franc.....	143	134	143	141	162
British Pound Sterling.....	9	7	4	8	11
Canadian Dollar.....	26	21	17	12	8
Danish Kroner.....	35	27	21	15	10
UAE Dirham.....	19	19	116	1,679	1,539
Swedish Kroner.....	0	2	0	0	0
Saudi Riyal.....	1,448	1,473	1,369	1,250	1,131
Norwegian Kroner.....	1	1	1	1	1
Korean Won.....	1	20	22	34	49
<b>Total.....</b>	<b>137,860</b>	<b>155,709</b>	<b>164,728</b>	<b>152,885</b>	<b>161,230</b>

*Source: CBE*

**Notes:**

- (1) Preliminary figures. See “—Recent Developments” for developments since 30 June 2025.
- (2) Using end of period exchange rate.
- (3) Includes, as at 30 June 2025, U.S.\$5,782.8 million disbursed under the EFF with the IMF (SDR 4,209 million), U.S.\$ 3,917.2 million of SDR allocations by the IMF to its member countries, of which Egypt's share is SDR 2,851 million, U.S.\$1,193.3 million representing amounts drawn down under the SBA with the IMF (SDR 868 million) and U.S.\$3,325.4 million representing amounts drawn down under the second EFF with the IMF (SDR 2,420 million).

The following table sets forth details of Egypt's short-term external debt as at the dates indicated.

	<b>Short-term External Debt</b>				
	<b>As at 30 June</b>				
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025<sup>(1)</sup></b>
	<i>(U.S.\$ millions)</i>				
<b>Short-Term Debt.....</b>	<b>13,716</b>	<b>26,620</b>	<b>28,151</b>	<b>26,025</b>	<b>30,915</b>
Currency and Deposits (Non-Residents) <sup>(2)</sup> .....	4,035	16,859	18,686	16,027	16,129
Other Facilities.....	9,681	9,761	9,465	9,998	14,786

*Source: CBE*

**Notes:**

- (1) Preliminary figures. See “—Recent Developments” for developments since 30 June 2025.
- (2) Includes, as at 30 June 2025, deposits from Arab countries amounting to U.S.\$11,103 million, U.S.\$2,512 million representing the currency swap arrangement entered into with the People's Bank of China, U.S.\$1,361 million representing a currency swap arrangement in respect of UAE Dirhams and U.S.\$500 million representing a currency swap arrangement with Afreximbank.

The following table sets forth Egypt's medium- and long-term public and publicly-guaranteed external debt, by origin of creditor, as at the dates indicated.

	<b>Medium- and Long-term Public and Publicly-Guaranteed External Debt by Creditor</b>				
	<b>As at 30 June</b>				
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025<sup>(1)</sup></b>
	<i>(U.S.\$ millions)<sup>(2)</sup></i>				
Group of banks .....	12,063.80	10,989.76	11,738.11	10,491.13	11,768.18
Russia .....	702.58	1,126.53	2,119.49	3,299.78	5,126.09
Korea .....	169.70	210.53	254.76	402.26	532.62
France .....	1,545.50	1,490.64	1,986.06	2,291.39	2,411.94
United States.....	434.85	160.01	615.66	690.45	669.25
Germany .....	2,776.25	2,329.23	2,250.61	1,979.33	1,874.06
Japan.....	2,619.81	2,402.91	2,245.02	2,351.74	2,738.26
Spain.....	278.65	238.82	261.51	245.22	309.83
United Kingdom .....	751.40	784.35	79.50	74.56	570.10
Italy.....	47.95	42.90	38.97	34.38	31.61
Bahrain .....	170.00	208.28	199.82	19.61	183.93
Austria .....	37.82	27.30	21.63	13.56	21.84
Kuwait .....	1,745.11	1,886.41	1,868.82	1,806.26	1773.55
Switzerland.....	2.84	2.25	118.81	247.57	322.84
Denmark .....	36.80	26.21	20.95	14.89	9.93
Canada.....	285.53	511.96	485.20	422.53	275.80
China .....	4,631.54	4,775.79	5,515.44	6,661.77	6,815.45
The Netherlands.....	37.13	26.94	21.45	14.37	8.07
Finland.....	1.63	1.12	0.83	0.49	0.18
United Arab Emirates .....	177.78	3,896.16	5,871.85	5,933.75	5,675.62
Sweden .....	0.0	0.0	0.00	0.00	0.00
Saudi Arabia.....	1,440.78	1,469.71	1,367.14	1,247.22	1,128.96
Hungary .....	161.02	396.83	529.75	671.94	815.48
Hong Kong .....	0.00	0.00	0.00	300.00	300.00
European Union.....	0.00	0.00	0.00	0.00	1172.50
South Africa.....	0.00	0.00	0.00	0.00	500.00
International Organisations <sup>(3)(4)</sup> .....	49,947.36	51,275.36	52,946.96	48,904.32	44,783.66
Sovereign Notes.....	355.40	355.40	355.40	344.98	345.48
Deposits <sup>(5)</sup> .....	14,976.55	14,961.74	14,952.98	9,300.00	9,300
Eurobonds denominated in U.S. Dollars.....	23,127.67	23,550.06	22,431.52	19,875.88	20,341.37
Eurobonds denominated in Euros .....	4,489.00	3,930.98	4,066.85	3,970.40	3,517.70
Green Bonds issued in U.S. Dollars.....	737.20	737.20	737.20	724.99	662.97
Samurai Bonds issued in JPY .....	0.00	439.82	419.17	841.44	936.20
Sukuk certificates denominated in U.S. Dollars	—	—	1,469.10	1,455.70	2,447.67
Panda Bonds issued in RMB .....	—	—	0.0	481.51	488.52
<b>Total</b> .....	<b>123,751.65</b>	<b>128,255.20</b>	<b>134,990.55</b>	<b>125,113.42</b>	<b>127,859.66</b>

Source: CBE

**Notes:**

- (1) Preliminary figures. See “—Recent Developments” for developments since 30 June 2025.
- (2) Using end of period exchange rate.
- (3) Includes international organisations, such as the European Investment Bank, the Arab Fund for Economic and Social Development, the World Bank Group and the African Development Group.
- (4) Includes, as at 30 June 2025, U.S.\$5,782.8 million disbursed under the EFF with the IMF (SDR 4,209 million), U.S.\$ 3,917.2 million of SDR allocations by the IMF to its member countries, of which Egypt's share is SDR 2,851 million, U.S.\$1,193.3 million representing amounts drawn down under the SBA with the IMF (SDR 868 million) and U.S.\$3,325.4 million representing amounts drawn down under the second EFF with the IMF (SDR 2,420 million)).
- (5) Representing Saudi Arabia and Kuwait deposits of, as at 30 June 2025, U.S.\$5,300 million and U.S.\$ 4,000 million, respectively.

The following table sets forth details of Egypt's outstanding international Government bonds and Sukuk securities as of the date of this Base Offering Circular.

#### Outstanding International Government Bonds

Issue Date	Issue Size	Coupon <i>(% per annum)</i>	Maturity
16 February 2021.....	U.S.\$750,000,000	3.875	16 February 2026
28 February 2023.....	U.S.\$1,500,000,000	10.875	28 February 2026
16 April 2018.....	€1,000,000,000	4.750	16 April 2026
17 October 2023.....	RMB3,500,000,000	3.51	17 October 2026
16 November 2018.....	U.S.\$860,000,000	7.125	10 November 2026
31 January 2017.....	U.S.\$1,000,000,000	7.50	31 January 2027
29 May 2017.....	U.S.\$1,000,000,000	7.50	31 January 2027
31 March 2022.....	JPY 60,000,000,000	0.85	31 March 2027
30 September 2021.....	U.S.\$1,125,000,000	5.800	30 September 2027
21 February 2018.....	U.S.\$1,250,000,000	6.588	21 February 2028
25 June 2025.....	U.S.\$1,000,000,000	7.875	25 June 2028
9 November 2023.....	JPY 75,000,000,000	1.5	9 November 2028
10 November 2016.....	U.S.\$1,320,000,000	7.000	10 November 2028
26 February 2019.....	U.S.\$1,750,000,000	7.6003	1 March 2029
7 October 2025.....	U.S.\$700,000,000	6.375	7 April 2029
4 February 2025.....	U.S.\$1,250,000,000	8.625	4 February 2030
16 April 2018.....	€1,000,000,000	5.625	16 April 2030
16 November 2018.....	U.S.\$1,710,000,000	7.625	10 November 2030
16 February 2021.....	U.S.\$1,500,000,000	5.875	16 February 2031
11 April 2019.....	€1,250,000,000	6.375	11 April 2031
20 November 2019.....	U.S.\$1,000,000,000	7.0529	15 January 2032
29 May 2020.....	U.S.\$1,750,000,000	7.625	29 May 2032
7 October 2025.....	U.S.\$800,000,000	7.950	7 October 2032
4 February 2025.....	U.S.\$750,000,000	9.450	4 February 2033
30 September 2021.....	U.S.\$1,125,000,000	7.300	30 September 2033
30 April 2010.....	U.S.\$500,000,000	6.875	30 April 2040
31 January 2017.....	U.S.\$1,250,000,000	8.500	31 January 2047
29 May 2017.....	U.S.\$1,250,000,000	8.500	31 January 2047
21 February 2018.....	U.S.\$1,500,000,000	7.903	21 February 2048
26 February 2019.....	U.S.\$1,500,000,000	8.7002	1 March 2049
29 May 2020.....	U.S.\$2,000,000,000	8.875	29 May 2050
30 September 2021.....	U.S.\$750,000,000	8.750	30 September 2051
20 November 2019.....	U.S.\$500,000,000	8.150	20 November 2059
16 February 2021.....	U.S.\$1,500,000,000	7.500	16 February 2061

*Source: Ministry of Finance*

**Note:**

(1) In nominal value.

In April 2010, the Republic issued U.S.\$1 billion 5.75% Notes due 2020 and U.S.\$500 million 6.875% Notes due 2040 in order to refinance a U.S.\$1 billion bond that matured in July 2011, extend external debt maturities and diversify its investor base.

In May 2015, the Republic established the Programme. The following series of Notes have been issued under the Programme:

- the U.S.\$1.5 billion 5.875% Notes due 2025 (which have subsequently been repaid on maturity in accordance with their terms) in June 2015;
- the U.S.\$1.75 billion 6.125% Notes due 2022 (which have subsequently been repaid on maturity in accordance with their terms), U.S.\$1.0 billion 7.500% Notes due 2027 and U.S.\$1.25 billion 8.500% Notes due 2047 in January 2017;

- the U.S.\$750 million 6.125% Notes due 2022 (which were consolidated to form a single series with the U.S.\$1.75 billion 6.125% Notes due 2022 issued on 31 January 2017 and have subsequently been repaid on maturity in accordance with their terms), the U.S.\$1 billion 7.500% Notes due 2027 (which were consolidated to form a single series with the U.S.\$1 billion 7.500% Notes due 2027 issued on 31 January 2017) and the U.S.\$1.25 billion 8.500% Notes due 2047 (which were consolidated to form a single series with the U.S.\$1.25 billion 8.500% Notes due 2047 issued on 31 January 2017) in May 2017;
- the U.S.\$1.25 billion 5.577% Notes due 2023 (which have subsequently been repaid on maturity in accordance with their terms), U.S.\$1.25 billion 6.588% Notes due 2028 and U.S.\$1.5 billion 7.903% Notes due 2048 in February 2018;
- the €1.0 billion 4.750% Notes due 2026 and €1.0 billion 5.625% Notes due 2030 in April 2018;
- the U.S.\$750 million 6.2004% Notes due 2024 (which have subsequently been repaid on maturity in accordance with their terms), U.S.\$1.75 billion 7.6003% Notes due 2029 and U.S.\$1.5 billion 8.7002% Notes due 2049 in February 2019;
- the €750 million 4.750% Notes due 2025 (which have subsequently been repaid on maturity in accordance with their terms) and the €1.25 billion 6.375% Notes due 2031 in April 2019.
- the U.S.\$500 million 4.5500% Notes due 2023 (which have subsequently been repaid on maturity in accordance with their terms), U.S.\$1.0 billion 7.0529% Notes due 2032 and U.S.\$500 million 8.1500% Notes due 2059 in November 2019;
- the U.S.\$1,250 million 5.75% Notes due 2024 (which have subsequently been repaid on maturity in accordance with their terms), U.S.\$1,750 million 5.875% Notes due 2032 and U.S.\$2,000 million 8.875% Notes due 2050 in May 2020;
- the U.S.\$750 million 3.875% Notes due 2026, U.S.\$1.5 billion 5.875% Notes due 2031 and U.S.\$1.5 billion 7.5% Notes due 2061 in February 2021;
- the U.S.\$1.125 billion 5.800% Notes due 2027, U.S.\$1.125 billion 7.300% Notes due 2033 and U.S.\$750 million 8.750% Notes due 2051 in September 2021; and
- the U.S.\$1.25 billion 8.625% Notes due 2030 and U.S.\$750 million 9.450% Notes due 2033 in February 2025.

