Dear Sir,

**e& enterprise forms a joint venture with Bespin Global to offer cloud managed and professional services in the METAP region**

We would like to inform you that on 8 December 2022, e& enterprise, a wholly owned entity of Emirates Telecommunications Group Company PJSC “e&” signed a binding agreement with Bespin Global, a South Korean-based multi-cloud solution provider, to form a joint venture (JV) with the name of Bespin Global MEA, an e& enterprise company offering public cloud managed and professional services in the Middle East, Turkey, Africa and Pakistan (METAP). This step is in line with e&’s strategic ambition of scaling up the e& enterprise vertical and enhancing its digital capabilities.

The JV will be leveraging the capabilities of both entities. e& enterprise will provide strong local market presence of and its broad portfolio of digital transformation solutions. Bespin Global will provide specialized skills developed in the fields of Cloud related services. The joint venture will provide a one stop cloud solution to help enterprises in its digital transformation journey.

اتبعت شركة مجموعة الإمارات للاتصالات "الإماراتي" "e&" إخطاركم بأنه في تاريخ 8 ديسمبر 2022 وقعت "e&"، اتفاقية مماثلة مع شركة "Bespin Global"، مزود حلول وادارة الحوسبة السحابية، ومقرها كوريا الجنوبية لتنفيذ مشروع مشترك "Bespin Global MEA". هذه الخطوة تتفق مع خطط "e&" للتكيف والتحسن الرقمي. المشروع المشترك سيستفيد من قدرات كلا الجانبين، بما في ذلك الانتشار الفوري للشركات في المنطقة ومتخصصاتها من حلول الادارة الرقمية، بينما سيوفر "Bespin Global" مهارات متميزة في مجالات الحوسبة السحابية. وسوف يتضمن ذلك من توفير حلول سحابية متكاملة لدعم المؤسسات في رحلة التحول الرقمي.
The JV will be 65% owned by e& enterprise and 35% by Bespin Global. Both companies will contribute their existing public cloud regional business and related professional and managed services to the JV. In addition, both shareholders will contribute an initial cash injection of USD10 million as capital on a pro-rata basis.

As part of the agreement, e& will access the South Korean innovative market, and potentially unlock further collaboration with existing Bespin Global’s shareholders by making a primary investment of USD 60 million in Bespin Global in exchange of a stake of circa 10%. In addition, e& has the option to invest another USD 60 million at the same valuation within a period of 18 months from completion of the transaction. Furthermore, e& is committed to provide additional funding to the JV up to USD 40 million, in the form of shareholder loans, to finance the growth of the business.

The transaction is not associated to related parties and investments are paid in cash. Upon completion of the transaction, the JV will be consolidated into e&’s financials. The investment in Bespin Global will be accounted for as an ‘Investment in Associate’ and shall be accounted for by applying the equity accounting method.

And with the cooperation, the institutions will own 65% of the project, while Bespin Global will own 35%. Both companies will contribute their existing public cloud regional business and related professional and managed services to the JV. In addition, both shareholders will contribute an initial cash injection of USD10 million as capital on a pro-rata basis.

And with this cooperation, e& will access the South Korean innovative market, and potentially unlock further collaboration with existing Bespin Global’s shareholders by making a primary investment of USD 60 million in Bespin Global in exchange of a stake of circa 10%. In addition, e& has the option to invest another USD 60 million at the same valuation within a period of 18 months from completion of the transaction. Furthermore, e& is committed to provide additional funding to the JV up to USD 40 million, in the form of shareholder loans, to finance the growth of the business.

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Closing of the transaction remains subject to regulatory approvals.

Should there be any developments on this subject, we will keep the securities exchange updated in due course.

Kind regards,

Karim Bennis
Group Chief Financial Officer