



## Orange Egypt for Telecommunications (S.A.E)

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### The Company's financial results for the period ended 30 September 2018

#### Summary of the separate financial results for the period ended 30 September 2018:

- Revenues amounted to EGP 9 658 M on end of September 2018 vs EGP 8 824 M end of September 2017 reflecting a growth of 9.45%.
- Gross margin amounted to EGP 7 525 M on end of September 2018 vs EGP 6 871 M end of September 2017 reflecting a growth of 9.53%.
- Net loss amounted to EGP 269 M on end of September 2018 vs net loss of EGP 1 654 M end of September 2017 reflecting a decrease of 83.71%.

#### Summary of the consolidated financial results for the period ended 30 September 2018:

- Consolidated revenues amounted to EGP 10 196 M on end of September 2018 vs EGP 9 352 M end of September 2017 reflecting a growth of 9.03%.
- Consolidated gross margin amounted to EGP 7 822 M on end of September 2018 vs EGP 7 147 M end of September 2017 reflecting a growth of 9.43%.
- Consolidated net loss amounted to EGP 235 M on end of September 2018 vs net loss of EGP 1 769 M end of September 2017 reflecting a decrease of 86.72%.

#### The major reasons for the reported losses:

- Increase in inflation rates, which led to an increase in the Company's operating costs for instance the increase in the rates of fuel and electricity.
- Significant increase in the Company's costs as the basic components of the network are imported from abroad.
- The Company still incurs high borrowing cost.

## Financial ratios

### a) Separate statement of income for the period ended 30 September 2018

	30/09/2018	30/09/2017	% change
Revenues / sales	9 658 547 899	8 824 248 319	9.45%
Gross Profit	7 525 460 286	6 870 856 247	9.53%
% of gross profit to revenues / sales	77.92%	77.86%	0.07%
Net (loss) before taxes from continued operations	(361 362 212)	(1 543 009 307)	(76.58)%
Net profit (loss) before taxes from discontinued operations (if any)	-	-	-
Net (loss) after taxes	(269 400 546)	(1 653 695 745)	(83.71)%
(Losses) per share	(0.17)	(16.54)	(99.00)%
Diluted profits (losses) per share (if any)	-	-	-

### b) Separate financial position as of 30 September 2018

	30/09/2018	31/12/2017	% change
Working capital	(2 688 358 506)	(4 738 696 590)	(43.27)%
Total Equity	12 443 924 082	12 633 718 930	(1.5)%
Paid up capital	16 320 723 540	1 000 000 000	1 532.07%
Amounts paid in respect of capital increase	-	15 231 260 800	(100%)
Reserves	200 000 000	200 000 000	-
Issuance fees of capital increase shares	5 374 219	15 231 261	(64.72)%
Carry forward losses	(3 795 619 761)	(2 307 542 793)	64.49%
(Losses) for the period / year	(269 400 546)	(1 488 076 968)	(81.90)%
Others	(17 153 370)	(17 153 370)	-



**c) Separate statement of cash flows for the period ended 30 September 2018**

	<b>30/09/2018</b>	<b>30/09/2017</b>	<b>% change</b>
<b>Net cash flows provided from operating activities</b>	<b>1 182 768 741</b>	1 876 597 443	(36.97)%
<b>Net cash flows (used in) investing activities</b>	<b>(2 531 574 003)</b>	(3 284 591 390)	(22.93)%
<b>Net cash flows provided from financing activities</b>	<b>354 659 095</b>	2 540 106 488	(86.04)%

## The consolidated results for the period ended 30 September 2018

### Financial ratios

#### a) Consolidated statement of income for the period ended 30 September 2018

	30/09/2018	30/09/2017	% change
Revenues / sales	10 196 005 752	9 351 861 049	9.03%
Gross Profit	7 821 691 120	7 147 391 242	9.43%
% of gross profit to revenue / sales	76.71%	76.43%	0.37%
Net (loss) before taxes from continued operations	(323 534 119)	(1 665 003 316)	(80.57)%
Net profit (loss) before taxes from discontinued operations (if any)	-	-	-
Net (loss) after taxes	(234 990 449)	(1 769 398 109)	(86.72)%
(Losses) per share	(0.14)	(17.72)	(99.19)%
Diluted profits (losses) per share (if any)	-	-	-

#### b) Consolidated financial position as of 30 September 2018

	30/09/2018	31/12/2017	% change
Working capital	(2 974 327 881)	(5 062 494 421)	(41.25)%
Total Equity	12 270 395 181	12 425 779 932	(1.25)%
Paid up capital	16 320 723 540	1 000 000 000	1 532.07%
Amounts paid in respect of capital increase	-	15 231 260 800	(100)%
Reserves	200 000 000	200 000 000	-
Issuance fees of capital increase shares	5 374 219	15 231 261	(64.72)%
Carry forward losses	(4 040 543 857)	(2 394 057 052)	68.77%
(Losses) for the period / year	(234 990 449)	(1 646 486 805)	(85.73)%
Others	42 210 596	42 210 596	-
Treasury stocks	(22 378 868)	(22 378 868)	-



**c) Consolidated statement of cash flows for the period ended 30 September 2018**

	<b>30/09/2018</b>	<b>30/09/2017</b>	<b>% change</b>
<b>Net cash flows provided from operating activities</b>	<b>1 115 942 751</b>	1 927 600 965	(42.11)%
<b>Net cash flows (used in) investing activities</b>	<b>(2 440 106 829)</b>	(3 231 719 090)	(24.5)%
<b>Net cash flows provided from financing activities</b>	<b>354 659 095</b>	2 540 101 488	(86.04)%