



Notice to shareholders on the upcoming Extraordinary General Meeting

Cairo/London, August 12, 2014: Global Telecom Holding S.A.E. (“GTH”) is convening an Extraordinary General Meeting of Shareholders on August 26, 2014, at 2:30 pm at Dusit Thani LakeView, Elteseen Street, New Cairo.

The purpose of the meeting is to present for approval the sale by GTH of a 51% interest in Orascom Telecom Algérie SpA (“OTA”) to the Fonds National d’Investissement (the “FNI”), the Algerian National Investment Fund, for a purchase consideration of USD 2.643 billion, along with related transactions, as described generally in this Notice.

GTH, the FNI and VimpelCom Ltd. (“VimpelCom”) entered into a Share Purchase Agreement (the “Share Purchase Agreement”), dated 18 April 2014, to provide for the sale to the FNI of a 51% interest in OTA.

OTA will also distribute a cash dividend of USD 1.862 billion to GTH and its subsidiary companies, Moga Holding Ltd. and Oratel International Inc. (the “Subsidiaries”) prior to the closing of the transaction (“Closing”).

The total dividends and proceeds due to GTH and its Subsidiaries at Closing are expected to amount to USD 4.0 billion, net of all taxes and after the settlement of all outstanding disputes between the parties and the payment of associated amounts. All proceeds will be used to pay down the outstanding shareholder loans provided by VimpelCom entities to GTH.

Prior to Closing and in order to facilitate the Closing, OTA will contribute its business, save only certain excluded assets and liabilities (the “Contribution”) to Optimum Telecom Algérie S.p.A. (“Optimum”), a subsidiary of OTA. In addition, at or prior to closing, Optimum intends to establish a credit facility with a group of banks in an amount of up to 82 billion dinars (approximately USD 1.0 billion).

HC for Securities and Investment, an independent financial advisor registered with the Egyptian Financial Supervisory Authority, prepared for the Company an Independent Financial Advisor’s Report dated August 2014 for the valuation of the fair value of Orascom Telecom Algérie and the Company’s Auditor, namely Mansour & Co. PricewaterhouseCoopers, produced for the Company a report thereon (the “IFA Report”). A summary of the IFA Report, will be made available for perusal by the shareholders at the head office of the Company and on the company’s website in the days before the meeting.



Shareholders Agreement

GTH, Optimum, the Subsidiaries, VimpelCom Ltd. and the FNI will enter into a shareholders agreement (the "Shareholders Agreement"), effective as of Closing, which will govern their relationship as shareholders in OTA and the operations of Optimum. GTH will retain operational control over each of OTA and Optimum with certain enumerated strategic decisions being subject to a supermajority vote of the respective boards (including the affirmative vote of at least one director representing GTH and the FNI). OTA will pay future dividends to its shareholders out of available free cash flow, targeting a pay-out ratio of not less than 42.5% of consolidated net income.

Pursuant to the Shareholders Agreement, GTH and VimpelCom will continue to fully consolidate OTA. Transfers of the parties' respective shareholdings in OTA are not permitted during the first 7 years following the Closing other than to certain affiliates and other specified entities. Each of GTH and the FNI will have a put option and call option, respectively, at fair market value on GTH's OTA shares in 2021, as well as upon the occurrence of certain specific events.

The terms of the Shareholders Agreement, as well as the Share Purchase Agreement, have been approved by the Algerian Conseil des Participations de l'Etat, the Conseil de Direction of the FNI, the VimpelCom Supervisory Board and the GTH Board of Directors.

Settlement of Disputes

The foreign exchange and import restrictions put in place by the Bank of Algeria against OTA on April 15, 2010 will be lifted on Closing, following receipt by the Algerian Treasury of 99 billion Algerian dinars (equivalent to approximately USD 1.3 billion) from OTA. At Closing, OTA will definitively discontinue (with no admission of wrongdoing or liability) all pending related proceedings.

At Closing, OTA will definitively discontinue (with no admission of wrongdoing or liability) all pending proceedings relating to the disputes with the Algerian tax administration relating to tax reassessments for the years 2004 to 2009. OTA will write off in its accounts the related tax receivable in its balance sheet.

Upon signing of the Share Purchase Agreement, GTH suspended its current arbitration against the Algerian State initiated on April 12, 2012 and, upon Closing, the parties to the arbitration will discontinue and settle the arbitration.