In November 2016, the Republic issued its: (i) U.S.\$1.36 billion 4.622% Notes due 2017 (the maturity date of which was subsequently extended, by consent solicitation, to 2018 in November 2017, and the notes have subsequently been repaid on maturity in accordance with their terms); (ii) U.S.\$1.32 billion 6.750% Notes due 2024 (which have subsequently been repaid on maturity in accordance with their terms); and (iii) U.S.\$1.32 billion 7.000% Notes due 2028. In November 2018, the Republic issued its U.S.\$860 million 7.125% Notes due 2026 and U.S.\$1.71 billion 7.625% Notes due 2030.

In October 2020, the Republic issued its U.S.\$750 million 5.250% Green Bonds due 2025 (which have subsequently been repaid on maturity in accordance with their terms), its inaugural issuance of green bonds. In 2022, Egypt achieved the full allocation of the proceeds of its green bond, which it reported in its 2022 annual allocation and impact report. The report noted that 54% of the proceeds were allocated to sustainable water and wastewater management projects (with an estimated aggregate of 16.9 million beneficiaries in 2022) and 46% to clean transportation projects (with an estimated aggregate of 19.6 million passenger beneficiaries in 2022 (on a kilometre per day basis)), while 66% of the proceeds were allocated to new financing and the remaining 34% to refinancing projects.

In March 2022, the Republic issued its JPY 60 billion 0.850% samurai bonds due 2027.

In February 2023, the Republic established its trust certificate issuance programme and issued its U.S.\$1.5 billion Trust Certificates due 2026 thereunder.

In October 2023, the Republic issued its RMB 3.5 billion 3.51% guaranteed sustainable panda bonds due 2026, which are guaranteed by the African Development Bank and the Asian Infrastructure Development Bank.

In November 2023, the Republic issued its JPY 75 billion 1.5% samurai bonds due 2028. The issuance benefits from a guarantee provided by Sumitomo Mitsui Banking Corporation and a full re-guarantee provided by Africa Finance Corporation.

In January 2022, Egypt was included in the JP Morgan Government Bond Index Emerging Markets.

In June 2025, the Republic issued its U.S.\$1.0 billion Trust Certificates due 2028 under the trust certificate issuance programme.

In October 2025, the Republic issued U.S.\$700 million Trust Certificates due 2029 and U.S.\$800 million Trust Certificates due 2032 under the trust certificate programme.

The following table sets forth Egypt's medium- and long-term public and publicly-guaranteed external debt service for the years indicated based on outstanding debt as at 30 June 2025.

Year	Projected Medium- and Long-Term Public and Publicly-Guaranteed External Debt Service Based on Outstanding Amounts as of 30 June 2025		
	Principal Repayments <sup>(1)</sup>	Interest Payments	Total Debt Service
	<i>(U.S.\$ millions)<sup>(2)</sup></i>		
2025/H2 .....	8,220.94	3,250.54	11,471.48
2026/H1 .....	15,014.90	3,142.77	18,157.67
2026/H2 .....	11,611.21	2,571.02	14,182.23
2027/H1 .....	6,235.28	2,430.47	8,665.74
2027/H2 .....	8,087.89	2,103.27	10,191.16
2028/H1 .....	7,297.04	2,034.82	9,331.86
2028/H2 .....	3,431.90	1,638.24	5,070.15
2029/H1 .....	3,711.89	1,747.45	5,459.34
2029/H2 .....	2,511.00	1,481.29	3,992.29
2030/H1 .....	4,540.34	1,605.71	6,146.04
2030/H2 .....	2,042.91	1,335.82	3,378.74
2031/H1 .....	4,427.26	1,406.14	5,833.41
2031/H2 .....	1,801.42	1,224.52	3,025.93
2032/H1 .....	4,089.63	1,213.31	5,302.94
2032/H2 .....	1,725.20	1,070.07	2,795.27
2033/H1 .....	2,404.38	1,057.85	3,462.23
2033/H2 .....	2,461.39	966.78	3,428.16
2034/H1 .....	1,464.97	925.94	2,390.91
2034/H2 .....	1,377.70	877.53	2,255.23
2035/H1 .....	1,278.81	875.42	2,154.23
2035/H2 .....	1,082.46	830.90	1,913.36
2036/H1 .....	999.86	835.20	1,835.06
2036/H2 .....	937.84	793.98	1,731.83
2037/H1 .....	923.72	797.99	1,721.70
2037/H2 .....	800.52	759.72	1,560.24
2038/H1 .....	800.27	765.21	1,565.49
2038/H2 .....	718.50	730.32	1,448.82
2039/H1 .....	743.47	736.90	1,480.38
2039/H2 .....	688.47	704.33	1,392.81
2040/H1 .....	1,021.95	711.98	1,733.94
2040/H2 .....	568.66	668.72	1,237.38
2041/H1 .....	613.39	676.27	1,289.66
2041/H2 .....	537.11	647.94	1,185.05
2042/H1 .....	506.29	655.33	1,161.62
2042/H2 .....	444.43	629.68	1,074.12
2043/H1 .....	465.34	637.64	1,102.98
2043/H2 .....	408.24	613.86	1,022.10
2044/H1 .....	451.85	622.45	1,074.31
2044/H2 .....	391.20	599.21	990.41
2045/H1 .....	426.02	606.14	1,032.16
2045/H2 .....	379.12	584.79	963.91
2046/H1 .....	419.03	532.93	951.96
2046/H2 .....	366.03	511.55	877.59
2047/H1 .....	2,856.28	517.98	3,374.26
2047/H2 .....	358.70	393.61	752.31
2048/H1 .....	1,890.76	399.50	2,290.26
2048/H2 .....	350.16	321.11	671.27
2049/H1 .....	1,871.35	325.72	2,197.07
2049/H2 .....	338.48	242.98	581.46
2050/H1 .....	2,384.97	246.86	2,631.83
2050/H2 .....	298.66	140.77	439.43
2051/H1 .....	334.31	144.63	478.94
2051/H2 .....	1,018.09	129.56	1,147.65
2052/H1 .....	299.75	100.55	400.31

2052/H2	138.70	87.32	226.02
2053/H1	152.41	92.22	244.63
2053/H2	90.23	82.45	172.68
2054/H1	117.69	87.72	205.41
2054/H2	63.37	80.05	143.41
2055/H1	102.72	85.18	187.90
2055/H2	52.35	78.89	131.24
2056/H1	95.95	83.43	179.37
2056/H2	43.82	78.29	122.10
2057/H1	86.05	81.93	167.99
2057/H2	38.71	77.75	116.46
2058/H1	85.61	80.41	166.01
2058/H2	38.71	77.22	115.93
2059/H1	84.61	78.92	163.53
2059/H2	525.88	76.72	602.60
2060/H1	72.78	57.32	130.10
2060/H2	25.88	56.33	82.21
2061/H1	1,525.88	56.33	1,582.21
2061/H2	25.88	0.07	25.95
2062/H1	25.88	0.06	25.94
2062/H2	25.33	0.05	25.38
2063/H1	17.94	0.04	17.98
2063/H2	7.28	0.04	7.32
2064/H1	7.28	0.03	7.31
2064/H2	4.99	0.03	5.02
2065/H1	3.96	0.03	3.99
2065/H2	3.94	0.03	3.97
2066/H1	3.94	0.02	3.96
2066/H2	3.94	0.02	3.96
2067/H1	3.94	0.02	3.96
2067/H2	3.94	0.02	3.96
2068/H1	3.94	0.02	3.96
2068/H2	3.94	0.01	3.95
2069/H1	3.94	0.01	3.95
2069/H2	3.94	0.01	3.95
2070/H1	3.94	0.01	3.95
2070/H2	3.94	0.01	3.95
2071/H1	3.94	0.00	3.94
2071/H2	4.00	0.00	4.00
2072/H1	0.00	0.00	0.00
2072/H2	0.00	0.00	0.00

Sources: Ministry of Finance and CBE

**Notes:**

- (1) Excludes U.S.\$ 3,917.17 million representing SDR allocation by IMF to its member countries, Egypt's share is SDR 2,850.92 million.  
(2) Using an exchange rate as of 30 June 2025.

## Guaranteed Debt

The following table sets forth details of Egypt's publicly-guaranteed private sector external debt outstanding as at 30 June 2025.

<b>Publicly-Guaranteed Private Sector External Debt</b>	
<b>Borrower</b>	<b>Outstanding Amount</b> <i>(U.S.\$ millions)</i>
<b>Medium- and Long-Term Debt</b> .....	500.00
<b>Short Term Debt</b>	
Loans.....	400.00
Trade Credits.....	313.36
<b>Total</b> .....	<b>1,213.36</b>

*Source: CBE*

## Public Debt Management

The role of the Ministry of Finance's Public Debt Management Unit is to procure Government budget funding requirements at the lowest long-term cost relative to the general level of interest rates, consistent with prudent fiscal and monetary policy framework. The Debt Management Unit follows a market-orientated funding strategy based on projected budgetary requirements, determining frequency, volume, timing and maturities for all debt issuances to ensure a prudent Government debt structure. This funding strategy was reviewed in the fourth quarter of 2020, in the context of uncertain inflation dynamics and a decrease in food prices. A revised public financial management law was published in the *Official Gazette* in February 2022.

### *Debt Management Strategy*

The Ministry of Finance's debt management policy is focused on:

- Extending the average maturity of Government debt to reduce rollovers of debt and to decrease pressure on short-term liquidity. The Ministry of Finance targets increasing the average time to maturity of budget sector debt to between 4.5 and 5 years by the end of 2029 (as compared to approximately 3.4 years as at 30 June 2024 and 3.1 years as at 31 March 2025). With respect to the local currency tradable debt portfolio, as at 30 June 2025, the average time to maturity of the portfolio had increased to 1.62 years, as compared to 1.24 years as at 30 June 2024.
- Diversifying debt sources, including through:
  - increasing the proportion of domestic debt (including through developing new local currency debt products), as compared to external debt, in the Government debt portfolio to help reduce exposure to foreign exchange risks;
  - using alternative debt instruments to lower the Government's cost of borrowing and reduce its reliance on short-term debt, such as the introduction, since 2023, of floating rate notes in the domestic market;
  - since the first half of 2025/26, issuing new debt instruments in the domestic market, including, in November 2025, issuing the first domestic, local currency Sukuk (a three-year ijara Sukuk, which was oversubscribed and has attracted new investors and assisted in lowering yields);
  - exploring green and sustainable financing options to finance climate-friendly projects and attract a new class of investors – in May 2020, the Republic issued its inaugural green bond (the first sovereign green bond issued in the MENA region), subsequently, in November 2023, the Republic issued its inaugural sustainable panda bonds, both diversifying its funding sources and complementing its previous green issuance;
  - issuing alternative types of debt instrument, including (in addition to its green and panda bonds) issuing its inaugural and follow-on Samurai bonds in March 2022 and December 2023, and issuing its inaugural and follow-on Sukuk in 2023 (following the introduction of a law governing the issuance of Sharia-compliant certificates by the Ministry of Finance in 2021) and 2025; and

- Utilising international support; with the aim of securing external financing on favourable terms, in particular from international development partners, including the IMF, World Bank and other bilateral partners, which provide financial assistance, technical support and policy guidance. See “—*International Support*”.

See “—*External Debt*” for details of Egypt’s international capital markets transactions in recent years.

Recent initiatives implemented in support of this debt management strategy include agreeing, in 2024, with pension funds and insurance funds, both in an excess liquidity position, to extend the maturity of existing debt that matures in the next several years in line with prevailing market terms, and agreeing with state-owned banks to voluntarily participate in Ministry of Finance efforts to issue new three-year treasury bonds when the existing bonds held by these banks mature in the next several years. In 2024, the Government has also focused efforts on improving the composition of budget financing by increasing financing from multilateral and official bilateral creditors, while reducing its use of the overdraft at the CBE.

In 2022, the Ministry of Finance upgraded its Debt Management Financial System for Analysis and Statistics (“DMFAS”), a software system developed by the United Nations Conference on Trade and Development, in order to upgrade its domestic debt management capabilities. DMFAS records the country’s domestic debt and generates various reports, including reports relating to domestic sovereign borrowing, contingent liabilities and on-lent loans and grants.

