



Q1 2026 Earnings Release

Cairo, Egypt

21 May 2026

Telecom Egypt (Ticker: ETEL.CA; TEEG.LN) today announced its audited financial results, according to the Egyptian Accounting Standards (EAS), for the three months ended 31 March 2026.

Q1 2026 Key Highlights

- **Total revenue** grew 14% YoY to EGP 28.2bn, led by Total Data revenue (+23% YoY), contributing 69% of total revenue growth, International Incoming Calls revenue (+27% YoY), and Domestic Infrastructure Services revenue (+18% YoY).
- **Customer base** growth remained positive across Mobile, Fixed Broadband, and Fixed Voice, rising 7%, 8%, and 7% YoY, respectively.
- **EBITDA** rose 17% YoY to EGP 12.6bn, with the EBITDA margin reaching 45%, supported by healthy organic growth.
- **Net profit** reached EGP 3.6bn, with a 13% net margin. Operational performance remained healthy, with the YoY movement driven mainly by higher non-cash FX losses of EGP 5.3bn and a 15% increase in D&A, partly offset by a 25% reduction in interest expense. On an adjusted basis, excluding non-cash FX losses, net profit would have reached c. EGP 5.9bn, up nearly 27% YoY.
- **In-service Capex** amounted to EGP 1.3bn, representing 5% of sales, while Cash Capex (including license) reached EGP 8.8bn, representing 31% of sales.
- **Net debt/EBITDA** stood at 1.3x at period-end, improving from 1.6x in Q1 25, supported by solid EBITDA growth and disciplined leverage management leading to a reduction in net debt of EGP 8bn.
- **FCFF** rose to EGP 6.4bn up from EGP 3.5bn YoY, driven by stronger cash generation and improved working capital and capex efficiency.

Tamer El Mahdi, Managing Director and Chief Executive Officer, commented:

Q1 2026 unfolded against an unusually complex operating environment, with heightened regional geopolitical tensions adding volatility even as Egypt's macroeconomic stabilization continued following the March 2024 FX liberalization. Against this backdrop, Telecom Egypt delivered a resilient performance, underpinned by the defensive nature of connectivity demand, our diversified revenue base, and the natural hedge provided by our USD-linked international wholesale revenues.

Revenue grew 14% YoY to EGP 28.2 billion, and EBITDA rose 17% to EGP 12.6 billion at a healthy 45% margin. Net profit was EGP 3.6 billion, with a 13% net margin. While the reported result



absorbed a EGP 5.3 billion non-cash FX loss linked to the revaluation of foreign-currency liabilities, our operations remained healthy: excluding this non-cash effect, net profit would have reached c. EGP 5.9 billion, up nearly 27% YoY.

Commercial momentum stayed strong across all segments, with our Mobile, Data, and Fixed subscriber bases growing 7%, 8%, and 7% YoY, respectively. This rests on the quality of our network: in February 2026, independent analytics firm Opensignal recognized WE as Egypt's Best Network, with eight awards, including seven outright wins across categories such as Download Speed Experience, Reliability Experience and Consistent Quality.

Following the recent reorganization of our retail structure, we are sharpening our focus on the Enterprise segment, expanding tailored solutions for SME and SOHO customers and scaling our fixed-mobile convergence (FMC) and digital services.

We remain focused on upgrading and strengthening the resilience of our infrastructure, while continuing to scale and capitalize on these USD-generating revenue streams. Our international cables and wholesale business continued to play a critical role in global connectivity. Egypt's strategic position — anchoring over 90% of data traffic between Europe, Asia, and Africa — together with rising demand for secure, diversified routing in the current geopolitical environment, has further reinforced the structural relevance of our infrastructure. We continued to advance our long-term network roadmap, drawing on the 2026–2030 National Spectrum Strategy to expand capacity and scale next-generation services, including our ongoing 5G rollout.

We continued to manage capital prudently during the quarter, with Cash Capex (including license) of EGP 8.8 billion (approximately 31% of sales) compared with EGP 6.8 billion on the same basis in Q1 2025. Meanwhile FCFF strengthened to EGP 6.4 billion versus EGP 3.5 billion in Q1 2025. Net debt to EBITDA reached 1.3x at period-end, improving from 1.6x in Q1 2025, supported by solid EBITDA growth and disciplined leverage management.

Looking ahead, the recently announced NTRA tariff adjustments permits fixed broadband and mobile prices adjustments of 13 to 15%. We expect this to support revenue in the coming quarters. On this basis, we expect to exceed our FY2026 guidance of high-single-digit revenue growth, while maintaining an EBITDA margin in the low forties, an in-service Capex-to-sales ratio in the low twenties, and a positive FCFF-to-EBITDA ratio in the mid-thirties, subject to continued macroeconomic and FX stability.

