

This document is available online at <https://www.ppftelecom.eu/regulatory-announcements>

PPF Telecom Group Completes Separation of Retail and Infrastructure Business and Establishes CETIN Group

PPF Telecom Group today announces the completion of the separation of retail and infrastructure at three of its Telenor branded mobile operators in Bulgaria, Hungary, and Serbia, and subsequent establishment of CETIN Group. Newly founded CETIN Bulgaria, CETIN Hungary, and CETIN Serbia, together with CETIN in the Czech Republic will become the telecommunication infrastructure backbone of PPF Telecom Group. CETIN Group's extensive, 24/7 supervised networks will provide superior voice, data, TV, video, IT, and cybersecurity services to Telenor CEE and other wholesale customers in the region and internationally, including O2 Czech Republic. Separating infrastructure from retail (including B2B) will enable the two separated entities in each country to wholly focus on two different market segments and meet in the most efficient way the increasing demands of the CEE telecommunications market.

CETIN entities will maximise potential for wholesale partnerships and create greater technological infrastructure synergies through combined R&D, development, innovation, and long-term investments in telecommunication technologies and infrastructure. While the construction and operation of infrastructure will be under CETIN's full responsibility, the retail organisations, instead, will be able to exclusively dedicate energy to their service propositions and retail customer management.

PPF Telecom Group expects this move to strengthen both the retail and infrastructure businesses and lead to greater opportunities across CEE, with Telenor CEE stakeholders and consumers only benefiting from the separation, just as a similar separation of O2 and CETIN in the Czech Republic did five years ago.

control of PPF Telecom Group. Each of the new regional CETIN organizations will begin to apply key learnings from the 2015 separation of O2 and CETIN in the Czech Republic and benefit from technological, commercial, and innovation know-how and cooperation. All Telenor branded organizations will rely on the services of their local CETIN providers.

“Looking back, I am proud of what we have accomplished over the last five years. We have proven our innovative and entrepreneurial spirit by pioneering Europe’s first voluntary separation of O2 and CETIN. In 2018, we acquired CEE Telenor-branded mobile operators and in less than two years have taken another bold step in solidifying our position in the CEE by taking our expertise and applying it to other markets. I am confident CETIN Group will become major infrastructure player in our region,” said Ladislav Bartoniček, PPF Group Shareholder and CEO of PPF Telecom Group.

“As our societies continue to digitalise, there is an ever-increasing need for seamless, reliable, and secure connectivity. CETIN Group intends to play a leading role in driving digital transformation with cutting-edge communications infrastructure solutions in CEE. The regional alignment and synergies generated by this separation will facilitate innovation and implementation of new technologies that will drive the telecommunications sector in the years to come,” said Juraj Šedivý, Chairman of the Board of CETIN in the Czech Republic, and newly appointed Board Member of CETIN Group B.V.

Jan Kadaník has been newly appointed Chairman of the CETIN Group B.V. Board of Directors and will focus on the overall strategy of the CETIN Group. Mr. Juraj Šedivý shall be responsible, in his position of the Board Member and CEO, for the management and operations of the CETIN Group.

About Jan Kadaník

Jan Kadaník has broad international experience with finance, M&A and strategy. He spent the last 12 years in Basel, Switzerland, working for the Agri conglomerate Ameropa initially as chief finance officer and subsequently as chief executive officer for the last five years. Prior to that, Mr. Kadaník held a strategy and finance role at Agrofert, a major Czech industrial conglomerate, for seven years.

Mr. Kadaník holds a master’s degree in international trade and international finance from the Prague School of Economics and has completed various professional courses during his career, most recently a senior executive programme at IMD Lausanne.

About Juraj Šedivý

Juraj Šedivý has extensive international experience in the field of telecommunication and finance management. He joined Globtel, France Telecom Group's mobile entrant in Slovakia, as the CFO in 1996. Between 1997 and 2009, he was a member of the top management team at Český Telecom, including as a Vice President for finance and shared services. He held the position of Vice-chairman of the Board of Directors of Telefónica O2 Czech Republic since 2003 and CEO of Telefónica O2 Slovakia from 2005. He was appointed the Chairman of the Board of Directors and CEO of CETIN a.s. in January 2019.

Juraj Šedivý obtained an engineering degree at the University in Nitra as well as taking a post-graduate course at the Comenius University in Bratislava and MBA programme at the Rochester Institute of Technology in New York.

Media contact:

PPF Telecom Group
Media Relations
Klara Zavadilova
zavadilova@ppf.cz
+420 734 159 779

About PPF Telecom Group

PPF Telecom Group is a leading provider of telecommunication services in the CEE region, active in six markets (Bulgaria, Czech Republic, Hungary, Montenegro, Serbia and Slovakia) providing mobile, fixed-line, data and internet television services. It has 17.2 million mobile customers, 12,000 employees and EUR 1.4bn EBITDA (FY2019).

PPF Telecom Group pioneered structural separation in Europe and organised its operations in two divisions: telco services division providing services to end users and infrastructure division owning and operating telco networks on a wholesale basis.

www.pfftelecom.eu

About PPF

PPF Group PPF Group invests in multiple market segments such as financial services, telecommunications, biotechnology, real estate and mechanical engineering. The reach of PPF Group spans from Europe to the North America and across Asia. PPF Group owns assets reaching EUR 48.6 billion (as at 31 December 2019).

www.ppf.eu/en