The Government has also announced its intention to strengthen its broader public debt management function, with a commitment to phase-out non-market borrowing mechanisms (such as private placements and use of the CBE overdraft) in favour of auctions based on market pricing. The principal reforms envisaged include: (i) a reorganisation of the Debt Management Unit to include front, middle and back office functions (targeted in the medium-term); (ii) harmonising taxation between resident and non-resident investors; (iii) developing the domestic debt market by broadening the investor base and introducing new instruments, such as retail bonds and a revamped primary dealership system); and (iv) improving debt reporting and investor relations. Since the beginning of the 2024/25 fiscal year, the Ministry of Finance has been using a new decree passed in 2024 relating to primary dealers for local currency auctions, with the aim of enhancing primary and secondary market performance and encouraging competition among primary dealers. Since 2024, there has been an increase in competitive bidding in such auctions and the Ministry of Finance’s announced issuance calendar has, to date, been oversubscribed.

#### *Medium Term Debt Management Strategy*

The MTDS was established to outline the process of managing the Republic’s public debt using cost and risk analysis, in order to provide a key input into the debt management strategy decision-making process. Debt management is directed at providing the Government’s budget funding requirements at the lowest long-term cost relative to the general level of interest rates, at an examined degree of risk consistent with prudent fiscal and monetary policies frameworks. The strategy aims to ensure timely funding for budget sector entities, ensure that the Ministry of Finance funding requirements and payment obligations are met at a relatively low costs over the medium term, to support the development of the domestic debt market and to contribute to smoothing out the redemption profile and lowering budget sector gross financing needs over the medium-term by elongating and extending the debt maturity profile. The most recent MTDS for the period 2026 to 2029 was published in January 2026.

The MTDS sets out a structured framework that aligns with the Government’s broader fiscal and macroeconomic policies, with the aims of supporting sustainable public finances, strengthening investor confidence and maintaining fiscal discipline by outlining clear financing needs and managing risks. The overarching objective of the MTDS for 2026 to 2029 is to reduce the debt-to GDP ratio (with a medium target of 71%-73% by the end of 2028/29), with the highest priority placed on implementing a debt management strategy that underpins a sustainable downward trajectory. The MTDS targets extending the average time to maturity of debt to 4.5-5.0 years by the end of 2028/29 (as compared to 3.5 years in 2024/25). For domestic debt, the MTDS plans to extend the average maturity and reduce the cost of borrowing, while increasing the share of domestic debt, as a percentage of total budget sector debt, to 80% by the end of 2028/29 (as compared to 74% in 2024/25). For external debt, the MTDS aims to progressively reduce Egypt’s reliance on foreign currency debt, with the external debt strategy focused on lengthening the average time to maturity, reducing the external debt burden and reducing the external debt stock by U.S.\$1-2 billion annually. The MTDS targets the secondary objectives of: (i) developing the domestic market; and (ii) providing transparency on the debt portfolio and borrowing plan. The MTDS also aims to continue to pioneer the development of ESG instruments in the MENA region.

In January 2026, the Ministry of Finance also published its annual borrowing plan covering the remainder of the 2025/26 fiscal year (January-June 2026). The annual borrowing plan, which includes projected financing for the second half of 2025/26, is consistent with the policy objectives set out in the MTDS and the Ministry of Finance’s aims to reduce the cost of borrowing and lengthen the average time to maturity of new issuances of domestic and external debt.

## **Debt Restructuring**

In the late 1980s, the Egyptian economy faced two major problems: (i) economic stagnation and negative growth and (ii) heavy indebtedness. At the same time, inflation was within a 20-30% range. With the onset of hostilities in the Middle East in the August 1990 Gulf War, Egypt's economy suffered from substantial losses of tourist receipts, remittances from abroad and a depressed business climate.

To combat these problems, the Government, in 1990, embarked on a reform programme centred on creating a decentralised, market-based, open economy. This programme comprised less expansionary fiscal and monetary policies with real sector reforms, the introduction of market-based exchange and interest rate systems, a more efficient and equitable tax system and a reduction of import tariffs and subsidies. The Government reform programme was supported by measures agreed with the IMF.

In May 1991, the Paris Club, in coordination with the IMF and the World Bank, agreed to provide a comprehensive reorganisation of the entire stock of Egypt's external public debt, which amounted to U.S.\$20.6 billion. The agreement provided, over time, for up to a 50% reduction in the net present value of debt. In order to achieve this reduction, creditors were offered three options: (i) reduction of principal; (ii) reduction of the interest rate; and (iii) a lesser interest rate reduction than option (ii) combined with partial capitalisation of moratorium interest at longer maturities.

The economic reform programme that the Government had agreed on with the IMF was implemented over three phases and provided for certain debt forgiveness if certain economic reform programme goals were met. The first two phases were implemented in 1991, and the third phase was implemented in 1996.

## **International Support**

The Government has entered into concessional and other agreements with a number of international financial institutions and multilateral and national development agencies.

### *African Development Bank*

Egypt was one of the founding members of the African Development Bank in 1964 and remains its second-largest regional shareholder. Since 1974, the African Development Bank has financed almost 100 projects in Egypt, with an investment cost of approximately U.S.\$5.7 billion. Projects funded by the African Development Bank are primarily in the infrastructure, energy and social sectors, with a particular focus on providing loans to SMEs. Current projects supported by the African Development Bank focus on macroeconomic stabilisation to support the recovery of the economy and promoting inclusive growth to reduce poverty.

In 2022, the Ministry of International Cooperation and the African Development Bank launched the New Country Strategy 2022-2026. The main objective of the strategy is to build a competitive and resilient economy through private sector development and addressing the country's vulnerability to climate change and building resilience to achieve food and water security and energy efficiency. As of January 2025, the African Development Bank has been involved in 123 projects in Egypt (of which 102 projects are sovereign projects), of which ten projects are ongoing (of which seven are sovereign projects), 14 have been approved (of which eight are sovereign projects), 95 have been completed (of which 83 were sovereign projects) and four had been cancelled (although no sovereign projects have been cancelled). The current portfolio of ongoing sovereign projects includes assistance for the National Drainage Programme, COVID-19 related support and the Entrepreneurship Development Project.

In March 2021, the African Development Bank disbursed a loan of U.S.\$254 million under the Electricity and Green Growth Support Programme ("EGGSP") signed in July 2020, and a grant of U.S.\$500,000 for emergency humanitarian relief during the COVID-19 pandemic signed in December 2020.

In 2021, the African Development Bank approved two projects in Egypt: (i) a loan and a grant of U.S.\$131 million signed in March 2021 to support the Program for Integrated Rural Sanitation in Upper Egypt – Luxor; and (ii) a loan of U.S.\$177 million signed in May 2021 to support railway modernisation projects in Egypt.

In 2022, the African Development Bank approved two projects in Egypt: (i) a loan of U.S.\$90 million signed in April 2022 in support of the Electricity and Green Growth Support Programme II; and (ii) a loan of U.S.\$271 million signed in November 2022 in support of the Food Security and Economic Resilience Support Programme.

In October 2023, the Republic issued its RMB 3.5 billion 3.51% guaranteed sustainable panda bonds due 2026, which were guaranteed by the African Development Bank and the Asian Infrastructure Development Bank (with each institution issuing a partial credit guarantee).

In November 2023, the African Development Bank approved a U.S.\$131 million programme to promote private sector development and economic diversification. The related facility was signed in June 2024.

In November 2024, the African Development Bank approved a loan of €110 million, with an accompanying grant, to the Gabal El Asfar Wastewater Treatment Project.

In November 2024, the Minister of International Co-operation signed a U.S.\$100 million loan with the African Development Bank and the African Development Fund (as administrators of the resources under the Korea-Africa Energy Investment Framework) to finance budget support.

In December 2024, the African Development Bank approved a loan of up to U.S.\$170 million to support the development of the GW Suez Wind Project, Egypt's largest wind power initiative.

In May 2025, the African Development Bank signed a €50 million in favour of The Sustainable Development of Abu Rawash Wastewater Treatment Plant IV.

In June 2025, the African Development Bank approved a U.S.\$184.1 million loan to support the Obelisk Solar and Battery Storage project, which is focused on the development of the renewable energy sector.

#### *Asian Infrastructure Investment Bank*

Since joining the Asian Infrastructure Investment Bank (“**AIIB**”) as a founding member in 2016, Egypt has received over U.S.\$1.3 billion in financing across strategic infrastructure and private sector initiatives.

In September 2018, AIIB funded the Sustainable Rural Sanitation Services Program – Phase 2, through a sovereign loan to Egypt of U.S.\$300 million.

In November 2021, AIIB funded the Inclusive Growth for Sustainable Recovery DPF Program in an amount of U.S.\$360 million.

In December 2022, AIIB funded the Alexandria – Abu Qir Metro Line Project through a loan of €250 million,

In October 2023, the Republic issued its RMB 3.5 billion 3.51% guaranteed sustainable panda bonds due 2026, which were guaranteed by the African Development Bank and AIIB (with each institution issuing a partial credit guarantee).

In December 2024, AIIB funded the Generating Resilience, Opportunities, and Welfare Programme through a co-financed sovereign policy-based financing in an amount of U.S.\$300 million, covering climate-focused reforms including water, sanitation and utility efficiency initiatives.

#### *Arab Monetary Fund*

Egypt is a member state of the Arab Monetary Fund.

In July 2020, the Arab Monetary Fund approved a loan of U.S.\$637 million to support the Structural Adjustment Facility in the public finance sector.

In January 2022, the Arab Monetary Fund approved a loan of U.S.\$373 million to help alleviate the impact of the COVID-19 pandemic.

In July 2023, the Arab Monetary Fund extended a loan of Arab Accounting Dinar 153.475 million (equivalent to approximately U.S.\$615.8 million) to Egypt, which is aimed at enhancing the efficiency of the financial and banking sector.

## *L'Agence Française de Développement*

Egypt has received support from the *L'Agence Française de Développement* in respect of the Government's economic reform programme. *L'Agence Française de Développement* has developed a "Country Intervention Framework" for Egypt, which is reviewed and renewed every three years. In 2022, the Ministry of International Co-operation and *L'Agence Française de Développement* launched a new country strategy for the period until the end of 2025 with the theme "Towards Shared Prosperity". The strategy has three thematic priorities: (i) boosting the regional integration of Egyptian financial, commercial and production systems; (ii) supporting the development of social infrastructure; and (iii) promoting equitable and sustainable local development.

Projects financed by *L'Agence Française de Développement* focus on developing sustainable cities and more effectively managing natural resources, supporting the private sector and employment, strengthening social cohesion and promoting gender equality. According to data published by *L'Agence Française de Développement*, as at 19 February 2026, it had 26 projects in the execution phase in Egypt.

In June 2020, the Government and *L'Agence Française de Développement* signed a €150 million (U.S.\$170 million) loan and €1 million grant for the Development Policy Financing Program to the Electricity Sector. In December 2020, the Government and *L'Agence Française de Développement* signed agreements for €715.6 million in development financing, making up a package designed to accelerate the transition to a green recovery and investment in human capital and a €1.5 million grant for technical cooperation to support the teaching of French as a foreign language in public schools.

In June 2021, the Government and *L'Agence Française de Développement* agreed a €12 million (U.S.\$14.5 million) loan for the re-establishment of the French University in Egypt, and a €2 million grant and a further loan of €150 million (U.S.\$181 million) to support the Budget of the Social Protection Sector in Egypt, which provides comprehensive health insurance.

In June 2021, the Government agreed a €776 million treasury loan and a €988 million sovereign loan with *L'Agence Française de Développement* to support priority projects in Egypt over the period 2021 – 2025. In March 2022, the Government signed a €52 million loan towards the Helwan Wastewater Treatment Project, a €97 million loan and grant towards the Tanta – El Mansoura – Damietta Railway Upgrade, and €250 million loan in June 2021 for the construction of the Alexandria-Abu Qir Metro.

In March 2024, *L'Agence Française de Développement* signed a €56 million loan and grant to fund the third phase of the Elgabal Elasar Sewage Treatment Plant and a €71 million loan and grant for the establishment of a railway line.

In June 2024, during the EU-Egypt Investment Conference, a €60 million grant agreement from the EU (to be implemented by *L'Agence Française de Développement*) was signed for the construction of new wheat silos in Egypt.

In January 2025, *L'Agence Française de Développement* signed a €70 million loan and grant to partially fund the establishment of the East Alexandria Treatment Plant and a €70 million loan and grant to partially fund the Alexandria Regional Control Centre.

In April 2025, *L'Agence Française de Développement* signed financing and grant agreements worth €262.3 million for projects including the "Regional Control Centre in Alexandria". The financing package includes a €50 million loan from *L'Agence Française de Développement* and a €10 million grant from the EU managed by *L'Agence Française de Développement*, aimed at enhancing electricity supply stability and upgrading renewable energy integration.

