

Reference: HO/GCFO/152/IR/023
Date: 14 December 2023

Abu Dhabi Securities Exchange
Abu Dhabi, United Arab Emirates

PTCL Group to Acquire 100% Stake in Telenor Pakistan

Emirates Telecommunications Group Company PJSC “e&” would like to inform you that Pakistan Telecommunication Company Limited (“PTCL”), a subsidiary of e& with effective economic ownership of 23.4%, has signed a Share Purchase Agreement with Telenor ASA (“Telenor”) to acquire a 100% stake in Telenor Pakistan (Pvt) Ltd (“Telenor Pakistan”) based on an Enterprise Value of PKR 108bn on a cash free, debt free basis (the “Transaction”).

Telenor Pakistan is a strong mobile operator serving ~45 million subscribers with reported revenue of PKR 112bn and EBITDA margin of ~43% based on LTM September 2023 financial reporting.

The Transaction provides an opportunity for in-market consolidation in the Pakistani Telecom market which will predominantly lead to an improved long-term outlook of the telecom sector.

The Transaction will also improve the capabilities of the combined entities and results in improved coverage and quality of services to customers and enable wider access to communication solutions for businesses while supporting economic growth of Pakistan. It will further strengthen the position of PTCL Group as a leading operator in Mobile, fixed and microfinancing serving more than 70 million customers, upon completion of the transaction.

The combined infrastructure assets of both entities are so complementary that the integration is expected to unlock value in synergies mainly from networks.

The Transaction aligns with e&'s objective to enhance the growth profile of the international telecom vertical by accelerating e& and PTCL efforts to build a prosperous and digitally connected nation and position PTCL as the national champion to support Pakistan's digital transformation.

The financial impact of the transaction represents an incremental of approximately 8% and 7% of e& international's revenues and EBITDA respectively, based on LTM September 2023 financial reporting. The transaction will be financed by external debt that will be raised by PTCL.

Completion of the Transaction remains subject to regulatory approvals and customary closing conditions. Should there be any developments on this subject, we will keep the market updated in due course.

Kind regards,



Karim Bennis
Group Chief Financial Officer