

Telecom Egypt and Liquid Telecom Sign MOU as Part of Egypt FDI Initiative

Telecom Egypt and Africa Data Centres to invest in Hyper-Scale Data Centres

The cooperation will meet demand for additional rack space from the rapidly growing ICT sector specifically in Egypt and in the region

Sharm El Sheikh, 8 December 2018: Telecom Egypt, Egypt's first integrated telecom operator and international connectivity provider, and Liquid Telecom, the leading pan-African telecoms group, announce the signing of a Memorandum of Understanding (MoU) whereby both parties will explore collaboration opportunities in three fields: data centre deployment, financial investment in infrastructure and the development of financial inclusion applications.

Under the first track of the MoU, Telecom Egypt and Africa Data Centres, a subsidiary of Liquid Telecom, intend to start with a joint venture to build and operate new data centre facilities across Egypt. Telecom Egypt is to contribute with its local expertise, telecom services and land to establish the data centres. The cooperation in the data centre build-up will add significant data centre capabilities to accommodate Egypt's rapidly growing ICT sector. In addition, Telecom Egypt and Liquid Telecom will cooperate to develop a business model for the remaining two tracks.

Liquid Telecom intends to invest a total of USD 400mn in Egypt on all these initiatives. The investment by Liquid Telecom is a result of the Government of Egypt's new Investment Law, which encourages Foreign Direct Investment (FDI) into the country's telecom sector.

Nik Rudnick, Group CEO Liquid Telecom, said:

"Expanding the Africa Data Centres' brand into North Africa for the first time signifies our intention to be a truly pan-African data centre provider. We're delighted to partner with Telecom Egypt to bring our world-class data centres services to Egypt, where we can accommodate the growing requirements of global cloud providers, carriers and enterprises."

Ahmed El Beheiry, Managing Director and Chief Executive Officer, commented:

"We are pleased to enter into this partnership, which will enable all stakeholders to contribute to the digital and economic growth of Egypt, Africa and the region. This project is a new addition to Telecom Egypt's growing data centres operations, which will give us, along with Africa Data Centres, a revolutionary customer experience."

Egypt's distinctive geography, in the heart of the world, offers operators across the globe a preferential location with the lowest latency access to abundant international capacity and the shortest and most efficient telecom path from Africa to Europe. In addition, Telecom Egypt, with its advanced infrastructure and capabilities, has proven to be the partner-of-choice for many international telecom players over the years.

Africa Data Centres brings a proven track record of delivering leading data centre services across the region and serves some of the world's largest cloud service providers, carriers and enterprises. It operates state-of-the-art data centres in major regional trade hubs such as Johannesburg, Cape Town, Nairobi and Harare, which offer a combined potential 19,000 square metres of rack space and 80 Megawatts of power.

The arrival of more data centre facilities and colocation services in Egypt will accommodate the country's digital transformation strategy, helping to attract global cloud service providers to host their public cloud platforms in the country.

A new world-class data centre facility will be established in Cairo, with other locations to be announced in due course. The data centres in Egypt will eventually connect with Africa Data Centres' other facilities, providing customers with access to the region's evolving first pan-African network of data centres.

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About Africa Data Centres

We are Africa's first network of interconnected, carrier and cloud neutral data centre facilities, providing the foundations for your company's digital transformation. Bringing global skills to local markets, we are your trusted partner for rapid and secure data centre services and interconnections across the African continent. Strategically located at major regional trade hubs, our world-class facilities provide a home for all your business-critical data and access to a hub of leading cloud providers, carriers and enterprises. Proudly African, we are dedicated to driving digital innovation for the benefit of everybody. Be a part of the region's fastest growing cloud ecosystem today. www.africadatacentres.com

About Telecom Egypt

Telecom Egypt is the first total 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