## *European Union*

Egypt's partnership with the EU is based on the Association Agreement, which entered into force in June 2004. In March 2024, building on the Association Agreement and partnership priorities agreed in 2022, the EU and Egypt signed a Joint Declaration launching a new Strategic and Comprehensive Partnership (the "**EU Strategic and Comprehensive Partnership**"). This partnership covers six main joint priorities: political relations, economic stability, trade and sustainable investments, migration and mobility, security, and people and skills. This partnership pledges a financial support package for Egypt of €7.4 billion for 2024-2027 with up to: (i) €5 billion in macro-financial assistance through concessional loans, (ii) €1.8 billion of additional investments, under the EU's Southern Neighbourhood Economic and Investment Plan; and (iii) €600 million in additional grants, including €200 million for migration management.

EU assistance to Egypt is funded mainly through the Neighbourhood, Development and International Co-operation Instrument (the "**NDICI**") for 2021-2027, which includes grant funding, as well as blending grants with loans from European and international financing institutions. The EU's current co-operation framework with Egypt is the Multiannual Indicative Programme for the period 2021-2027 (the "**MIP**"), based on the partnership priorities agreed

in 2022, to support Egypt in the areas of: (i) green and sustainable development; (ii) human development, economic resilience and prosperity building through green and digital transition; and (iii) social cohesion, and the development of a modern and democratic state. For 2021-2023, €206 million was allocated for EU bilateral cooperation with Egypt. In October 2024, the European Commission approved up to €75 million of financing for implementation of the 2024 action plan under the NDICI. The NDICI instruments replaced the European Neighbourhood Instrument under which the EU's bilateral assistance to Egypt for the period 2014 – 2020 amounted to €756 million. As at June 2025, the EU's portfolio of projects in Egypt includes approximately U.S.\$1.0 billion of grant financing of 40 projects, primarily in the housing, irrigation, agriculture, energy, education, electricity, environment, health, human rights, solidarity and transportation sectors.

Egypt has also received funding from the EU in the areas of migration management.

In July 2023, the EU signed a grant of €60 million to support grain storage in Egypt and, in November 2023, the EU signed a grant of €50 million to finance the *Haya Karima* initiative, aimed at combatting poverty in rural areas.

In December 2024, the European Commission adopted a decision to disburse €1 billion in loans to Egypt following the fulfilment of policy conditions agreed with the EU under the macro-financial assistance package agreed as part of the EU Strategic and Comprehensive Partnership. The European Commission noted that “[t]his instalment comes after the Commission concluded that Egypt has taken measures to strengthen macro-economic resilience by unifying its fragmented exchange rate and improving its public financial management, while scaling up its social safety programme. Progress has been made in the business and investment environment, through increased transparency on investment and import conditions, and strengthening the role of the competition authority. Advancements have also been achieved in promoting the green transition by adopting the updated Egyptian Sustainable Energy Strategy until 2040 and advancing private sector participation in renewable energy production”.

In June 2025, the EU Council and the European Parliament reached a provisional agreement to approve the remaining €4 billion in macro-financial assistance loans to Egypt. The disbursement of such loans is conditioned on continued progress in economic reforms, fiscal stability, democratic governance and human rights, in line with a formal memorandum of understanding. The agreement for this €4 billion of funding was signed between the EU and Egypt in October 2025. At the same time, Egypt also entered into a €75 million financing agreement with the EU to support local and economic reforms, improve access to basic services and enhance livelihoods, especially for low-income groups and refugees.

#### *European Investment Bank*

The European Investment Bank (“**EIB**”) commenced its activities in Egypt in 1979. As of June 2025, the EIB is financing a portfolio of 14 projects in Egypt worth approximately U.S.\$3.0 billion.

Egypt's partnership with the EIB focuses on promoting growth and the fostering of partnerships in the Mediterranean region by supporting projects that promote social cohesion, job creation and economic stability. In recent years, projects financed by the EIB in Egypt cover a number of sectors, including business, water, renewable energy and sustainable transport.

In January and February 2020, the Government and the EIB agreed a U.S.\$3 million (€2.7 million) grant for the transport sector.

In December 2020, the Government and the EIB signed a €1.1 billion investment agreement to support the development of the Egyptian urban transport infrastructure framework, including the rehabilitation and expansion of the metro and tram systems in Alexandria and Cairo, projects to reduce emissions and improve air quality and projects to increase the availability and improve the quality of public transport systems in Alexandria and Cairo. The investment was granted in two tranches, the first of which (for a principal amount of €600 million) was granted on 16 December 2020. The second tranche of €528 million was signed on 15 May 2021. The EIM Economic Resilience Initiative and the EU Neighbourhood Investment Programme have also provided grants for technical and advisory assistance during the project.

Also in December 2020, the EIB and Banque Misr signed a €425 million credit line agreement to support the recovery of Egyptian private small- and medium-sized enterprises that have been impacted by the COVID-19 pandemic.

In 2023, the EIB provided a €50 million loan to Telecom Egypt to finance the rollout of mobile broadband.

In January 2022, two loans were signed between the Government and the EIB for: (i) the Tanta – El Mansoura – Damietta Railway Upgrade for U.S.\$250 million; and (ii) the Helwan Wastewater Treatment project for U.S.\$88 million.

In December 2023, loan and grant agreements were signed between the Government and the EIB to support green and sustainable industries for an amount for €135.5 million.

In June 2024, the Government signed a €135 million loan with EIB, accompanied by an EIB-managed €30 million EU grant, to promote the development of green sustainable industries and bolster investment in private sector companies operating in strategic sectors.

In December 2024, Egypt entered into a €90 million concessional rate loan with EIB for the Emergency Food Security and Resilience Support Project to install new wheat silos and reduce bread costs for citizens.

In June 2025, the Government and the development arm of EIB signed an agreement on the use of a €21 million EU grant to decarbonise the domestic economy and promote recycling.

#### *European Bank for Reconstruction and Development*

Egypt's partnership with the EBRD focuses on financing improvements in the private sector, including SMEs, through direct investments by way of loans and equity finance and providing support and expertise through policy dialogue, capacity building and other forms of technical assistance.

In October 2020, the EBRD approved a €250 million loan to Egypt to finance the rehabilitation and upgrade of Cairo Metro Line 2, upgrade and refurbish the existing rolling stock fleet and purchase new rolling stock. The total project is expected to cost €553.9 million and is co-financed by EIB.

In November 2020, the EBRD approved the provision a sovereign loan of up to €250 million to Egypt to finance the upgrade and electrification of an existing rail line connecting downtown Alexandria and the north-eastern town of Abou Qir into a high-capacity metro system, which was signed in December 2021. The project is part of an overall investment package with an estimated value of €1.6 billion, which is expected to be co-financed by the EIB, *L'Agence Francaise de Developpement* and the AIIB.

On 12 January 2021, the Government signed the Technical Cooperation Package with the EBRD and the UNWTO, to accelerate the recovery of the tourism sector following the impact of the COVID-19 pandemic on the sector. The Technical Cooperation Package is 90% funded by the EBRD and 10% funded by the UNWTO. Assistance in Egypt includes training on impact analysis, measurement and monitoring of the impact of COVID-19 on the tourism sector; the development of tourism recovery incentive programmes; reviews of the effectiveness of operational protocols on safety, hygiene and security activity, work on building the resilience of tourism enterprises as they adapt to the COVID-19 reality, including the required safety and hygiene protocols, by developing tailor-made training programmes; as well as institutional strengthening to better coordinate the recovery and further growth of Egypt's tourism.

In 2022, the Ministry of International Co-operation and the EBRD launched a new country strategy for Egypt for 2022-2027, which focuses on green and inclusive growth objectives and prioritises promotion of a more inclusive economy for Egyptian businesses, women and youth, accelerating Egypt's green economy transition, and enhancing the country's competitiveness by supporting private-sector growth and strengthening governance.

In July 2022, the EBRD signed a loan for €250 million and grant of €1.85 million for the reconditioning and modernisation of Cairo Metro Line 2.

In October 2022, the EBRD approved investment of LE 927 million in a receivable securitisation local currency bond programme in favour of El Taamir for Securitization Company, a special purpose vehicle incorporated in Egypt and established by the New Urban Communities Authority, the proceeds of which will be used to fund municipal investments in new cities.

In 2024, the EBRD approved a loan of up to €170 million to be on-lent to state-owned Egyptian Electricity Transmission Company to finance the upgrade and reinforcement of the electricity grid in Egypt.

As of 31 January 2026, the EBRD's portfolio in Egypt comprised 136 active portfolio operations worth €4,986 million, of which 64% were private sector projects, distributed among the following sectors: sustainable infrastructure, financial institutions and the corporate sector.

#### *Islamic Development Bank*

Egypt joined the Islamic Development Bank (“IDB”) in 1974 as one of its founders. Since then, the IDB's involvement in Egypt has focused on fostering sustainable inclusive economic growth and poverty reduction through financing projects

in infrastructure and supporting youth employment and job creation. As of February 2026, IDB's Egyptian project portfolio comprised 432 projects (with total funding of U.S.\$26.2 billion), of which 78 projects are active, and 354 projects had been completed.

In February 2024, IDB and the Government signed a loan for €318 million to finance the construction of the first line for the express train between Ain Sukhna and Matrouh.

#### *International Monetary Fund*

On 11 May 2020, the Executive Board of the IMF approved Egypt's request for emergency financial assistance of SDR 2,073.1 million (approximately U.S.\$2.8 billion) to meet balance of payment needs stemming from the outbreak of the COVID-19 pandemic. This financial assistance was granted under the RFI.

On 26 June 2020, the Executive Board of the IMF approved Egypt's request for a U.S.\$5.2 billion 12-month SBA, which, *inter alia*, aimed to alleviate the economic impact of the COVID-19 pandemic. An initial disbursement of SDR 1,158.0 million (approximately U.S.\$1.67 billion) was made in June 2020. The second and final review of the SBA was completed on 24 May 2021, which permitted the disbursement of a third tranche in the amount of SDR 1,158.0 million (approximately U.S.\$1.67 billion), bringing total disbursements under the SBA to SDR 3,763.6 million (approximately U.S.\$5.4 billion). In its review, the Executive Board commended Egypt's strong performance and commitment to maintaining macroeconomic stability during the COVID-19 pandemic while protecting necessary social and health spending and implementing key structural reforms.

In December 2022, the Executive Board of the IMF approved 46-month EFF for Egypt of SDR 2,350.17 million (approximately U.S.\$3 billion). The approval of the EFF allowed for the immediate disbursement of SDR 261.13 million (approximately U.S.\$347 million) in December 2022.

In March 2024, IMF Staff and the Government reached a staff-level agreement, identifying a set of policies and reforms required to complete the first and second reviews under the EFF. In response to the increasingly challenging external environment as a result of the impact of the conflict in Gaza on tourism and Suez Canal receipts, the Government requested an increase in the EFF of U.S.\$5 billion to approximately U.S.\$8 billion. The Executive Board of the IMF subsequently approved the increase in the EFF and completed the first and second reviews of the EFF, permitting the immediate drawing of SDR 618.1 million (approximately U.S.\$820 million). In completing the review, the Executive Board of the IMF assessed that all but one of the quantitative performance targets for end-June 2023 were met. The Board approved the authorities' request for a waiver for non-observance of the June performance criterion on NIR on the basis of corrective actions.

The third review under the EFF was approved by the Executive Board of the IMF in July 2024, permitting immediate drawing of SDR 618.1 million (approximately U.S.\$820 million). In March 2025, the Executive Board of the IMF completed the fourth review under the EFF, permitting the immediate disbursement of SDR 927.87 million (approximately U.S.\$1.2 billion) under the EFF. At the same time, the Executive Board of the IMF approved the Government's request for an arrangement under the IMF's RSF to run concurrently with the EFF, with access to SDR 1 billion (approximately U.S.\$1.3 billion).

In December 2025, the IMF and the Egyptian authorities reached staff level agreement on the fifth and sixth reviews under the EFF, as well as the first review under the RSF.

#### *World Bank*

The World Bank's engagement is based on the Government of Egypt's medium-term strategy and national priorities for economic development. It is informed by a rigorous analysis of key constraints to poverty reduction and shared prosperity, and by extensive consultations with the Government, the private sector, academia, civil society organizations, and youth groups.

In July 2020, the World Bank and Egypt signed an agreement in respect of a U.S.\$500 million programme, in line with recommendations from the implementing agency the Social Housing and Mortgage Finance Fund (the "SHMFF"), under the World Bank's Inclusive Housing Finance Programme. This programme aims to improve the affordability of formal housing for low-income households in the Republic and to strengthen the SHMFF's capacity to design policies and coordinate programmes in the social housing sector.

In January 2021, the World Bank and Egypt signed an agreement in respect of U.S.\$400 million, in line with recommendations received from the implementing agency the Ministry of Finance, in order to increase the coverage of

Egypt's Universal Health Insurance Systems and to help finance health expenditures related to vulnerable populations within the Republic.

In January 2021, the World Bank and Egypt signed an agreement in respect of U.S.\$200 million, in order to assist pollution management and climate change projects within Greater Cairo.

