

e& successfully completes majority stake acquisition of PPF Telecom

Abu Dhabi, United Arab Emirates, 24 October 2024

Further to our announcements on 24 September 2024, 11 June 2024 and 1 August 2023 regarding the subject matter, Emirates Telecommunications Group Company P.J.S.C. (“e&”) is pleased to announce the successful acquisition of a controlling stake (50% +1 economic share) in PPF Telecom’s assets in Bulgaria, Hungary, Serbia and Slovakia. The holding company for these assets will be named “e& PPF Telecom”.

This investment represents a pivotal moment in e&'s international strategy to scale and add further resilience to its operational profile through expanding into Central and Eastern Europe's telecom market. The market is benefitting from robust economic growth and stable regulatory environment and provides e& with exposure to stable currencies.

With its leading retail position in the markets where it operates, supported by its high-quality assets, superior network coverage, growing customer base and sustained strong fundamentals, e& PPF Telecom will further enhance e&'s capacity to drive long-term growth and value. This acquisition fosters e&'s ability to deliver innovative telecom and digital services across these high-potential markets.

e& PPF Telecom comprises leading service brands Yettel Bulgaria, Yettel Hungary, Yettel Serbia, and O2 Slovakia, as well as infrastructure operations through CETIN. Serving over 10 million customers, it consistently demonstrates strong financial performance, with combined revenues of approximately €2.0 billion in 2023 and an EBITDA margin of 44%.

This transaction value is €2.15 billion in addition to an adjustment of €200 million to account for lower debt position and better working capital of e& PPF Telecom. The transaction is also subject to up to €350 million in earn-out payments to PPF Group if e& PPF Telecom exceeds certain financial targets within the three-year period after closing and is subject to a claw back of up to €75 million if such financial targets are not achieved. In addition, PPF Group has a put option, exercisable 5 years after closing for its remaining shares of e& PPF Telecom, while e& also holds a reciprocal call option for the same shares. The transaction was financed through debt and is not associated with any related parties. e& PPF Telecom's financials will be consolidated under the e& international vertical effective November 2024.

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Karim Bennis

Group Chief Financial Officer