Agreement with OTA's minority shareholder Cevital

In addition, Cevital S.p.A. ("Cevital"), which holds just over 3% of OTA shares, has signed a Framework Agreement with GTH under which the existing OTA shareholder arrangements will be terminated and GTH will acquire Cevital's OTA shares. In exchange for a purchase consideration of USD 178 million (equivalent to the implied price at which the FNI is acquiring its 51% stake) and the right to USD 56 million from OTA's pre-Closing dividend, GTH



will transfer to Cevital the shares of a wholly-owned subsidiary which will hold five year convertible bonds issued by VimpelCom in the principal amount of USD 234 million. The VimpelCom bonds will pay interest at an annual rate of 3.75% and will be convertible into VimpelCom ADSs at a conversion price equal to a premium of 40% above the prevailing ADS price at the time of issue.

As part of the Cevital transaction, GTH will grant Cevital a right to purchase 3.43% of OTA shares for a fixed amount of USD 178 million. Such right may be exercised on the 5th anniversary of Closing (as well as upon the occurrence of certain specific events prior to that time) or at any time between the 5th and 7th anniversaries of Closing. The Cevital transaction is conditional upon negotiation and execution of definitive documentation, receipt of requisite governmental approvals and on Closing of the transaction with the FNI. VimpelCom will guarantee the obligations of GTH in the Cevital transaction. In case the Closing does not take place, GTH and Cevital have also agreed in principle to negotiate agreements under which GTH will pay Cevital 3.43% of the net amount, if any, collected by GTH in the arbitration against the Algerian State in exchange for Cevital transferring all of its OTA shares to GTH and terminating the current OTA shareholder arrangements.

Closing

The conditions precedent to Closing include, amongst others, the completion of the Contribution, Optimum obtaining the credit facility of an amount up to 82 billion Algerian dinars (equivalent to approximately USD 1.0 billion), the distribution of the pre-Closing dividend of USD 1.862 billion by OTA, the irrevocable termination of the existing shareholders agreement entered into with Cevital, the receipt of necessary approvals by the shareholders of GTH and the receipt of necessary regulatory approvals by the Algerian authorities.

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About Global Telecom Holding:

Global Telecom ("GTH") is a leading international telecommunications company operating mobile networks in high growth markets in the Middle East, Africa and Asia, having a total population under license of approximately 466 million as of June 30, 2014. Global Telecom operates mobile networks in Algeria ("Djezzy"), Pakistan ("Mobilink") and Bangladesh ("banglalink") and has an indirect equity shareholding in Globalive Wireless Canada ("WIND Mobile"). In addition it has an indirect equity ownership in Telecel Zimbabwe (Zimbabwe) and, through its subsidiary Telecel Globe, GTH also operates in Burundi and the Central African Republic. Global Telecom reached 91 million customers as of June 30, 2014.

Global Telecom is traded on the Egyptian Exchange under the symbol "GTHE.CA", and on the London Stock Exchange its GDSs are traded under the symbol "GLTD:LI".



About Orascom Telecom Algérie (Djezzy):

Djezzy operates a mobile network in Algeria and provides a range of prepaid and postpaid products encompassing voice, data and multimedia. In 2013, Djezzy recorded USD 1.796 billion of revenue and USD 1.054 billion of EBITDA. As of December 31, 2013, Djezzy's network served 17.6 million customers, representing a market share of approximately 53% of total mobile customers in Algeria.

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Disclaimer

This announcement contains "forward-looking statements." These statements relate to, among other things, Global Telecom Holding's intentions, expectations and assumptions regarding the transactions described above and potential benefits therefrom, including the distribution of dividends, the use of proceeds, the discontinuation of legal proceedings, the settlement of disputes, the receipt of corporate and regulatory approvals, the establishment of a credit facility, the shareholders agreement termination and the satisfaction of other conditions precedent. The forward-looking statements included in this announcement are based on management's best assessment of Global Telecom Holding's strategic and financial position and of future market conditions and trends. Forward-looking statements involve inherent risks, uncertainties and assumptions, including, without limitation, the possibility that the transactions described above may not materialize as expected or at all. If such risks or uncertainties materialize or such assumptions prove incorrect, actual results could differ materially from those expressed or implied by such forward-looking statements and assumptions. Certain risks that could cause actual results to differ materially from those discussed in any forward-looking statements include volatility in the economies in our markets, unforeseen developments from competition, governmental regulation of the telecommunications industries, general political uncertainties in our markets and/or litigation with third parties. The forward-looking statements contained in this announcement are made as of the date hereof, and Global Telecom Holding expressly disclaims any obligation to update or correct any forward-looking statements made herein due to the occurrence of events after the issuance of this announcement.