In April 2021, the World Bank and Egypt signed an agreement in respect of U.S.\$440 million of loan financing to modernise signalling and to upgrade the track on Egypt's rail network, which was disbursed in August 2021.

In January 2022, the World Bank and Egypt signed an agreement in respect of U.S.\$360 million of loan financing to the Egypt Inclusive Growth for Sustainable Recovery Development Policy.

In July 2022, the World Bank and Egypt signed a U.S.\$500 million loan financing agreement to support the Emergency Food Security and Resilience Support Program. In November 2022, Egypt signed a loan for U.S.\$400 million to finance the development of the Trade Logistics line between Cairo and Alexandria.

In March 2023, Egypt and the World Bank Group agreed the Country Partnership Framework for the period 2023-2027 (the "CPF"), which replaced the 2015-2019 Country Partnership Framework previously in place. The CPF seeks to create conditions for green, resilient and inclusive development. The CPF targets financing of U.S.\$7 billion (U.S.\$1 billion per year from IBRD and approximately U.S.\$2 billion throughout the life of the CPF from IFC), in addition to guarantees from the Multilateral Investment Guarantee Agency. The CPF aligns with the Government's Sustainable Development Strategy, "Egypt Vision 2030," and the National Climate Change Strategy 2050.

In April 2023, the World Bank and Egypt signed a U.S.\$500 million loan financing agreement to support the expansion of the *Takaful* and *Karama* cash transfer schemes.

In March 2024, the World Bank announced that, subject to board approval, it intended to provide more than U.S.\$6 billion of support to Egypt, including U.S.\$3 billion for financial support to Government programmes and U.S.\$3 billion for the private sector (including mobilisation).

In December 2024, the World Bank signed a U.S.\$500 million loan for the Generating Resilience, Opportunities and Welfare for a Thriving Egypt policy, which aims to enhance economic competitiveness and improve the business environment to foster private sector growth, strengthen macroeconomic and fiscal resilience, and support Egypt's green transition.

As of August 2025, the World Bank had a portfolio of 201 projects (current and completed) in Egypt with a total commitment of U.S.\$27.5 billion.

### *USAID*

USAID had been operating in Egypt since 1978 and, since such time, had financed investments of more than U.S.\$30 billion. The main areas of co-operation with USAID in Egypt were agriculture and food security, economic growth, trade and tourism, basic and higher education, gender equality and women's empowerment and global health and water and sanitation, as well as governance.

In September 2021, seven new grants were awarded by USAID totalling U.S.\$129.8 million, to implement a number of priority development projects in the sectors of basic education, higher education, scientific research, science and technology, health, agriculture, trade and investment and governance.

In September 2022, seven new grants were awarded by USAID totalling U.S.\$125 million, to implement a number of priority development projects in the sectors of basic education, higher education, scientific research, science and technology, health, agriculture, trade and investment, environment, and governance.

In September 2023, eight new grants were awarded by USAID totalling U.S.\$129.9 million, to implement a number of priority development projects in the sectors of basic education, higher education, health, agriculture, trade and investment, environment, water and governance.

In September 2024, USAID announced a U.S.\$129 million investment to advance joint U.S.-Egypt priorities, such as university scholarships, teacher training to improve the quality of basic education, expanding STEM education and conducting joint research in water, clean energy and climate change.

In January 2025, an Executive Order of the President of the United States cancelled almost all USAID aid programmes, with exemptions principally only for military and emergency food support for Egypt.

#### *France*

In March 2022, France provided a loan to Egypt for €776.9 million for manufacturing and supplying 55 air-conditioned trains for the Cairo metro line.

#### *Germany*

Support from Germany has typically focused on priority areas, employment to foster sustainable economic development, including private sector development, the water sector and waste management, and renewable energy and energy efficiency. In addition, Germany provides funding for the construction of primary schools, efforts to improve the status of women and girls, administrative reform and district development.

In November and December 2022, Germany and Egypt signed two grant agreements worth an aggregate amount of €89.3 million as part of financial and technical co-operation agreements signed between the countries in 2020. The grants are aimed at financing seven projects in different sectors.

In December 2023, Germany and Egypt signed a loan and a grant for €53 million for smart grid development.

In June 2024, Germany and Egypt signed a loan and grant package for €68 million for MSME financing by *Banque de Caire*.

In May 2025, Germany and Egypt signed a financial cooperation agreement which includes a €118 million funding package for technical education and the integration of renewable energy in the national grid.

In July 2025, a further €100 million tranche of the €340 million Egypt-Germany debt swap programme was signed, with the swap to be implemented in December 2025 and June 2026. The programme has funded projects in technical education, health, climate action and the water and sanitation sectors.

In November 2025, Germany and Egypt signed a €50 million debt swap agreement to finance two wind farm connection projects in Rad Ghareb and Jebel Zeit in the Gulf of Suez.

#### *Kuwaiti Fund for Arab Economic Development*

In November 2020, the Kuwaiti Fund for Arab Economic Development and Egypt signed two KWD 60.5 million loans to support the housing and utilities sector.

As of August 2025, the Kuwaiti Fund for Arab Economic Development's portfolio in Egypt comprised the financing of 54 projects (in an amount of U.S.\$3.6 billion of loans and U.S.\$48.6 million of grants) in the governance, agriculture, humanitarian (supporting Syrian refugees), energy, civil aviation, transportation, irrigation, and education sectors.

#### *Other*

In June 2020, the Government and OPEC Fund for International Development signed a U.S.\$95 million loan, the third of a three-phase loan scheme, to support credit lines for small and micro enterprises.

In November 2021, the Minister of International Cooperation signed a grant with China for CNY400 million to finance development projects in different sectors.

In January 2022, the International Fund for Agricultural Development signed a loan and a grant for U.S.\$64.5 million with the Minister of International Cooperation for the Sustainable Transformation for Agricultural Resilience project.

In January 2022, Korea and Egypt signed an agreement in respect of U.S.\$251.6 million of loan financing for the Egypt Luxor and High Dam Railway Modernisation Project.

In February 2023, the Minister of International Cooperation signed a loan with Japan for U.S.\$327 million to support Egypt's universal health coverage programme. In April 2023, a further loan of U.S.\$730 million was signed to support implementation of the first phase of the Line 4 construction of the Cairo Metro.

In June 2023, the Minister of International Cooperation signed a loan with Korea for U.S.\$460 million for the manufacturing and supply of 40 train sets for Lines 2 and 3 of the Cairo Metro.

In August 2023, the Minister of International Cooperation signed a loan with Abu Dhabi Fund for Development for U.S.\$500 million to support the financing wheat supplies required by the General Authority for Supply Commodities.

In December 2023, the Minister of International Cooperation signed a loan with Spain for €200 million for the supply of seven sleeper trains from Talgo on the Cairo-Aswan railway line.

In July 2024, the Minister of International Cooperation signed a loan with China for U.S.\$202 million to finance the third phase of the light rail transit project.

In December 2024, the Minister of International Cooperation signed a loan with Japan for U.S.\$228 million to finance budget support.

See also “*External Sector—Foreign Direct Investment*”.

#### *Syndicated Loan with International and Regional Banks*

Since the COVID-19 pandemic, the Government has sought to further diversify its funding sources, including through the use of commercial loans.

In September 2020, Egypt entered into a U.S.\$2.0 billion global syndicated conventional and Islamic financing facility with a consortium of 18 international and regional banks. The facilities were intended to serve the Government’s general budgetary requirements and to fund the fiscal deficit and funding requirements resulting from the COVID-19 pandemic. These facilities were fully repaid/paid in August 2021.

In November 2021, Egypt entered into a U.S.\$3.0 billion syndicated green loan and Islamic financing facility with a consortium of 23 regional and international banks. These facilities were fully repaid/paid in November 2024.

In November 2023, Egypt entered into a U.S.\$500 million guaranteed loan with Deutsche Bank and Bank ABC, which benefits from a credit insurance cover provided by the Arab Investment and Export Credit Guarantee Corporation.

In December 2024, Egypt entered into a U.S.\$2.0 billion global syndicated conventional and Islamic financing facility with a consortium of international and regional banks. The proceeds of the facility are intended to be used to finance budgetary requirements and support the economy, while maintaining a decreasing debt trajectory as this facility was entered into following the settlement of a U.S.\$3.0 billion facility in November 2024.

#### *Debt Swaps*

The Republic has entered into a number of debt swap transactions as a form of debt management.

To date, three phases of an intercountry debt swap programme (which was initially established in 2001) have been agreed with Italy, covering a total amount of U.S.\$350 million allocated for 106 developmental projects in various sectors, including the food and nutrition, education, agriculture, civil society, environment and cultural heritage sectors. Agreement in relation to the third phase of the programme was made in 2012, providing for the conversion and subsequent cancellation of the instalments of official debt assistance owed by Egypt during the period 2012-2021, for a total countervalue of U.S.\$100 million.

In December 2023, KfW signed a debt swap agreement with the Ministry of International Co-operation, the Ministry of Electricity and Renewable Energy and the CBE, relieving Egypt from the repayment of €54 million of debt to utilise them to finance the green energy transition in Egypt, as part of support agreed during COP 27. According to information published by the German Embassy in Cairo in December 2024, since 2004, bilateral debt swaps worth approximately €484 million have been agreed to support the development of the water and sanitation and renewable energies sector, as well as the strengthening of the resilience of populations and communities in Egypt.

In 2023, Egypt signed a memorandum of understanding, the first of its kind, for a debt swap programme with China. A framework agreement for the pilot phase of this debt swap programme was signed in July 2025.

In July 2025, Egypt signed debt swap agreements worth over U.S.\$700 million with Germany and Italy.

See “*—International Support—Germany*”.

### *Nexus of Water, Food and Energy Platform*

During the COP 27 Conference, Egypt launched two complementary presidential initiatives, the Sharm El Sheikh Guidebook for Just Financing and the Country Platform for the Nexus of Water, Food, and Energy (“**NWFE**”). The guidebook aimed to synchronise and leverage the ambitions of diverse stakeholders, offering a comprehensive roadmap to navigate the intricate landscape of climate finance.

The NWFE platform adopts a country-led, pragmatic and bottom-up approach, implementing the just financing principles outlined in the guidebook. In line with Egypt’s National Climate Change Strategy 2050 and Egypt’s Nationally Determined Contributions. A set of 26 high-priority projects for adaptation and mitigation aligned with the national and international climate agenda have been identified, of which nine have been chosen to be part of the NWFE platform. Water sector projects focus on revitalising irrigation and water management systems. Food sector projects aim to bolster the adaptation and resilience of the agriculture sector by promoting the adoption of smart agricultural practices among farmers. Energy sector projects aim to improve access to clean and renewable energy. Consequently, the NWFE projects target a reduction of greenhouse gas emissions and the enhancement of air quality, in line with Egypt’s climate and development objectives. Through the design, structuring, and preparation of concrete and implementable climate action projects, the platform has increased Egypt’s access to previously untapped sources of climate finance and investment funds and catalysed private investment, leveraging innovative financing modalities. The total investment within the platform is worth U.S.\$14.7 billion, including U.S.\$10 billion for the energy sector, U.S.\$1.35 billion for the water sector, and U.S.\$3.35 billion for the agriculture and food security sector.

The platform adopts a blended finance approach, proactively addressing socio-economic challenges associated with climate change. By leveraging technical cooperation and financing from over 30 stakeholders, the platform taps into diverse capital sources, encompassing debt swaps, guarantees, concessional loans, grants, and private investments. The overarching goal is to alleviate the burden of debt and facilitate a more sustainable financial structure.

In the context of the NWFE, Egypt announced a debt swap agreement with Germany at COP 27 (see “—*Debt Swaps*”). Additional financing to standard annual commitments has also been secured from other development partners, including €2.8 billion from the EIB and EBRD.

### **Debt Record**

Egypt has not, within a period of 20 years prior to the date of this Base Offering Circular, defaulted on the principal or interest of any external debt security.

## FINAL TERMS

The terms and conditions of the New Notes will consist of the terms and conditions set out in the section of the base offering dated 28 January 2025 (the “**Base Offering Circular**”) entitled “*Terms and Conditions of the Notes*” (the “**Conditions**”) incorporated by reference herein from the Base Offering Circular, as completed by the terms substantially in the form set out below.

Final Terms dated 26 March 2026

**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET** – Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”) (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

**SINGAPORE SFA PRODUCT CLASSIFICATION:** In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (as modified or amended from time to time, the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are prescribed capital markets products (as defined in the CMP Regulations 2018) and are Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### THE ARAB REPUBLIC OF EGYPT

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**Issue of U.S.\$500,000,000 9.450% Notes due 2033 (the “Notes”)**  
*(to be consolidated and form a single series with the U.S.\$750,000,000 9.450% Notes due 2033)*  
*(the “Original Notes”)*  
**under its U.S.\$40,000,000,000**  
**Global Medium Term Note Programme**

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### PART A – CONTRACTUAL TERMS

The terms and conditions of the Notes will consist of the terms and conditions set out in the section of the base offering circular dated 28 January 2025 (the “**Base Offering Circular**”) entitled “*Terms and Conditions of the Notes*” (the “**Conditions**”), as completed by the terms set out below.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions.