Subsequent to quarter-end, and consistent with our commitment to disciplined capital allocation we distributed a cash dividend of EGP 1.50 per share for FY2025 on 30 April 2026.

As we move through 2026, our priorities remain clear: enhancing the customer experience across both consumer and enterprise segments, sustaining our leadership in network infrastructure, and



executing with discipline to deliver measurable, long-term value for our shareholders, employees, and the communities we serve.

Customer Base

(000s)	Q1 26	Q1 25	Δ % YoY	Q4 25	Δ % QoQ
Fixed Line					
Voice	14,273	13,339	7%	14,126	1%
Data	11,234	10,376	8%	11,123	1%
Mobile	15,287	14,306	7%	15,475	-1%

Revenue Breakdown

EGP mn	Q1 26	Q1 25	Δ % YoY	Q4 25	Δ % QoQ
Home & Consumer	14,395	11,857	21%	14,121	2%
Enterprise	2,750	2,372	16%	2,509	10%
Domestic Wholesale	3,151	2,700	17%	2,411	31%
International Carriers	5,514	4,449	24%	3,863	43%
International Customers & Networks	2,401	3,340	-28%	5,706	-58%

Income Statement Summary

EGP mn	Q1 26	Q1 25	Δ % YoY	Q4 25	Δ % QoQ
Revenue	28,211	24,718	14%	28,610	-1%
EBITDA	12,622	10,803	17%	13,033	-3%
EBIT	12,355	10,123	22%	11,275	10%
NPAT	3,572	4,646	-23%	5,586	-36%
EPS	2.09	2.72	-23%	3.27	-36%
Margins					
EBITDA Margin %	45%	44%	104 bps	46%	(81 bps)
EBIT Margin %	44%	41%	278 bps	39%	433 bps
NPAT Margin %	13%	19%	(618 bps)	20%	(691 bps)

Results Discussion

Q1 2026

- **Top-line** rose 14% YoY to EGP 28.2bn, with total Data revenue up 23% YoY and contributing 69% of total revenue growth; Retail revenue increased 20% YoY and Wholesale revenue 5% YoY.
- **Home & Consumer** grew 21% YoY, with Data revenue increase of 23% YoY, supported by a 13% YoY increase in ARPU and an 8% YoY expansion in the customer base.
- **Enterprise** revenue increased 16% YoY mainly due to Connectivity services (+10% YoY).
- **Retail Mobile** revenue grew 26% YoY, driven by higher ARPU and a 7% YoY expansion in the customer base.



- **Domestic Wholesale** grew 17% YoY to EGP 3.2bn, supported by an 18% YoY increase in Domestic Infrastructure Services revenue.
- **ICA** grew 24% YoY to EGP 5.5bn, driven by higher International Incoming Calls (+27% YoY to EGP 4.1bn), which benefited from the favorable effect of the EGP/USD rate on USD-denominated revenue, alongside a 22% YoY rise in international incoming call traffic.
- **IC&N** revenue declined 28% YoY, mainly reflecting the cyclical nature of cable projects, which are expected to recover later in the year as pipeline projects are delivered.
- **VFE Income** (associate income) increased 17% YoY to EGP 3.7bn.

Balance Sheet Summary

EGP mn	Q1 26	FY 25	Δ %
Current Assets	52,435	46,764	12%
Net Fixed Assets	120,313	119,829	0%
Long Term Investments	34,582	30,851	12%
Other Long Terms Assets	33,584	33,615	0%
Total Assets	240,914	231,059	4%
Current Liabilities (Excl. Debt)	61,885	53,713	15%
Current Portion of Long Term Debt	41,086	38,433	7%
Long Term Debt	35,028	35,326	-1%
Other Non-Current Liabilities	40,120	39,899	1%
Total Liabilities	178,119	167,371	6%
Total Shareholder Equity	62,795	63,688	-1%
Total Liabilities & Shareholder Equity	240,914	231,059	4%

Cash Flow Summary

EGP mn	Q1 26	Q1 25	Δ %
Net Cash Provided by Operating Activities	13,006	7,694	69%
Net Cash Used in Investing Activities	-8,638	-6,632	30%
Net Cash Used in Financing Activities	-2,818	3,484	-181%
Net Change in Cash & Cash Equivalents	1,549	4,546	-66%
Translation Differences of Foreign Entities	96	2	3800%
Beginning of the Period Cash	7,685	7,565	2%
End of Period Cash	9,329	12,114	-23%

– End –

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

For more information, contact:

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About Telecom Egypt

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

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