

Eutelsat Group enters into exclusive negotiations for the carve-out and partial sale of its passive ground segment infrastructure assets

Paris, 9 August 2024 - Eutelsat Group (ISIN: FR0010221234 - Euronext Paris / London Stock Exchange: ETL) has entered into exclusivity and signed a put option agreement with the EQT Infrastructure VI fund ("EQT") with respect to its passive ground infrastructure assets.

The contemplated transaction would consist in the carve-out of the passive assets (land, buildings, support infrastructure, antennas and connectivity circuits for the combined portfolio of teleports and SNPs) to form a new company which would be incorporated as a standalone legal entity. EQT will own 80% of the capital, while Eutelsat Group will remain committed as long-term shareholder, anchor tenant and partner of the new company with a 20% holding alongside EQT.

The new entity would be the world's largest pure-play, operator-neutral, ground station- as-a-service company, bringing together top-level teams combining satellite-specific knowledge with highly experienced infrastructure service operators for optimum customer service.

On completion of the transaction, Eutelsat would enter into a long-term framework master service agreement (MSA) covering services to be rendered by the new company to Eutelsat Group. The MSA would assure the seamless continuity of Eutelsat's activities at the same high level of efficiency, reliability and security.

The contemplated transaction values the new entity at an enterprise value of €790m, representing attractive EBITDA-Capex and EV/EBITDA multiples. It would shift future maintenance capex to the new entity, while the proceeds would enable Eutelsat to strengthen its financial profile and focus on the next generation of its multi orbit -fleet.

Eva Berneke, Chief Executive Officer of Eutelsat Group, said, *"We are proud to become the first satellite operator to embark on this innovative transaction which would allow us to build on the model adopted in other industries, and to optimise the value of our extensive ground network. In EQT we have found a partner of the highest quality, who shares our vision. This transaction would represent a win-win situation for all parties, and would enable Eutelsat to strengthen its financial profile, whilst continuing to rely on the unparalleled quality and reliability of its ground infrastructure. Moreover, we are confident that with the backing of EQT, the*

business would be in a position to fully embrace the opportunities opening up to it as the new Global leader in this dynamic sector.

Carl Sjölund, Partner within the EQT Value-Add Infrastructure advisory team, added: *“At EQT, we identified satellite ground stations as an attractive digital infrastructure vertical several years ago. They play an important role in ensuring global connectivity, especially for those not covered by fixed and mobile connectivity solutions and require deep global expertise in developing and operating telecommunications infrastructure businesses. We are delighted to partner with Eutelsat Group to create a ground station leader and capture the growth opportunity fuelled by technological innovation.”*

The transaction remains subject to customary conditions precedent, in particular the approval by the relevant regulatory authorities as well as consultation with French security authorities and the appropriate employee representative bodies. Closing of the deal is expected in the first quarter of calendar year 2026.

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About Eutelsat Group

Eutelsat Group is a global leader in satellite communications, delivering connectivity and broadcast services worldwide. The Group was formed through the combination of the Company and OneWeb in 2023, becoming the first fully integrated GEO-LEO satellite operator with a fleet of 36 Geostationary satellites and a Low Earth Orbit (LEO) constellation of more than 600 satellites. The Group addresses the needs of customers in four key verticals of Video, where it distributes more than 6,500 television channels, and the high-growth connectivity markets of Mobile Connectivity, Fixed Connectivity, and Government Services. Eutelsat Group’s unique suite of in-orbit assets enables it to deliver integrated solutions to meet the needs of global customers. The Company is headquartered in Paris and the Eutelsat Group employs more than 1,700 people across more than 50 countries. The Group is committed to delivering safe, resilient, and environmentally sustainable connectivity to help bridge the digital divide. The Company is listed on the Euronext Paris Stock Exchange (ticker: ETL) and the London Stock Exchange (ticker: ETL). Find out more at www.eutelsat.com

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