This document constitutes the Final Terms relating to the issue of Notes described herein and must be read in conjunction with the Offering Circular dated 26 March 2026 (the “**Offering Circular**”) in order to obtain all the relevant information. The offer of the Notes in the UK is made pursuant to an exception to the prohibition on public offers under the Public Offers and Admissions to Trading Regulations 2024. The Financial Conduct Authority has neither approved nor reviewed information contained herein.

The Offering Circular will be made available for viewing on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html> and during normal business hours at Ministry of Finance Building (LC), Governmental District, New Capital Administrative City, Cairo, Egypt (Tel.: +202 2053 1204) and the Fiscal Agent at One Canada Square, Canary Wharf, London E14 5AL, United Kingdom.

1	(i)	Series Number:	28
	(ii)	Tranche Number:	2

(iii)	Date on which the Notes become fungible:	The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the Original Notes on the Issue Date.
2	Specified Currency or Currencies:	U.S. Dollars (“U.S.\$”)
3	Aggregate Nominal Amount:	
	(i) Series:	U.S.\$1,250,000,000
	(ii) Tranche:	U.S.\$500,000,000
4	Issue Price:	106.081% of the Aggregate Nominal Amount, plus U.S.\$7,350,000 in respect of accrued interest from (and including) 4 February 2026 to (but excluding) the Issue Date.
	(i) Specified Denominations:	U.S.\$200,000 and integral multiples of U.S.\$1,000, in excess thereof
	(ii) Calculation Amount:	U.S.\$1,000
5	(i) Issue Date:	30 March 2026
	(ii) Interest Commencement Date:	4 February 2026
6	Maturity Date:	4 February 2033
7	Interest Basis:	9.450% Fixed Rate
8	Redemption/Payment Basis:	Subject to any purchase and cancellation, the Notes will be redeemed on the Maturity Date at 100% of their nominal amount
9	Change of Interest or Redemption/Payment Basis:	Not Applicable
10	Put/Call Options:	Not Applicable
11	Date approval for issuance of Notes obtained:	26 March 2026
	<b>Provisions Relating to Interest (if any) Payable</b>	
12	<b>Fixed Rate Note Provisions</b>	Applicable
	(i) Rate of Interest:	9.450% <i>per annum</i> payable semi-annually in arrear
	(ii) Interest Payment Date(s):	4 February and 4 August in each year
	(iii) First Interest Payment Date:	4 August 2026
	(iv) Fixed Coupon Amount:	U.S.\$47.25 per Calculation Amount
	(v) Broken Amount(s):	Not Applicable
	(vi) Day Count Fraction:	30/360
	(vii) Determination Dates:	Not Applicable
13	<b>Floating Rate Note Provisions</b>	Not Applicable
14	<b>Zero Coupon Note Provisions</b>	Not Applicable
	<b>Provisions Relating to Redemption</b>	
15	<b>Call Option</b>	Not Applicable
16	<b>Put Option</b>	Not Applicable
17	<b>Final Redemption Amount of each Note</b>	100% of their nominal amount
18	<b>Early Termination Amount</b>	Applicable
	Early Termination Amount(s) of each Note payable on Event of Default:	U.S.\$1,000 per Calculation Amount

**General Provisions Applicable to the Notes**

19 Form of Notes:

**Registered Notes:**

Unrestricted Global Certificate exchangeable for unrestricted Individual Note Certificates in the limited circumstances described in the Unrestricted Global Certificate.

Unrestricted Global Certificate registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg.

One or more Restricted Global Certificates exchangeable for restricted Individual Note Certificates in the limited circumstances described in the Restricted Global Certificates.

Restricted Global Certificates registered in the name of a nominee for DTC.

20 Additional Financial Centre(s):

Not Applicable

21 Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):

No

Signed on behalf of  
**THE ARAB REPUBLIC OF EGYPT**

By: .....  
Duly Authorised

## PART B – OTHER INFORMATION

### 1 Listing

- (i) Listing: London
- (ii) Admission to trading: Application has been to the United Kingdom Financial Conduct Authority (the “FCA”) for the Notes to be admitted to the Official List of the FCA and to London Stock Exchange plc (the “London Stock Exchange”) for such Notes to be admitted to trading on the London Stock Exchange’s main market with effect from on or around 30 March 2026.
- The Original Notes were admitted to the Official List of the FCA and to the London Stock Exchange plc’s main market on 4 February 2025.
- (iii) Estimate of total expenses related to admission to trading: £6,500

### 2 Ratings:

The Notes are expected to be rated:

S&P: B

An obligation rated ‘B’ by S&P is more vulnerable to nonpayment than obligations rated ‘BB’, but the obligor currently has the capacity to meet its financial commitments on the obligation. Adverse business, financial or economic conditions will likely impair the obligor’s capacity or willingness to meet its financial commitments on the obligation.

S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the “EU CRA Regulation”)

Fitch: B

An obligation rated ‘B’ by Fitch indicates that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment. The modifier “+” appended to the rating denotes relative status within major rating categories.

Fitch is established in the United Kingdom and is registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018 (the “UK CRA Regulation”)

### 3 Interests of Natural and Legal Persons Involved in the Issue/Offer

Save for any fees payable to the Sole Lead Manager and Bookrunner, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Sole Lead Manager and Bookrunner and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business for which they may receive fees.

<b>4 Reasons for the offer</b>	
Reasons for the offer:	See “ <i>Use of Proceeds</i> ” in the Offering Circular
<b>5 Fixed Rate Notes only—Yield</b>	
Indication of yield:	8.265% <i>per annum</i>
<b>6 U.S. Selling Restrictions</b>	
Category 1, TEFRA not applicable	
<b>7 Operational Information</b>	
CUSIP:	Rule 144A Notes: 03846JAG5
ISIN:	Regulation S Notes: XS2990500766 Rule 144A Notes: US03846JAG58
Common Code:	Regulation S Notes: 299050076 Rule 144A Notes: 299449297
Any clearing system(s) other than DTC, Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant addresses and identification numbers):	Not Applicable
Delivery:	Regulation S Notes: Delivery against payment Rule 144A Notes: Delivery free of payment
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
Name and address of Calculation Agent (if any), if different from Fiscal Agent:	Not Applicable

## TAXATION

The section of the Base Offering Circular entitled “*Taxation—United States Federal Income Taxation*” appearing on pages 188-195 of the Base Offering Circular shall be deleted in its entirety, shall not be incorporated by reference herein, or form part of, this Offering Circular and shall be replaced with the following:

### **United States Federal Income Taxation**

The following is an overview of certain material U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes by a U.S. Holder (as defined below) thereof. This overview only applies to U.S. Holders that acquire Notes at their initial offering price. This overview does not address the U.S. federal income tax consequences of every type of Note which may be issued under the Programme, and additional or modified disclosure concerning the material U.S. federal income tax consequences relevant to such type of Note may be provided in a supplement to this Base Offering Circular, as appropriate. This overview only applies to Notes held as capital assets and does not address, except as set forth below, aspects of U.S. federal income taxation that may be applicable to holders that are subject to special tax rules, such as financial institutions, insurance companies, real estate investment trusts, regulated investment companies, grantor trusts, tax exempt organisations, dealers or traders in securities or currencies, persons that mark their securities to market, an entity treated as a partnership or other pass through entity for U.S. federal income tax purposes, holders that will hold a Note as part of a position in a straddle or as part of a hedging, conversion or integrated transaction for U.S. federal income tax purposes, individual retirement accounts and other tax-deferred accounts, U.S. holders that are required to take certain amounts into income no later than the time such amounts are reflected on an applicable financial statement, U.S. Holders that have a functional currency other than the U.S. Dollar, or certain expatriates and long-term residents of the United States. Moreover, this overview does not address the U.S. federal estate and gift tax or alternative minimum tax consequences or the consequences of the tax on “net investment income” imposed under Section 1411 of the Code on the acquisition, ownership or disposition of Notes and does not include any description of the tax laws of any U.S. state or locality or non-U.S. jurisdictions.

This overview only addresses Notes in registered form. Bearer Notes are not being offered to U.S. Holders.

This overview is based on the Code, existing and proposed U.S. Treasury Regulations, administrative pronouncements and judicial decisions, each as of the date hereof. All of the foregoing are subject to change, possibly with retroactive effect, or differing interpretations which could affect the tax consequences described herein.

For purposes of this description, a “**U.S. Holder**” is a beneficial owner of the Notes who for U.S. federal income tax purposes is: (i) an individual who is a citizen or resident of the United States; (ii) a corporation created or organised in or under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust (1) that validly elects to be treated as a “United States person” as defined in the Code (a “**U.S. Person**”) for U.S. federal income tax purposes or (2)(a) that is subject to the primary supervision of a court within the United States and (b) one or more U.S. Persons have the authority to control all substantial decisions of the trust.

If any entity or arrangement treated as a partnership for U.S. federal income tax purposes holds Notes, the tax treatment of the partnership and a partner in such partnership generally will depend on the status of the partner and the activities of the partnership. Such partner or partnership should consult its own tax adviser concerning the U.S. federal income tax consequences of the acquisition, ownership or disposition of Notes by the partnership.

***THE OVERVIEW OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR OWN TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.***

### **Tax Consequences to U.S. Holders**

#### ***Payments of Stated Interest***

Except as set forth below, payments of stated interest on a Note, whether payable in U.S. Dollars or a currency other than U.S. Dollars (a “**foreign currency**”), other than interest on an “Original Issue Discount Note” that is not “qualified stated interest” (each as defined below under “—*Original Issue Discount*”), and including any additional amounts paid pursuant to Condition 13 in order that the net amount received by holders is equal to the amount that would have been received had no withholding on account of Egyptian taxes been made, will be includible in a U.S. Holder’s gross income as ordinary income at the time it is received or accrued, in accordance with the U.S. Holder’s usual method of tax accounting.

Interest income (including OID, as defined below) on the Notes generally will be treated as foreign source income for U.S. federal income tax purposes. For purposes of calculating the U.S. Holder's foreign tax credit limitation, interest on the Notes should generally constitute "passive category income" or, in the case of certain U.S. Holders, "general category income". Subject to significant, complex and evolving limitations, income taxes withheld from interest income may be eligible for credit against the U.S. Holder's U.S. federal income tax liability or, at the election of the U.S. Holder, for deduction in computing the U.S. Holder's taxable income. The U.S. federal income tax rules relating to foreign tax credits, deductions and limitations thereon are complex and may vary depending on the facts and circumstances of each U.S. Holder. Accordingly, U.S. Holders should consult their own tax advisers regarding the availability of a foreign tax credit (or alternatively, deductions) for Egyptian tax withheld, if any, under such U.S. Holder's particular situation.

#### *Pre-Issuance Accrued Interest*

If a portion of the price paid for a Note is attributable to an amount of interest accrued prior to the date the Note is issued (the "**pre-issuance accrued interest**"), a portion of the first interest payment on the Notes equal to the amount of the pre-issuance accrued interest may be treated as a nontaxable return of the pre-issuance accrued interest. A U.S. Holder's tax basis in a Note will be reduced by any nontaxable return of pre-issuance accrued interest. Pre-issuance accrued interest does not form part of any acquisition premium or amortizable bond premium discussed in "*—Original Issue Discount—Acquisition Premium*" and "*Notes Purchased at a Premium*" below, respectively.

This discussion assumes that the first interest payment on Notes with pre-issuance accrued interest will be so treated, and references to interest in the remainder of this discussion exclude pre-issuance accrued interest. This discussion assumes that in determining the issue price of a Note, there will be excluded an amount equal to the pre-issuance accrued interest. This discussion does not otherwise address the treatment of pre-issuance accrued interest, and U.S. Holders should consult their tax advisers concerning the U.S. federal income tax treatment of pre-issuance accrued interest, including the potential recognition of foreign currency exchange gain or loss upon receipt of otherwise nontaxable return of pre-issuance accrued interest with respect to Foreign Currency Notes.

