



## Telenet enters into an agreement with Liberty Global for EOS video platform, OneConnect and Aorta

*The enclosed information constitutes regulated information as defined in the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market. Public announcement pursuant to article 7:97, §4/1 of the Belgian Code of Companies and Associations.*

**Mechelen, 22 December 2022 - Telenet Group Holding NV ("Telenet" or the "Company") (Euronext Brussels: TNET) announces the signing of a new service agreement with Liberty Global Technology Services BV ("LG") pursuant to which three technology applications, namely EOS, OneConnect and Aorta, will be made available by LG to the Telenet Group (the "Framework Agreement"). Article 7:97 of the Companies and Associations Code was applied to the transaction as LG is an indirect subsidiary of Liberty Global plc, the ultimate parent company of Telenet with an indirect shareholding of 59.2%.**

In 2019, Telenet and LG entered into an agreement regarding the EOS video platform for a three-year term (the "Horizon Agreement"). The Horizon Agreement was extended in 2021 by one year until December 31, 2022. Article 7:97 of the Companies and Associations Code (previously article 524 of the Companies Code) was also applied to these transactions.

Telenet announces that it has entered into a Framework Agreement with LG that replaces the Horizon Agreement. Pursuant to the Framework Agreement, in addition to the EOS video platform, LG is also expanding the Telenet Group's access to two other technology applications, OneConnect and Aorta (collectively, the "Services"). For the EOS video platform and OneConnect, the initial term expires on December 31, 2026, with the option for Telenet to renew the Framework Agreement once for a one-year term (i.e. until December 31, 2027) For Aorta, the initial term expires on December 31, 2025, with the option to renew the Framework Agreement twice for a one-year term (i.e. until December 31, 2027).

The EOS video platform, which Telenet has already been using since 2019, remains one of the most future proof and high end video platforms on the market and over the years consistently fulfilled the expectations set in 2019. Moreover, the envisaged updates and objectives of the EOS video platform are aligned with Telenet's entertainment strategy in the near and medium future. The technological evolution of the EOS video platform to a cloud-based over-the-top (OTT) solution will also provide the Telenet Group with more flexibility to execute its entertainment strategy.

OneConnect is one of the leaders in the market in terms of in-home connectivity solutions. Again, the roadmap is complementary to Telenet's strategy, and the OneConnect platform offers even more functionalities than strictly necessary for Telenet.

Aorta, in turn, is a solution that bundles three services, specifically (i) IP transit services (providing access to the global fiber backbone), (ii) VPN services (to provide private connections for entertainment and in-home connectivity), and (iii) DDoS services (in the context of network security). Aorta also meets Telenet's key requirements.

The total committed cost estimated to be incurred by Telenet under the Framework Agreement for the Services jointly is estimated at EUR 165 million<sup>1</sup> for the initial term of 4 years for the EOS video platform and OneConnect and the initial term of 3 years for the Aorta. The Services are high-end platforms with an above-average quality and set of features that correspond to the strategy of the Telenet Group. As a result, benchmark solutions in the market are not comparable in many respects and the total cost of the Framework Agreement is estimated to be slightly higher than such benchmark solutions. The Framework Agreement in any event ensures the continuation of the already implemented EOS video platform, making a migration to another platform unnecessary. In addition, Telenet obtained improved contractual terms in the Framework Agreement in several respects, including regarding contractual relationship management, versus the already market-based terms in the Horizon Agreement. The Framework Agreement is therefore the best solution for Telenet in the short and medium term taking all elements into consideration.

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The conclusion of the Committee of Independent Directors of the Company, supported by Arthur D. Little Benelux NV as "Independent Expert", is as follows:

*"Opinion. Supported by the report issued by the Independent Expert, the Committee is of the opinion that the LG Master Services Agreement offers the Company the possibility to obtain (or continue) the Covered Services at terms and conditions (including, for the avoidance of doubt, financial conditions such as price) which are market conform, and allows the Company to achieve, in its corporate benefit, its objectives in respect of entertainment (including continuity of services versus migration to another platform), in-home connectivity and IP interconnect.*

*Opinion on whether or not the proposed transaction is manifestly illegitimate. Considering the above and after deliberation, the Committee is of the opinion that the Proposed Transaction: (1) is not of a nature to cause the Company a disadvantage which, in light of the strategy of the Company, is manifestly illegitimate; and (2) is in the interest of the Company and does not cause a disadvantage to the Company which would not be outweighed by benefits for the Company."*

The Board of Directors of the Company followed the conclusion of the committee of independent directors. The decision of the Company's auditor is as follows:

*"Conclusion*

*Based on our assessment, nothing has come to our attention that would cause us to conclude that the financial and accounting data included in the opinion of the committee of independent directors dated December 16, 2022 and in the minutes of the board of directors dated December 16, 2022, which motivate the proposed transaction, are not fairly presented in all material respects or are materially inconsistent with the information in our possession in the context of our statutory auditor's engagement.*

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<sup>1</sup> These costs exclude (i) customer premises equipment (CPE) costs which are expected to be sourced through LG with third parties and recharged to Telenet without margin, and (ii) costs for the potential renewal of the Services past their initial term.

*Our engagement was performed exclusively in the context of article 7:97 of the Belgian Companies' and Associations' Code and our report may therefore not be used for any other purpose."*

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**About Telenet** - As a provider of entertainment and telecommunications services in Belgium, Telenet Group is always looking for the perfect experience in the digital world for its customers. Under the brand name Telenet, the company focuses on offering digital television, high-speed Internet and fixed and mobile telephony services to residential customers in Flanders and Brussels. Under the brand name BASE, it provides mobile telephony in Belgium. The Telenet Business department serves the business market in Belgium and Luxembourg with connectivity, hosting and security solutions. More than 3,000 employees have one aim in mind: making living and working easier and more pleasant. Telenet Group is part of Telenet Group Holding NV and is quoted on Euronext Brussels under ticker symbol TNET. For more information, visit [www.telenet.be](http://www.telenet.be). Liberty Global - one of the world's leading converged video, broadband and communications companies, innovating and empowering people in six countries across Europe to make the most of the digital revolution – owns a direct stake of 59.2% in Telenet Group Holding SA/NV (excluding any treasury shares held by the latter from time to time).

**More information** - More information about Telenet and its products can be found on the website [www.telenet.be](http://www.telenet.be). Further information on the operational and financial data contained in this document can be downloaded in the section of the Company's website intended for investors. The 2021 consolidated annual report and unaudited consolidated financial statements and presentations related to financial results for the nine months ended September 30, 2022 are available in the section of the Company's website intended for investors (<http://investors.telenet.be>).

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