

GTH Board of Directors provides update on VEON's Offer

Amsterdam (31 August 2018) – Global Telecom Holding S.A.E. (“GTH” or the “Company”) (EGX: GTHE.CA) Board of Directors announces that:

Over the last 2 months, the Board of Directors, including a committee comprising the Independent Directors, have been extensively considering the VEON Ltd. (“VEON”) offer of 2 July 2018 with the support of the Board’s appointed Independent Financial Adviser (“IFA”), approved by the Egyptian Financial Regulatory Authority (“FRA”), Fincorp Investment Holding S.A.E. (“Fincorp”), GTH’s management and other advisers.

The Independent Directors have engaged with minority investors and other stakeholders to discuss the VEON offer and the financial position of the Company.

Feedback on the VEON offer from GTH shareholders suggests that the current offer would not be approved by the required 66 2/3% of minorities at this time. VEON has confirmed that the offer remains open but cannot confirm that it will remain open indefinitely. Shareholders will be aware that the offer can be withdrawn by VEON at any time after 1 September 2018.

The Board has also been reviewing the cash flow forecasts of the Company, noting that there are significant debt maturities, interest payments and capital requirements in 2H18 and 2019 amounting to at least USD 500 million.

In light of the feedback from GTH shareholders on the VEON offer, the Board of Directors continues its review of the VEON offer and the alternative options to fund the Company. Given the cash flow forecasts and debt maturities these options include the possibility of a pro-rata capital raising from existing shareholders.

As a part of this ongoing review, GTH is to appoint Lazard Frères SAS as its International Financial Advisor with a broad remit to advise the Company on all financing options in addition to Fincorp continuing as IFA. Other advisors, including international and local legal advisors, continue to advise the Company.

The Board welcomes any questions from shareholders and asks that these be directed to the GTH Investor Relations team, which details are below.

The Board of Directors, including the committee of the Independent Directors, will continue to keep shareholders informed.

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ABOUT GTH

GTH, which is 57.7% owned by VEON, is a leading international telecommunications company operating mobile networks in high growth markets in Africa and Asia, having a total population under license of approximately 400 million. GTH operates mobile networks in Algeria, Pakistan, and Bangladesh and reached more than 103 million customers as of Q1 2018. GTH is traded on the EGX under the symbol (GTHE.CA).

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