
Regulated information

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PPF Group N.V. announces partnership with global technology group e&

The indirect controlling shareholder of PPF Telecom Group B.V. (“**PPF Telecom**”), PPF Group N.V. (“**PPF**”), and Emirates Telecommunication Group Company (“**e&**”) signed today an agreement under which e& will acquire a stake of 50% plus one share in PPF Telecom’s assets in Bulgaria, Hungary, Serbia, and Slovakia (the “**Transaction**”).

PPF Telecom’s existing assets in the Czech Republic, including the Czech operator O2 Czech Republic a.s. (“**O2 CZ**”) and telecommunications infrastructure provider CETIN a.s. (“**CETIN Czech**”), will be transferred outside the PPF Telecom Group and not be part of the Transaction. PPF will retain its 100% indirect share in O2 CZ and its current indirect share in CETIN Czech. CETIN Group N.V., through which PPF will remain to control CETIN Czech, will transfer all its non-Czech subsidiaries¹ to PPF Telecom.

e& and PPF aim to maintain PPF Telecom’s current rating level after the Transaction closing.

The Transaction is expected to close in or before the first quarter of 2024 and is subject to regulatory approvals, the consummation of corporate reorganization, the formation of the optimal and efficient capital structure within the transaction perimeter, certain administrative procedures, and other customary closing conditions. In addition, the Transaction will likely be subject to the EU Foreign Subsidies Regulation review.

For more information, please see the full announcement by PPF attached to this press release. A related investor call will be scheduled for August 8, 2023.

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¹ A 100% share in CETIN Bulgaria EAD, a 100% share in CETIN d.o.o. Beograd – Novi Beograd, and a 75% share in TMT Hungary Infra B.V.

Disclaimer

This communication contains certain forward-looking statements with respect to the financial condition, results of operations, business and status of PPF Telecom group. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “targets”, “may”, “aims”, “likely”, “would”, “could”, “can have”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. Forward-looking statements may and often do differ materially from actual results. PPF Telecom group’s business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate, target, opinion or prediction to differ materially from those expressed or implied by the forward-looking statements contained in this communication. The information, estimates, targets, opinions, predictions and forward-looking statements contained in this communication speak only as at its date and are subject to change without notice. As a result, undue influence should not be placed on any forward-looking statement.

Certain information contained and identified as such in this communication, including the announcement by e& and PPF, was derived from third parties. PPF Telecom does not accept any responsibility for the accuracy of such third-party information, nor has PPF Telecom independently verified any such third-party information.

A rating is not a recommendation to buy, sell or hold securities. It is dependent on a number of factors, including factors outside of PPF Telecom’s control, and there can be no guarantee that its current levels will be maintained or for how long. It may be subject to change, suspension or withdrawal at any time by the assigning rating agency. Similar ratings for different types of issuers and on different types of securities do not necessarily mean the same thing. The significance of each rating should be analysed independently from any other rating.

This communication contains inside information as defined in article 7(1) of Regulation (EU) 596/2014 of 16 April 2014 (the Market Abuse Regulation).

PPF announces partnership with global technology group e&

Prague

1 August 2023

PPF Group ("PPF") and Emirates Telecommunication Group Company ("e&") today signed an agreement under which e& will acquire a stake of 50% plus one share in PPF Telecom Group's ("PPF Telecom") assets in Bulgaria, Hungary, Serbia and Slovakia.

The transaction parties have agreed that e& will pay EUR 2.15 billion upfront at the closing for the acquisition of the 50% stake, plus one share in PPF Telecom and additional earn-out payments of up to EUR 350 million within three years after the closing if PPF Telecom exceeds certain financial targets. This is subject to a claw back of up to EUR 75 million if such financial targets are not achieved.

The partners will retain current PPF Telecom's CEO, Balesh Sharma, and ensure continuity of the operations while drawing on the broad expertise of PPF Telecom's teams in their markets.

