



Croatian Telecom

Zagreb – 9 June 2023

Croatian Telecom Inc.

Radnička cesta 21, HR – Zagreb

Ordinary share: HT (ISIN: HRHT00RA0005)

LEI: 097900BFHJ0000029454

Listing: Zagreb Stock Exchange, Prime Market

Member State: Republic of Croatia

Croatian Telecom to take back Ericsson Nikola Tesla Servisi technological unit for construction and maintenance of HT network

Croatian Telecom (Reuters: HT.ZA; Bloomberg: HT CZ), Croatia's leading telecommunications provider, notifies that it has decided to take back the Ericsson Nikola Tesla Servisi d.o.o. (ENTS) technological unit for construction and maintenance. This technological unit was initially outsourced from Croatian Telecom to ENTS in September 2014, and since then it has been delivering construction and maintenance activities of the fixed and mobile telecommunications infrastructure for Croatian Telecom.

The integration of the said technological unit responsible for the planning and construction of fixed and mobile networks, maintenance of electronic communication infrastructure, supervision of the telecommunications network, field maintenance of active access network and passive network is a part of Hrvatski Telekom's development strategy.

„By having all strategic business segments within the company, Croatian Telecom continues with the transformation of the operating model, improves business flexibility in line with industry trends, and creates prerequisites for further development of fixed and mobile networks. The new operating model will allow us to optimize further our operations while delivering even better and faster services to our customers. The cooperation with ENTS over the past years has been extremely successful across a number of different fronts including the largest fiber roll-out in the country, the mobile network modernization, the introduction and roll-out of 5G services, among others contributing to the highest ever customer satisfaction levels in the history of Croatian Telecom. We continue our cooperation with Ericsson Nikola Tesla d.d., on a number of other fronts, with it being one of the most reliable and professional partners in the telecommunication industry“, stated Kostas Nebis, Croatian Telecom CEO.

„Taking back planning, building and operating activities from ENTS will allow us to further improve our in-house capabilities with an aim to further strengthen quality of our network and services for our customers. We welcome ENTS employees that have been engaged in the construction and maintenance of our network to HT Group and are convinced that we will together continue to develop and build the leading network in Croatia“, stated Boris Drilo, Croatian Telecom CTIO.

„I thank all Ericsson Nikola Tesla Servisi employees as well as colleagues from the parent company engaged in providing support in fulfilling obligations to our customer, for the effort and dedication shown in cooperation with HT in the field of construction and maintenance of HT's network. At all times, and especially during the extraordinary circumstances of the COVID-19 pandemic and the devastating earthquakes that hit the Republic of Croatia in 2020, we showed dedication, excellence and competence in our deliveries. Also, even in economically challenging times of rising energy, materials and services prices, as well as inflation and disruptions in supply chains, we stand out as a reliable partner to our strategic customer“, said Gordana Kovačević, president of Ericsson Nikola Tesla d.d. and chairwoman of the Supervisory Board of Ericsson Nikola Tesla Servisi d.o.o. adding: *„In line with our leadership position on the ICT market, great innovation potential and high level of expertise and experience in the development of modern ICT solutions, products and*



services, Ericsson Nikola Tesla maintains strong focus on the digital transformation of industries and the society. We are focusing on more profitable and strategic areas from our core business and on investing in our sustainable future.“

Dario Runje, director of Ericsson Nikola Tesla Servisi d.o.o. pointed out: „We have successfully with quality and to satisfaction of HT fulfilled our contractual obligations showing that we know how to professionally deal with all the challenges, even in the most difficult business conditions. I would like to thank the experts of Ericsson Nikola Tesla Servisi, as well as the subcontractors who were involved in the implementation of contractual obligations and services for HT for their dedicated work. Special thanks to the management and experts from Ericsson Nikola Tesla d.d. for their excellent support all these years, especially in the most demanding period from 2019 to 2023, without which the quality of services we provided to HT would not have been possible. Company Ericsson Nikola Tesla Servisi d.o.o. will until the end of 2023, professionally, maintaining the highest quality of service, carry out all activities from the currently valid contract we have with HT. Also, in cooperation with the parent company Ericsson Nikola Tesla d.d., during this year and the following period, we continue to fulfill obligations for other customers.“

The transfer of the technological unit, together with the employees, is scheduled for 1 January 2024. The comprehensive closing announcement will follow after the transaction is concluded.

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About Croatian Telecom

Croatian Telecom (HT) is the leading provider of telecommunication services in Croatia, serving 0.7 million fixed lines, 2.3 million mobile customers and 0.6 million broadband connections through its Residential and Business divisions.