



Board of Directors Meeting Resolutions

Cairo, June 21, 2017: Telecom Egypt (te) (Ticker: ETEL.CA; TEEG.LN), today announced that during the Board of Directors meeting held on 21 June 2017, the Board of Directors of the company granted the following:

- Approval of the draft amendment to Article 21 of Telecom Egypt's Articles of Association related to the Board of Directors composition (attached). The Board also approved the need for an Extraordinary General Assembly to consider the proposed amendment and authorized the Chairman of the Board of Directors of Telecom Egypt to take all necessary measures to convene the Extraordinary General Assembly.
- Approval of the appointment of Mr. Amr Yousef Hassan El Ganany as an independent member, replacing Dr. Iskandar Tohma Iskandar, until ratified in the next Ordinary General Assembly of the company.
- Approval of the general conditions for a syndicated loan of up to 13 billion Egyptian pounds, and to conclude an agreement between Telecom Egypt and National Bank of Egypt (as the Syndicate Loan Manager) with Commercial International Bank, Banque Misr, Qatar National Bank, Credit Agricole Bank as the Mandated Lead Managers (MLAs). The Board also approved the delegation to the Company's Managing Director and Chief Executive Officer, and the right to delegate others, to complete the negotiations with the named banks and to terminate all procedures related to the loan and to sign all documents related thereto.

- END -

For more information, contact:

Mohamed Kamal

Investor Relations & Media Director

Tel: +202 3131 5219

Fax: +202 3131 6115

E-mail: investor.relations@te.eg



About Telecom Egypt

Telecom Egypt (te), Egypt's incumbent telecommunications operator, started its operations in 1854 with the first telegraph line in Egypt. Then it was corporatized in 1998 to replace the former Arab Republic of Egypt National Telecommunication Organization (ARENTO). The Company is the largest provider of fixed-line services in the Middle East and Africa with 6.6 million subscribers as at 31 March 2017.

te provides retail telecommunication services including access, local, long distance and international voice, Internet and data, and other services. The company also provides wholesale services including bandwidth capacity leasing to ISPs, and national and international interconnection services. Telecom Egypt's services also include the provision of narrowband and broadband internet access through its subsidiary TE Data. TE Data has active operations in Egypt and Jordan.

te currently participates in the mobile segment in Egypt by providing mobile interconnectivity through its current, increased 44.95% holding in Vodafone Egypt, one of the three existing Egyptian mobile operators.

te's shares and GDRs (Ticker: ETEL.CA; TEEG.LN) are traded on The Egyptian Exchange and the London S

Telecom Egypt An Egyptian Joint Stock Company

Text Before Amendment Article (21)	Text After Amendment Article (21)
<p>The Company Shall be managed by a Board of Directors consisting of a minimum of seven members by the General Assembly. As an exception to the foregoing method of appointment, the Board of Directors shall be formed of eleven members as follows:</p> <ul style="list-style-type: none"> (a) Three members who meet the requirements of independence as detailed hereinafter in this Article. (b) A member representing the employees of the company, to be nominated by the General Syndicate for Telecommunications Employees, who is required to be from amongst the employees of the company. (c) Seven members who shall be selected by virtue of a Prime Ministerial Decree upon a recommendation by the Minister of Communications and Information Technology. <p>The three independent members shall be nominated by non-state shareholders owning 1% or more of the Company shares, and the independent members are required to meet the following:</p> <ul style="list-style-type: none"> (i) He/she is not an employee in the Company, or any of its affiliates or sister companies of which Telecom Egypt has shareholding in its capital during the five years preceding his/her nomination; (ii) He/she may not have had – during the three years preceding his/her appointment – any substantial dealings, whether in person, or as a partner, shareholder, manger, key employee or board member, at any entity which has substantial dealings with the Company, its affiliates or sister companies in which the Company has a shareholding in its capital; (iii) He/she may not have been eligible to any fees or additional amounts from the Company except for the allowances and remunerations of the Board members, or have the right to participate in incentive schemes by shares, if any, or motivated remuneration programs, or have the right to participate in pension schemes in the Company; (iv) He/she may not be a relative up to the fourth degree of any Board member of the Company, or its chief executive officer and his/her deputies; 	<p>The Company Shall be managed by a Board of Directors consisting of a minimum of seven members by the General Assembly. As an exception to the foregoing method of appointment, the Board of Directors shall be formed of eleven members as follows:</p> <ul style="list-style-type: none"> a) Three members who meet the requirements of independence as detailed hereinafter in this Article. b) A member representing the employees of the company, to be nominated by the General Syndicate for Telecommunications Employees, who is required to be from amongst the employees of the company. c) Seven members who shall be selected by virtue of a Prime Ministerial Decree upon a recommendation by the Minister of Communications and Information Technology. <p>The three independent members shall be nominated by non-state shareholders owning 1% or more of the Company shares, and the independent members are required to meet the following:</p> <ul style="list-style-type: none"> i. He/she is not an employee in the Company, or any of its affiliates or sister companies of which Telecom Egypt has shareholding in its capital during the five years preceding his/her nomination; ii. He/she may not have had – during the three years preceding his/her appointment – any substantial dealings, whether in person, or as a partner, shareholder, at any entity which has substantial dealings with the Company, its affiliates or sister companies in which the Company has a shareholding in its capital; iii. He/she may not have been eligible to any fees or additional amounts from the Company except for the allowances and remunerations of the Board members, or have the right to participate in incentive schemes by shares, if any, or motivated remuneration programs, or have the right to participate in pension schemes in the Company; iv. He/she may not be a relative up to the fourth degree of any Board member of the Company, or its chief executive officer and his/her deputies;

- (v) He/she may not be a co-member in the board of directors of a company operating with the Company or have a close relation with any Board member by way of participating/sharing in any other company or entity;
- (vi) He/she may not represent a substantial shareholding in the Company; and
- (vii) He/she may not have been a member in the Board of Directors of the Company for a period exceeding nine consecutive years.

Should the non-State shareholders fail to nominate three independent members or nominate less than three members, or if the aforementioned requirements are not met in the independent members nominated by the non-state shareholders, then the Board of Directors may nominate independent members to complete the number of nominated independent members, provided that they also meet the aforementioned requirements of the independent members.

The juristic person may be represented by more than one board member. The representatives of the juristic person in the Board of Directors shall be as multiple as the member of his/her representatives present in the Board, in such case, the votes shall be as multiple as the number of representatives.

- v. He/she may not represent a substantial shareholding in the Company; and
- vi. He/she may not have been a member in the Board of Directors of the Company for a period exceeding nine consecutive years.

Should the non-State shareholders fail to nominate three independent members or nominate less than three members, or if the aforementioned requirements are not met in the independent members nominated by the non-state shareholders, then the Board of Directors may nominate independent members to complete the number of nominated independent members, provided that they also meet the aforementioned requirements of the independent members.

The juristic person may be represented by more than one board member. The representatives of the juristic person in the Board of Directors shall be as multiple as the member of his/her representatives present in the Board, in such case, the votes shall be as multiple as the number of representatives.