PPF Telecom's existing assets in the Czech Republic, including the Czech operator O2 Czech Republic a.s. ("O2 CZ") and telecommunications infrastructure provider CETIN a.s. ("CETIN Czech"), will be transferred outside the PPF Telecom Group and not be part of the transaction. PPF will retain its 100% indirect share in O2 CZ and its current indirect share in CETIN Czech.

CETIN Group N.V., through which PPF will remain to control CETIN Czech, will transfer all of its non-Czech subsidiaries² to PPF Telecom. e& and PPF aim to maintain PPF Telecom's current rating level after the transaction closing. PPF aims to maintain CETIN Group's current rating level, subject to confirmation of the targeted final capital structure.

PPF CEO Jiří Šmejc said on the partnership agreement: "The purchase price of up to EUR 2.5 billion, including contractual earn-out payments, represents one of the largest ever deals for PPF. I am proud of how we have managed to grow the value of this asset since its purchase."

On the prospects of cooperation with e&, Jiří Šmejc added: "I believe that the know-how and experience that PPF has in the region, combined with the global scale of our partner, will enable us to jointly share ambitions for synergies and further growth."

Jiří Šmejc also pointed out that PPF's telco assets in the Czech Republic are excluded from the deal. According to him, it is not only due to the home market's specific position but also due to our plans to create synergies between the companies operating in the Czech Republic.

Hatem Dowidar, Group CEO, e& commented: "As e& continues on its path to be a leading global technology group, our priority remains focused on expanding our customer base and providing them with more digital services, both for consumers and enterprises. This exciting partnership with PPF Group in Bulgaria, Hungary,

² A 100% share in CETIN Bulgaria EAD, a 100% share in CETIN d.o.o. Beograd – Novi Beograd, and a 75% share in TMT Hungary Infra B.V.

Serbia, and Slovakia exemplifies our commitment to seeking new opportunities for collaboration and investment opportunities that will further accelerate our expansion. “By combining PPF Telecom's expertise with our own innovative capabilities, we are poised to establish a major telecommunications presence in Central and Eastern Europe. We aim to realize synergies, optimize procurement efficiencies, and enhance customer offerings, establishing our position as a leading global tech group.”

The transaction sets the foundation for a partnership between PPF and e& that will seek to build a major telecommunications business in central and eastern Europe. PPF and e& aim to realize significant synergies in various areas, including procurement efficiencies, wholesale and roaming arrangements. The partnership allows PPF Telecom to leverage e&'s expertise in other markets for rolling out top digital, IoT & B2B services, enhancing customer offerings and experience while opening cross-continent learning and career development opportunities for employees.

The transaction is expected to close in or before the first quarter of 2024 and is subject to regulatory approvals, the consummation of corporate reorganization, the formation of the optimal and efficient capital structure within the transaction perimeter, certain administrative procedures, and other customary closing conditions. In addition, the transaction will likely be subject to the EU Foreign Subsidies Regulation review.

Notes for Editors

PPF Group operates in 26 countries, investing in multiple sectors, including telecommunications, media, financial services, biotechnology, real estate, engineering, nautical services and products. PPF's geographic footprint spans from Europe to North America and across Asia, owning assets to the value of EUR 40 billion and employing 61,000 people globally (31 December 2022).

<https://www.ppf.eu>

e& is one of the world's leading technology and investment groups. With consolidated net revenue of AED 52.4 billion and consolidated net profit of AED 10 billion for 2022, its high credit ratings reflect the company's strong balance sheet and proven long-term performance. Founded in Abu Dhabi more than four decades ago as the UAE's first telecommunications company, the Group now operates in 16 countries across the Middle East, Asia, and Africa. e& provides innovative digital solutions, smart connectivity, and next-generation technologies to a variety of customer segments through its business pillars: etisalat by e&, e& international, e& life, e& enterprise, and e& capital.

<https://eand.com/>

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