



EXCLUSIVE NETWORKS

DATE OF PAYMENT OF THE EXCEPTIONAL DISTRIBUTION APPROVED BY SHAREHOLDERS ON OCTOBER 31, 2024

BOULOGNE-BILLANCOURT – December 10, 2024, at 08:00 AM CET.

Exclusive Networks (Euronext Paris: EXN), a global leader in cybersecurity, announces its decision to proceed to the payment, on December 16, 2024, of the exceptional distribution of a final amount of €484,935,812.94¹, approved by the shareholders at the Ordinary General Meeting held on October 31, 2024, corresponding to a distribution of €5.29 per share, following the ex-coupon date set for December 12, 2024.

As announced at the Ordinary General Meeting, the exceptional distribution will be allocated: (i) in priority to the “Other Reserves” account, until consumption, i.e. €53,676,521.01, corresponding to €0.59 per share on the basis of 91,670,286 shares constituting the share capital as at October 31, 2024 and (ii) the residual amount will be allocated to the “Share Premium” account, i.e. €431,259,291.93¹, corresponding to €4.70 per share on the basis of 91,670,286 shares constituting the share capital as at October 31, 2024.

It should be noted that, pursuant to the interim financial statements over the period from January 1, 2024, until October 31, 2024, the interim accounting net result of Exclusive Networks SA realized does not exceed the amount of accumulated retained losses as of the end of the fiscal year 2023 (i.e. € -9,887,602.48).

Under the current French tax legislation and subject to any subsequent legislative changes, the portion of the exceptional distribution allocated to the “Other reserves” account, i.e. €0.59 per share, will be treated for French tax purposes as an ordinary dividend and will be subject to the tax regime applicable to investment income (“*revenus de capitaux mobiliers*”):

- as regards the individual shareholders who are French tax residents and who do not hold their shares in a stock savings plan (“*plan d’épargne en actions*”), this fraction of the gross distribution amount will be subject to a 30% flat tax levied on the gross amount of the distribution, which breaks down into a levy at the rate of 12.8% for income tax purposes and social levies at an overall rate of 17.2%. By way of express and irrevocable election exercised when filing their tax return, individual French taxpayers may opt to globally subject their investment income, including this exceptional distribution, to the progressive scale of the personal income tax instead of the 30% flat tax, in this case, the taxable portion of the exceptional distribution will benefit from a 40% allowance;
- as regards legal entities that are French tax residents and subject to corporate income tax, the taxable portion of the exceptional distribution is in principle subject to corporate income tax under standard conditions. Subject to compliance with certain conditions, shareholders holding at least 5% of the Company’s share capital may be, under the so-called “parent-subsiary” regime (*régime mère-fille*), exempt from corporate income tax on this revenue, subject to the add-back of a lump-sum corresponding to 5% of the amount of the income distributed;

¹ Maximum theoretical amount calculated based on a total number of 91,670,286 shares as at October 31, 2024. In practice, the treasury shares held by Exclusive Networks SA (i.e., at October 31, 2024, 1,013,232 shares in the aggregate) will not give right to the exceptional distribution, the underlying non-distributed amount remaining allocated at the “Share premium” account.



- as regards non-French tax resident shareholders, and subject to the exemptions provided for, in particular, in articles 119 bis 2° and 119 ter of the French Tax Code, the taxable portion of the exceptional distribution will be subject to the withholding tax referred to in article 119 bis of the French Tax Code, levied, on a case by case basis, at the rates set out in article 187 of the French Tax Code, which may also be reduced or removed in application of the double tax treaty concluded between France and the State of residence in which the relevant beneficiary is resident for tax purposes.

The residual portion of the exceptional distribution allocated to “Share premium” account, i.e. €4.70 per share, will be treated in France, as a tax exempt return of capital, pursuant to the provisions of Article 112, 1° of the French tax code, in the absence of undistributed profits and reserves on balance sheet, other than the legal reserve:

- as regards French tax resident shareholders, individuals and legal entities subject to corporate income tax, this tax-exempt amount should reduce the acquisition / subscription price or the fiscal value in case of subsequent sale of Exclusive Networks shares;
- as regards non-French tax resident shareholders, this return of capital will not be subject to any withholding tax in France.

The summary of the French tax regime applicable to the exceptional distribution is provided for information purposes only. The shareholders should consult with their own tax advisor to determine the tax regime applicable in their particular case.

This decision follows the announcement, on November 20, 2024, by Clayton Dubilier & Rice LLP (CD&R) and Everest UK Holdco (an entity controlled by the Permira funds) that the consortium they are forming with the company's founder, Olivier Breittmayer has obtained all the regulatory approvals necessary to complete the acquisition, through a dedicated company controlled by CD&R and Permira, of a majority stake in Exclusive Networks SA.

Information on the exceptional distribution voted on October 31, 2024 at the Annual General Meeting is available on the “Annual General Meeting” page of the Exclusive Networks Group website <https://ir.exclusive-networks.com/agm/ordinary-general-meeting/>.



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About Exclusive Networks

Exclusive Networks (EXN) is a global cybersecurity specialist that provides partners and end-customers with a wide range of services and product portfolios via proven routes to market. With offices in over 45 countries and the ability to serve customers in over 170 countries, we combine a local perspective with the scale and delivery of a single global organisation.

Our best-in-class vendor portfolio is carefully curated with all leading industry players. Our services range from managed security to specialist technical accreditation and training and capitalize on rapidly evolving technologies and changing business models. For more information visit www.exclusive-networks.com.