



4 September 2017

Orange Egypt for Telecommunications (S.A.E)
Board of Directors' Report
For the Company's activity from 1 January 2017 till 31 July 2017
On the separate financial statements

Orange Egypt for Telecommunications (S.A.E) (the "Company") Board of Directors is pleased to announce the Company's results to its shareholders for the period ended 31 July 2017.

- Total revenues for the period ended 31 July 2017 amounted to 6 797 MEGP, compared to 6 452 MEGP for the period ended 31 July 2016, with an increase of 5.34%.
- Gross margin for the period ended 31 July 2017 amounted to 5 259 MEGP, compared to 5 021 MEGP for the period ended 31 July 2016, with an increase of 4.74%.
- Net Loss for the period ended 31 July 2017 amounted to 1 444 MEGP, compared to 32 MEGP for the period ended 31 July 2016 with an increase of 4412%.
- Transactions with related parties during the period ended 31 July 2017 are done on the same basis with non-related entities. These transactions represent:
 1. Technical and accounting assistance to support network operation and maintenance.
 2. Subordinated loan from the major shareholder.
 3. Payment and collection of roaming revenues with related parties.
 4. Computer supplies, internet services, advertising campaigns, sales, purchases, commissions, training, management fees and royalty.

Total transactions with related parties during the period ended 31 July 2017 amounted to 119 802 MEGP credit transactions and 5 976 969 MEGP debit transactions, compared to 346 868 MEGP and 299 537 MEGP respectively for the period ended 31 July 2016.



A handwritten signature in blue ink, appearing to read "Bruno Mettling".

Bruno Mettling
Chairman