

e& Signed Binding Agreement to Sell its 40% Stake in Khazna for \$2.2 Billion

Abu Dhabi, United Arab Emirates, 25 February 2025

Emirates Telecommunications Group Company P.J.S.C. (“e&”) signed a binding agreement with Group 42 Holding Ltd (“G42”) and Khazna Data Center Holdings Limited (“Khazna”) to divest its 40% stake in Khazna for a value of USD 2.2 billion (equivalent to AED 8.0 billion).

Khazna designs, builds and operates wholesale data centers. In 2022 e& became shareholder of Khazna, a G42 business, by contributing e&'s UAE data center portfolio in exchange for a 40% equity stake.

Today's divestment demonstrates e&'s ability to unlock value from this contribution through asset monetization, allowing the company to focus on businesses under e&'s control, drive future growth, and create opportunities for further portfolio optimization while generating significant return and value to shareholders.

e& will remain a key strategic partner and a major tenant of Khazna, collaborating on delivering AI-powered connectivity and advanced digital infrastructure solutions. e& will continue to play a leading role in scaling AI transformation across the UAE.

This transaction will generate a significant capital gain of USD 1.4 billion (equivalent to AED 5.1 billion) before federal royalty and corporate tax. The financial impact of the transaction will be reflected in e&'s financials in the first half of 2025. The proceeds from the transaction will be utilized to reduce the Group's debt balance, thereby enhancing its financial flexibility and strengthening our credit profile.

Closing of the transaction remains subject to customary closing conditions. Should there be any developments on this subject, we will keep the market updated in due course.

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Karim Bennis
Group Chief Financial Officer