#### *Foreign Currency Denominated Qualified Stated Interest*

Except as set forth below, if any qualified stated interest payment (as defined below under "*—Original Issue Discount*"), including any additional amounts, is denominated in, or determined by reference to, a foreign currency (a "**Foreign Currency Note**"), the amount of income realized by a U.S. Holder will be the U.S. Dollar value of the foreign currency, including the amount of any applicable withholding tax thereon, regardless of whether the foreign currency is converted into U.S. Dollars. Generally, a U.S. Holder that uses the cash method of tax accounting and that receives a payment of qualified stated interest will determine such U.S. Dollar value using the spot rate of exchange on the date of receipt. Generally, a U.S. Holder that uses the accrual method of tax accounting will determine the U.S. Dollar value of accrued interest income using the average rate of exchange for the accrual period (or, in the case of an accrual period that spans two taxable years of the U.S. Holder, the part of the period within the applicable taxable year) or, at the U.S. Holder's election, at the spot rate of exchange on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years of the U.S. Holder, the last day of the period within the applicable taxable year) or the spot rate on the date of receipt, if that date is within five business days of the last day of the accrual period. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the U.S. Internal Revenue Service ("**IRS**"). A U.S. Holder that uses the accrual method of accounting for tax purposes also will recognize U.S. source foreign currency gain or loss on the receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Note) if the exchange rate in effect on the date payment is received differs from the rate used for purposes of determining the amount of interest accrual includible in taxable income under the rules described above in this paragraph, regardless of whether the payment is converted into U.S. Dollars at such time. This foreign currency gain or loss will be treated as ordinary income or loss, but generally will not be treated as an adjustment to interest income received on the debt security.

#### *Original Issue Discount*

U.S. Holders of Notes issued with original issue discount ("**OID**"), including Zero Coupon Notes, with a term of over one year (each an "**Original Issue Discount Note**"), will be subject to special tax accounting rules, as described in greater detail below. Additional rules applicable to Original Issue Discount Notes that are denominated in or determined by reference to a currency other than the U.S. Dollar are described below under "*—Foreign Currency Discount Notes.*"

The following discussion does not address the application of the U.S. Treasury Regulations addressing OID to, or address the U.S. federal income tax consequences of, an investment in Notes that are treated as contingent payment debt instruments for U.S. federal income tax purposes. In the event the Issuer issues contingent payment debt instruments, the relevant supplemental offering circular will describe the material U.S. federal income tax consequences thereof.

For U.S. federal income tax purposes, a Note (including a Zero Coupon Note) will be treated as issued with OID if the excess of the Note's stated redemption price at maturity over its issue price equals or exceeds a specified *de minimis* amount (0.25% of the Note's stated redemption price at maturity multiplied by the number of complete years to its maturity (or, in the case of a Note that provides for payments other than qualified stated interest before maturity, its weighted average maturity)). A Note's "weighted average maturity" is the sum of the following amounts determined for each payment on a Note (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Note's stated redemption price at maturity. The "issue price" of each Note in a particular offering will be the first price at which a substantial amount of that particular offering is sold (other than to an underwriter, broker, placement agent or wholesaler). The term "qualified stated interest" means stated interest that is unconditionally payable in cash or in property (other than debt instruments of the issuer) at least annually at a single fixed rate or, subject to certain conditions, at a variable rate (including a rate based on one or more interest indices). Interest is payable at a single fixed rate only if the rate appropriately takes into account the length of the interval between payments. In the case of a Note whose stated redemption price at maturity exceeds its issue price by less than the specific *de minimis* amount ("*de minimis* OID"), a U.S. Holder of such Note must include such *de minimis* OID in income as stated principal payments on the Note are made, unless the U.S. Holder makes the election described below under "*Election to Treat All Interest as Original Issue Discount*". The amount of such includible income with respect to each principal payment will equal the product of the total amount of the Note's *de minimis* OID and a fraction, the numerator of which is the amount of the principal payment made and the denominator of which is the original stated principal amount of the Note.

Except in the case of *de minimis* OID described above, U.S. Holders of Original Issue Discount Notes must, in general, include OID as ordinary income, calculated on the constant yield method, as described in this paragraph, in advance of the receipt of some or all of the related cash payments, regardless of their method of accounting. The amount of OID includible in income by the initial U.S. Holder of an Original Issue Discount Note is the sum of the "daily portions" of OID with respect to the Note for each day during the taxable year or portion of the taxable year in which such U.S. Holder held such Note ("**accrued OID**"). The daily portion is determined by allocating to each day in any "accrual period" a *pro rata* portion of the OID allocable to that accrual period. The "accrual period" for an Original Issue Discount Note may be of any length and may vary in length over the term of the Note, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs on the first day or the final day of an accrual period. The amount of OID allocable to any accrual period is an amount equal to the excess, if any, of (a) the product of the Note's adjusted issue price at the beginning of such accrual period and its yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of any qualified stated interest allocable to the accrual period. OID allocable to a final accrual period is the difference between the amount payable at maturity (other than a payment of qualified stated interest) and the adjusted issue price at the beginning of the final accrual period. Special rules will apply for calculating OID for an initial short accrual period. The "stated redemption price at maturity" of a Note is the sum of all amounts payable on the Note after the purchase date that are not payments of qualified stated interest. The "adjusted issue price" of a Note at the beginning of any accrual period is equal to its issue price increased by the accrued OID for each prior accrual period (determined without regard to the amortisation of any acquisition or bond premium, as described below) and reduced by any payments made on such Note (other than qualified stated interest) on or before the first day of the accrual period. The "yield to maturity" of a Note is the discount rate that causes the present value of all payments on the Note as of its original issue date to equal the issue price of such Note. Under these rules, a U.S. Holder will generally have to include in income increasingly greater amounts of OID in successive accrual periods.

Certain of the Notes may be redeemed prior to their maturity at the Issuer's option and/or at the option of the holder. Original Issue Discount Notes containing such features may be subject to rules that differ from the general rules discussed herein. Persons considering the purchase of Original Issue Discount Notes with such features should carefully examine the relevant Final Terms and supplemental offering circular and should consult their own tax advisers with respect to such features since the tax consequences with respect to OID will depend, in part, on the particular terms and features of the Notes.

For a discussion of rules applicable to an Original Issue Discount Note that is a Floating Rate Note, see "*Variable Rate Debt Instruments*" below. Additional rules may apply if interest on a Floating Rate Note is based on more than one interest index or if the principal amount of the Note is indexed in any manner. Persons considering the purchase of Floating Rate Notes should carefully examine the relevant Final Terms and supplemental offering circular and should consult their own tax advisers regarding the U.S. federal income tax consequences of the ownership and disposition of such Notes.

#### *Election to Treat All Interest as Original Issue Discount*

U.S. Holders may elect to treat all interest on any Note as OID and calculate the amount includible in gross income under the constant yield method described in "*Original Issue Discount*" above, with certain modifications. For the purposes of this election, interest includes stated interest, acquisition discount, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortisable bond premium or acquisition premium. This election

will generally apply only to the Note with respect to which it is made and may not be revoked without the consent of the IRS. U.S. Holders should consult their own tax advisers about this election.

#### *Short Term Notes*

In the case of Notes having a term of one year or less (“**Short-term Notes**”), all payments (including all stated interest) will be included in the stated redemption price at maturity and, thus, U.S. Holders generally will be taxable on the discount in lieu of any stated interest. The discount will be equal to the excess of the stated redemption price at maturity over the issue price of a Short-term Note, unless the U.S. Holder elects to compute this discount using tax basis instead of issue price. Such election will apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS. Under the OID regulations, in general, individuals and certain other cash method U.S. Holders of a Short-term Note are not required to include accrued discount in their income currently unless the U.S. Holder elects to do so (but may be required to include any stated interest in income as it is received). U.S. Holders that report income for U.S. federal income tax purposes on the accrual method and certain other U.S. Holders are required to accrue discount on such Short-term Notes (as ordinary income) on a straight-line basis, unless an election is made to accrue the discount according to a constant yield method based on daily compounding. In the case of a U.S. Holder that is not required, and does not elect, to include discount in income currently, any gain realized on the sale, exchange or retirement of the Short-term Note will generally be ordinary income to the extent of the discount accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale, exchange or retirement. In addition, a U.S. Holder that is not required and does not elect to include currently accrued discount in income may be required to defer deductions for a portion of the U.S. Holder’s interest expense with respect to any indebtedness incurred or continued to purchase or carry such Notes in an amount not exceeding the deferred income until the deferred income is realized.

#### *Acquisition Premium*

A U.S. Holder that purchases an Original Issue Discount Note for an amount that is greater than its adjusted issue price but less than or equal to the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, will be considered to have purchased the Original Issue Discount Note at an “acquisition premium”. If the U.S. Holder does not make the election described above under “—*Election to Treat all Interest as Original Issue Discount*,” under the acquisition premium rules, the daily portions of original issue discount which the U.S. Holder must include in its gross income with respect to such Original Issue Discount Note will be reduced by an amount equal to the daily portion of the OID for such day multiplied by the acquisition premium fraction. The “acquisition premium fraction” equals a fraction whose numerator is the excess of the U.S. Holder’s adjusted basis in the Note over the adjusted issue price of the Note, immediately after its purchase, and whose denominator is the total OID remaining on the Note.

#### *Market Discount*

If a U.S. Holder purchases a Note (other than a Short-term Note) after its original issuance for an amount that is less than its stated redemption price at maturity or, in the case of a Note issued with OID, its revised issue price, the amount of the difference will be treated as market discount, unless this difference is less than a specified *de minimis* amount (0.25% of the Note’s stated redemption price at maturity multiplied by the number of complete years to its maturity (or, in the case of a Note that provides for payments other than qualified stated interest before maturity, its weighted average maturity)). For this purpose, the “revised issue price” of a Note generally equals its issue price, increased by the amount of any OID that has accrued on the Note and decreased by the amount of any payments previously made on the Note that were not qualified stated interest payments. Additionally, for this purpose the “stated redemption price at maturity” (as defined above) is decreased by the amount of any payments previously made on the Note that were not qualified stated interest.

A U.S. Holder must treat any gain it recognizes on the maturity or disposition of a market discount Note as ordinary income to the extent of the accrued market discount on such Note while held by such U.S. Holder. Alternatively, such U.S. Holder may elect to include market discount in income currently over the life of such Note. If a U.S. Holder makes this election, it will apply to all debt instruments with market discount that a U.S. Holder acquires on or after the first day of the first taxable year to which the election applies. A U.S. Holder may not revoke this election without the consent of the IRS. If a U.S. Holder owns a market discount Note and does not make this election, it will generally be required to defer deductions for interest on borrowings allocable to such Note in an amount not exceeding the accrued market discount on such Note until the maturity or disposition of such Note.

Under current law, a U.S. Holder will accrue market discount on a market discount Note on a straight-line basis unless it elects to accrue market discount using a constant yield to maturity method. If such U.S. Holder makes this election, it will apply only to the Note with respect to which it is made and is irrevocable without the consent of the IRS.

Market discount that is accrued by a U.S. Holder may be accrued in foreign currency. If the U.S. Holder elects to include market discount accrued in foreign currency in income currently, the accrued market discount will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID as described above under "*Foreign Currency Denominated Qualified Stated Interest*." A U.S. Holder that does not elect to include such market discount in income currently will recognize, upon the sale or retirement of the Note, the U.S. dollar value of the amount accrued, calculated at the spot rate on that date, and no part of the accrued market discount will be treated as exchange gain or loss.

#### *Variable Rate Debt Instruments*

Generally, a Floating Rate Note will qualify as a "variable rate debt instrument" if: (a) its issue price does not exceed the total non-contingent principal payments due under the Floating Rate Note by more than an amount equal to the lesser of (i) 0.015 multiplied by the product of the total non-contingent principal payments and the number of complete years to maturity from the issue date or (ii) 15% of the total non-contingent principal payments; (b) it does not provide for stated interest other than stated interest that pays or compounds at least annually at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate; and (c) each qualified floating rate or objective rate in effect at any time during the term of the Note is set at a current value of that rate (i.e., the value of the rate on any day that is no earlier than three months prior to the first day on which the value is in effect and no later than one year following that first day).

A "qualified floating rate" is any variable rate where: (a) variations in the value of such rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Floating Rate Notes are denominated; or (b) the rate is equal to a rate specified in (a) multiplied by either a fixed multiple that is greater than 0.65 but not more than 1.35; or (c) the rate is equal to a rate specified in (a) or (b), increased or decreased by a fixed rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Floating Rate Notes together will constitute a single qualified floating rate. Two or more qualified floating rates will be conclusively presumed to meet the requirements of the previous sentence if the values of all rates on the issue date are within 25 basis points of each other. Notwithstanding the foregoing, a variable rate is not a qualified floating rate if it is subject to certain restrictions (including caps, floors, governors or other similar restrictions) unless such restrictions are fixed throughout the term of the Note or are not reasonably expected to significantly affect the yield on the Note.

An "objective rate" is a rate that: (a) is not a qualified floating rate; and (b) is determined using a single fixed formula that is based on objective financial or economic information that is not within the control of or unique to the circumstances of the issuer or a related party. Despite the foregoing, a variable rate of interest on Floating Rate Notes will not constitute an objective rate if it is reasonably expected that the average value of such rate during the first half of the Floating Rate Notes' term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Floating Rate Notes' term. A "qualified inverse floating rate" is any objective rate where such rate is equal to a fixed rate minus a qualified floating rate, and the variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the cost of newly borrowed funds in the currency in which the Floating Rate Notes are denominated.

