

4iG and Telecom Egypt sign terms of cooperation for the creation of an express subsea cable between Albania and Egypt

1 February 2024 – 4iG Plc info-communications company and Telecom Egypt, Egypt’s first integrated telecom operator and one of the largest subsea cable operators in the region, have reached an agreement on the terms of cooperation for the construction of an express subsea cable between Albania and Egypt. Following the signing of a Memorandum of Understanding (MoU) last October, this terms of cooperation agreement establishes a joint venture between the two companies for the intercontinental subsea cable project. The express subsea cable will create a high capacity, intercontinental connection linking Africa and Asia—through the Red Sea—to Europe, via Egypt, the Mediterranean, and Albania.

4iG Plc Chairman Gellért Jászai and Telecom Egypt Managing Director and CEO Mohamed Nasr signed the agreement in Budapest, Hungary, in the presence of H.E. Mr. Márton Nagy, Minister of National Economy of Hungary, and H.E. Dr. Amr Talaat, Minister of Communications and Information Technology of Egypt, as well as top officials from both companies.

As the first cable to link the two countries, the planned subsea cable’s Mediterranean route will be quite unique, adding another layer of diversity to the conventional Mediterranean routes linking Egypt to Italy and France. It will capture a significant share of the huge and rapidly growing data traffic market between Asia, East Africa, and Europe. Along its optimized marine path, the cable system will have the option to be extended to major Mediterranean destinations such as Libya, Cyprus, and Greece. The initial configuration of the subsea cable will also include a branch to Italy. At both ends of the cable, users will benefit from varied extension options with an open point-of-presence concept. Egypt’s end of the cable will provide access to various subsea cables

running southeast via the Red Sea to Asia and Africa, in addition to more than 10 terrestrial trans-Egypt routes connecting the Mediterranean cable segment to other cable extension options in the Red Sea. On Albania's end, the system will provide the shortest path to Frankfurt, as well as other important international traffic destinations in Eastern and Central Europe and the Balkans, such as Sofia, Vienna and Budapest.

Mr. Márton Nagy, Minister of National Economy of Hungary, commented:

"There is no developed economy without a modern, competitive telecoms sector. Today, the digital economy accounts for 25 percent of GDP, and 17 per cent of jobs are in the sector. Digitalisation is a tipping point, and those who do not take advantage of it will be left behind. Last year, the Hungarian government and 4iG Group announced a HUF 150 billion network rollout that will bring broadband to almost every household and accelerate 5G coverage. The information technology and telecommunications sector constitute a high value-added economy, and the profits from these investments can be used for further improvements. The agreement is another milestone for the parties in their further cooperation."

Dr. Amr Talaat, Minister of Communications and Information Technology of Egypt, stated:

"The cooperation we are witnessing today highlights the century-long distinguished relations between Egypt and Hungary, which began when Hungary inaugurated its consulate on 1 February 1924 in Alexandria, Egypt. Relations between the two countries have also strengthened in many fields, such as transportation and culture. We look forward to further cooperation between Egypt and Hungary in ICT. The most important feature of this cooperation is that it comes within the framework of working to implement a strategy targeting the Eastern Europe region to enhance business continuity and future expansions. Egypt is keen to expand its international digital infrastructure, especially given

that more than 90% of the international data traffic between the East and the West passes through the country thanks to its distinguished geographical location - with 14 international subsea cables currently in service. Work is underway to establish another 5 international subsea cables through international alliances.”

Gellért Jászai, Chairman of 4iG Group said:

“Today's agreement is an important step for 4iG Plc to become part of a global data communications network that can accelerate our growth and competitiveness in international markets. This project not only provides business opportunities, but also contributes to strengthening our international digital connections. Our strong market presence in Albania gives us the opportunity to make the additional onshore investments necessary for the success of the project and to open a new data gateway to Europe in cooperation with Telecom Egypt.”

Mohamed Nasr, Managing Director and Chief Executive Officer at Telecom Egypt, commented:

“We are thrilled to embark on our journey with 4iG to construct this one-of-a-kind cable system that will designate Albania as a new entry point to Europe. This newly added Mediterranean route will cater for the booming growth in international traffic coming from Asia and Africa to Europe across our diverse terrestrial transit network linking the Red Sea and the Mediterranean. This strategic joint venture will enrich our customer experience and build on our continued cooperation to enhance the subsea cable industry in the region and beyond by adding more layers of diversity to our Mediterranean network.”

With an established history of over 165 years, and a vast expertise in pioneering the subsea intercontinental connectivity, Telecom Egypt is the partner-of-choice for a growing 160 major subsea cable players worldwide. The company spares no effort to develop a varied portfolio of offerings using cutting-edge solutions to keep pace with the increasing global demand for international connectivity and diversity, while providing the shortest and most reliable routes for its global partners. This has been evident through the significant investments Telecom



Egypt has made to diversify its subsea cables infrastructures from landing points and cable systems to both terrestrial and subsea routes, whether inside Egypt or in other varied locations worldwide.

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About 4iG

4iG Plc, a Hungarian majority-owned company based in Budapest, Hungary, is the leading telecommunications and IT group in Hungary and the Western Balkans, and one of the leading companies in the knowledge-based, digital economy. Listed on the Budapest Stock Exchange, the Group's fresh and innovative approach and its position as Hungary's leading IT systems integrator make it a leading business service provider in the region's digital transformation. 4iG's dynamic expansion strategy has made it a dominant player in the Hungarian and Western Balkan telecommunications markets. The Group is continuously expanding its services, expertise, and portfolio to meet the changing needs and demands of the telecom and IT markets. The 4iG Group employs more than 8,000 people. www.4iG.hu

About Telecom Egypt

Telecom Egypt is the first integrated telecom operator in Egypt providing all telecom services to its customers including fixed and mobile voice and data services. Telecom Egypt has a long history serving Egyptian customers for over 160 years maintaining a leadership position in the Egyptian telecom market by offering its enterprise and consumer customers the most advanced technology, reliable infrastructure solutions and the widest network of submarine cables. Aside from its mobile operation "WE", the company owns a 45% 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. Please refer to Telecom Egypt's full financial disclosure on ir.te.eg

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