

Investment in Tele2

 Financial release

The iliad Group announces today that Freya Investissement, an investment vehicle jointly owned by iliad and NJJ Holding (“Freya”), has entered into a binding agreement with Kinnevik AB (publ) (“Kinnevik”) to acquire approximately 19.8% of the share capital comprising shares of both Class A and Class B in Tele2, one of the leaders in the Swedish and Baltics telecom markets, for a total cash consideration of approximately SEK 13.0 billion (€1.16 billion). After the approval by the relevant authorities, Freya will become the reference shareholder of Tele2 upon closing of the transaction. With its expertise and know-how in managing telecom assets, the acquisition of this strategic stake will offer the iliad Group, through Freya, an opportunity to further Tele2’s growth and to collaborate with Tele2’s management team on innovation, convergence, and investments in next generation networks.

Key transaction terms

Under the binding agreement, Freya will acquire from Kinnevik 20,733,965 A shares and 116,879,154 B shares representing approximately 19.8% of the share capital of Tele2 for a weighted average price per share of SEK 94.2.

The transaction has received the unanimous support of the boards of directors of iliad, Freya and Kinnevik, and has been split into three tranches:

- In Tranche 1, Freya will acquire from Kinnevik 31,329,972 B shares representing 4.5% of the share capital of Tele2 (3.5% of the voting rights). The closing of Tranche 1 will take place shortly after signing.
- In Tranche 2, Freya will acquire from Kinnevik 14,202,766 A shares and 85,549,182 B shares representing, in aggregate with Tranche 1, approximately 18.8% of the share capital of Tele2 (28.8% of the voting rights). The closing of Tranche 2 is conditional upon receiving foreign direct investment approvals in the relevant countries.
- In Tranche 3, Freya will acquire all remaining shares held by Kinnevik, i.e. 6,531,199 A shares, in aggregate with Tranche 1 and Tranche 2, resulting in Freya owning approximately 19.8% of Tele2’s share capital. The closing of Tranche 3 may be, if applicable, conditional upon receiving an antitrust approval.

The Parties expect the closing of Tranche 2 to occur during the second quarter of 2024 and the closing of Tranche 3 to occur, at the latest, during the third quarter of 2024. As a result of the transaction, Freya will own less than 30% of the voting rights in Tele2, due to the contemplated conversion by Freya of Class A shares which carry multiple voting rights, into Class B shares which carry one voting

right each. Up to €500 million of the transaction will be financed by iliad holding and the remaining €650 million by NJJ Holding and Freya. This transaction will therefore have no impact on iliad Group's leverage and a limited one (0.14x) on iliad Holding.

Thomas Reynaud, director of Freya and CEO of the iliad Group, says: *“The iliad Group and the Tele2 Group have a lot in common. We both believe in the power of innovation and the importance of an entrepreneurial mindset. Our business sector in Europe is highly demanding. So, we have a great deal of respect for what Tele2's shareholders, management and teams have achieved, and we're delighted that Kinnevik has chosen Freya as Tele2's new reference shareholder. We look forward to contributing to the next chapter of Tele2's growth story!”*


About the iliad Group

Created in the early 1990s, the iliad Group is the inventor of the world's first triple-play box and has grown into a major European telecoms player, standing out for its innovative, straightforward and attractive offerings. The Group is the parent of Free in France, iliad in Italy and Play in Poland, has over 17,400 employees serving 47.8 million subscribers, and generated €9.0 billion in revenues in the last 12 months. In France, the Group is an integrated Fixed and Mobile Ultra-Fast Broadband operator and had 22.1 million retail subscribers at September 30, 2023 (14.8 million Mobile subscribers and 7.3 million Fixed subscribers). In Italy - where the Group launched its business in 2018 under the iliad brand, becoming the country's fourth Mobile operator with over 13% of market share - it had more than 10.6 million Mobile subscribers at September 30, 2023. In Poland, the Group became an integrated convergent operator after the acquisition of UPC Polska in 2022 and had more than 13.0 million Mobile subscribers and more than 2.0 million Fixed subscribers at September 30, 2023. The iliad Group is Europe's sixth-largest operator by number of retail Mobile subscribers (excluding M2M) and Fixed Internet.

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 www.iliad.fr/en

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