Generally, if a Floating Rate Note provides for stated interest (payable unconditionally at least annually) at a fixed rate for an initial period of one year or less followed by a variable rate that is either a single qualified floating rate or a single objective rate, and the value of the variable rate on the Floating Rate Notes' issue date is intended to approximate the fixed rate, then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be. If the Notes pay interest at a single objective rate or a single qualified floating rate, the amount of OID allocated to an accrual period, if any, is determined by using the constant yield method with a fixed rate equal to, in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate, or, for any other objective rate, a fixed rate that reflects the yield reasonably expected for such Floating Rate Note.

If a Floating Rate Note that is a variable rate debt instrument does not provide for stated interest at a single qualified floating rate or single objective rate, the amount of qualified stated interest and the amount and accrual of OID on the Note are generally determined by: (a) determining a fixed rate substitute for each variable rate provided under the Floating Rate Note (generally, the value of each variable rate as of the issue date or, in the case of an objective rate that is not a qualified inverse floating rate, a fixed rate that reflects the yield that is reasonably expected for the Note); (b) constructing the equivalent fixed rate debt instrument (using the fixed rate substitutes described above); (c) determining the amount of qualified stated interest and OID with respect to the equivalent fixed rate debt instrument (by applying the general OID rules as described above in "*Original Issue Discount*"); and (d) making the appropriate adjustment for actual variable rates during the applicable accrual period.

If a Floating Rate Note provides for stated interest either at one or more qualified floating rates or at a qualified inverse floating rate and in addition provides for stated interest at a single fixed rate (other than a single fixed rate for an initial period), a U.S. Holder generally must determine the amount of interest and OID accruals by using the method described in the preceding paragraph with the modification that the Floating Rate Note is treated, for purposes of the first three steps of the determination, as if it provided for a qualified floating rate (or qualified inverse floating rate, if the Note provides for a qualified inverse floating rate) rather than the fixed rate. The qualified floating rate (or qualified inverse floating rate) replacing the fixed rate must be such that the fair market value of the Note as of the issue date would be approximately the same as the fair market value of an otherwise identical debt instrument that provides for a qualified floating rate (or qualified inverse floating rate) rather than a fixed rate.

A Floating Rate Note that does not qualify as a variable rate debt instrument will be treated as a contingent payment debt obligation. The proper U.S. federal income tax treatment of such a Note will be more fully described in the relevant supplemental offering circular.

#### *Foreign Currency Discount Notes*

OID for any accrual period on an Original Issue Discount Note that is denominated in, or determined by reference to, a foreign currency will be determined in the foreign currency and then translated into U.S. Dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above under “—*Foreign Currency Denominated Qualified Stated Interest.*” Upon receipt of an amount attributable to OID (whether in connection with a payment of interest or the sale or retirement of a Note), a U.S. Holder will recognise foreign currency gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. Dollars at the spot rate on the date of receipt or on the date of disposition of the Note, as the case may be) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. Dollars.

#### *Notes Purchased at a Premium*

A U.S. Holder that purchases a Note for an amount in excess of the sum of all amounts payable on the Note after the purchase date other than qualified stated interest will be considered to have purchased the Note with “amortisable bond premium” equal to such excess. A U.S. Holder generally may elect to amortise the premium over the remaining term of the Note on a constant yield method. If a U.S. Holder makes this election, it will reduce the amount required to be included in income each year with respect to interest on the Note by an amount of the amortisable bond premium allocable to that year, and the U.S. Holder must reduce its tax basis in the Note by the amount of the premium used to offset qualified stated interest. In the case of a Note that is denominated in, or determined by reference to, a foreign currency, bond premium will be computed in units of foreign currency, and amortisable bond premium will reduce interest income in units of the foreign currency. On the date amortised bond premium offsets interest income, exchange gain or loss (taxable as ordinary income or loss) will be recognized to the extent of the difference between the spot rate of exchange on that date and on the date of the acquisition of the Notes. Any election to amortise bond premium shall apply to all bonds (other than bonds the interest on which is excludable from gross income) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. Special rules limit the amortisation of premium in the case of debt that is redeemable at a premium.

Bond premium on a Note held by a U.S. Holder that does not make such election described in the preceding paragraph will decrease the capital gain or increase the capital loss otherwise recognised on disposition of the Note.

#### *Sale, Exchange or Retirement*

A U.S. Holder generally will recognise gain or loss on the sale, exchange or retirement of a Note equal to the difference between the amount realised on the sale, exchange or retirement and the U.S. Holder’s adjusted tax basis of the Note, in each case as determined in U.S. dollars. U.S. Holders should consult their own tax advisers about how to account for proceeds received on the sale, exchange or retirement of Notes that are not paid in U.S. dollars. A U.S. Holder’s adjusted tax basis in a Note generally will be its cost increased by the amount of any OID or market discount included in the U.S. Holder’s income with respect to the Note and the amount, if any, of income attributable to *de minimis* OID and *de minimis* market discount included in the U.S. Holder’s income with respect to the Note and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortisable bond premium applied to reduce interest on the Note. The amount realised does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income.

Gain or loss recognised on the sale, exchange or retirement of a Note (other than gain or loss that is attributable to OID, market discount or to changes in exchange rates) will be capital gain or loss and will be long-term capital gain or loss if the Note was held for more than one year at the time of such sale. The deductibility of capital losses is subject to limitation. Gain or loss recognised by a U.S. Holder on the sale, exchange or retirement of a Foreign Currency Note that is attributable to changes in the exchange rates will be treated as U.S. source ordinary income or loss; however, exchange gain or loss

(including with respect to accrued interest and OID) is taken into account only to the extent of total gain or loss realised on the transaction. Gain or loss realised by a U.S. Holder on the sale, exchange or retirement of a Note generally will be U.S. source income or loss. Prospective investors should consult their tax advisers as to the foreign tax credit implications of such sale, exchange or retirement of Notes.

### ***Sale, Exchange or Retirement of Foreign Currency***

A U.S. Holder will have a tax basis in any foreign currency received as interest on a Note or on the sale, exchange or retirement of a Note equal to its U.S. Dollar value at the time such interest is received or at the time of such sale or retirement. Foreign currency that is purchased generally will have a tax basis equal to the U.S. Dollar value of the foreign currency on the date of purchase. Any gain or loss realised by a U.S. Holder on a sale or other disposition of foreign currency (including its exchange for U.S. Dollars or its use to purchase Notes) generally will be U.S. source ordinary income or loss.

### ***Reportable Transaction Reporting***

Under certain U.S. Treasury Regulations, U.S. Holders that participate in “reportable transactions” (as defined in the U.S. Treasury Regulations) must attach to their U.S. federal income tax returns a disclosure statement on Form 8886. Under the relevant rules, if the Notes are denominated in a foreign currency, a U.S. Holder may be required to treat foreign currency exchange loss from or with respect to the Notes (including the use of foreign currency to purchase the Notes or disposition of any foreign currency received) as a reportable transaction if this loss exceeds the relevant threshold in the regulations (U.S.\$50,000 in a single taxable year, if the U.S. Holder is an individual or trust, or higher amount for other non-individual U.S. Holders), and to disclose its investment by filing Form 8886 with the IRS. A penalty of up to U.S.\$10,000 in the case of a natural person and U.S.\$50,000 in all other cases may be imposed in any taxable year on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. U.S. Holders should consult their own tax advisers as to the possible obligation to file Form 8886 with respect to the ownership or disposition of the Notes, or any related transaction, including without limitation, the disposition of any foreign currency received as interest or as proceeds from the sale, exchange or retirement of the Notes.

### ***Foreign Financial Asset Reporting***

U.S. Holders who are individuals and certain specified entities are required to report information relating to an interest in the Notes, subject to certain exceptions, unless the Notes are held in an account at a financial institution (in which case the account may be reportable if maintained by a foreign financial institution). U.S. Holders are urged to consult their tax advisers regarding their information reporting obligations, if any, with respect to their ownership of the Notes.

### **U.S. Backup Withholding Tax and Information Reporting**

Payments of principal, interest and accruals of OID on, and the proceeds of sale, exchange or retirement of, the Notes by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding may apply to these payments, including payments of accrued OID, if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest and dividends required to be shown on its U.S. federal income tax returns. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

Any backup withholding from a payment will be allowed as a credit against a holder’s U.S. federal income tax liability and may entitle such holder to a refund, provided the required filings are made with the IRS.

## **SUBSCRIPTION AND SALE**

The selling restriction set out in the section of the Base Offering Circular entitled “*Subscription and Sale*” headed “*Prohibition of Sales to EEA Investors*” shall be deleted in its entirety and shall not be incorporated by reference herein, and form part of, this Offering Circular.

## GENERAL INFORMATION

### Authorisation

The issue of the New Notes is authorised by the State Budget Law № 91 of 2025 regarding the State budget for the fiscal year 2025/26. The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the New Notes.

### Approval, Listing and Admission to Trading of New Notes

Application has been made for the New Notes to be admitted to the Official List and for the New Notes to be admitted to trading on the main market of the London Stock Exchange with effect from on or around 30 March 2026.

### Legal and Arbitration Proceedings

The Issuer is not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Offering Circular which may have or have had in the recent past a significant effect on the Issuer's financial position or which are material in the context of the issue of the New Notes.

### Significant/Material Change

Except as disclosed under "*Risk Factors*", "*The Economy*", "*External Sector*", "*Monetary System*", "*Public Finance*" and "*Public Debt*", there has been no significant change in the tax and budgetary systems, gross public debt, foreign trade and balance of payments, foreign exchange reserves, financial position and resources and income and expenditure figures of the Republic since 30 June 2025. There have been no recent events relevant to the evaluation of the Republic's solvency.

### Documents on Display

From the date of this Offering Circular and for so long as the New Notes remain outstanding, copies (and English translations where the documents in question are not in English) of the following documents will be available in electronic form during usual business hours on any business day, for inspection at the office of the Paying Agent:

- the Agency Agreement;
- the First Supplemental Agency Agreement dated 22 May 2020;
- the Second Supplemental Agency Agreement dated 28 January 2025;
- the Deed of Covenant;
- the Issuer's 2025/26, 2024/25, 2023/24, 2022/23 and 2021/22 budgets;
- Law № 91 of 2025 regarding the State budget for the fiscal year 2025/26;
- the Base Offering Circular; and
- this Offering Circular.

In addition, this Offering Circular will be published on the website of the Issuer ([www.mof.gov.eg](http://www.mof.gov.eg)).

### Clearing of the New Notes

The Notes have been accepted for clearance through Euroclear, Clearstream, Luxembourg and DTC, which are the entities in charge of keeping the records.

The Unrestricted Global Certificate has been accepted for clearance through Euroclear and Clearstream, Luxembourg under Common Code 299050076, and ISIN XS2990500766. The Restricted Global Certificate has been accepted for clearance through DTC and the CUSIP number is 03846JAG5, ISIN is US03846JAG58 and the applicable Common Code is 299449297.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels. The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of DTC is 55 Water Street, New York, NY 10041, USA.

### **Conditions for Determining Price and Yield**

The price and amount of the New Notes has been determined by the Issuer and the Sole Lead Manager and Bookrunner in accordance with prevailing market conditions.

### **Sole Lead Manager and Bookrunner transacting with the Issuer**

The Sole Lead Manager and Bookrunner and its affiliates have engaged, and may in the future engage, in financial advisory, investment banking and/or commercial banking transactions with, and may perform services for the Issuer in the ordinary course of business for which they have received, and they may in the future receive, fees.

In addition, in the ordinary course of its business activities, the Sole Lead Manager and Bookrunner and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer. The Sole Lead Manager and Bookrunner or its affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, the Sole Lead Manager and Bookrunner and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Sole Lead Manager and Bookrunner and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### **Address**

The address of the Issuer is: The Arab Republic of Egypt, Ministry of Finance Building (LC), Governmental District, New Capital Administrative City, Cairo, Egypt.

The telephone number of the Issuer is +202 2053 1204, and the website of the Issuer is [www.mof.gov.eg](http://www.mof.gov.eg). The website and any information on it are not part of, and are not incorporated by reference into, this Offering Circular.

### **Redemption Basis**

Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the relevant maturity date at 100% of their nominal amount.

### **Legal Entity Identifier**

The legal entity identifier (LEI) code of the Issuer is 529900GFIVH4086NMH82.

### **Websites**

No websites referred to in this Offering Circular and no websites of the Government, its ministries and the CBE, nor any information on such websites form part of, or are incorporated by reference into, this Offering Circular.

**ISSUER**

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Governmental District  
New Capital Administrative City  
Cairo  
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**SOLE LEAD MANAGER AND BOOKRUNNER**

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