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Hrvatski Telekom

Zagreb – 31 August 2020

Croatian Telecom Inc.

Radnička cesta 21, HR – Zagreb

Ordinary share: HT (ISIN: HRHT00RA0005)

LEI: 097900BFHJ0000029454

Listing: Zagreb Stock Exchange, Official market

Member State: Republic of Croatia

Subject: Hrvatski Telekom and Ericsson Nikola Tesla Group continue the managed services cooperation for telecommunication networks

Hrvatski Telekom (Reuters: HT.ZA; Bloomberg: HT CZ) and Ericsson Nikola Tesla Servisi d.o.o. have signed an extension of the Management Services Agreement for the construction and maintenance of fixed and mobile telecommunications infrastructure, supervision of the telecommunications network, and field maintenance of the active access network and passive network.

This marks the continuation of the successful years-long cooperation between Hrvatski Telekom, the leading telecommunications operator in Croatia, and Ericsson Nikola Tesla Group technology leader and associated company of the Ericsson corporation, which in this area started in 2014.

The Agreement is in force until the end of 2023, and its frame value is over HRK 1.6 billion. Ericsson Nikola Tesla Services has exclusivity for activities in the domain of the contract.

"Hrvatski Telekom continues a strong investment cycle in the fixed and mobile network. By extending the MSA with Ericsson Nikola Tesla Group, we continue with our great partnership cooperation. Still, more importantly, we provide resources for operational implementation and realization of new investments, which are crucial in the current economic situation. Despite the challenging business environment due to Covid-19, Hrvatski Telekom focuses on building and upgrading the network, providing the best service on the market, and connecting individuals, the business community, the economy and Croatian society, and in the process connecting everyone to the opportunities provided by digitalization", stated Kostas Nebis, Hrvatski Telekom, CEO.

Hrvatski Telekom's significant investments so far have enabled the successful completion of the mobile network modernization project, which is now 5G-ready, as well as made advanced services of the future possible. The strong focus is also put on the fiber roll-out plan with Hrvatski Telekom's plan to cover a record 80,000 new households with optics, which is an increase of 60 percent compared to last year.

"With this important agreement, the Ericsson Nikola Tesla Group is continuing its successful cooperation with our long-term strategic partner, which in this aspect began in 2014, and our Group has taken full responsibility for this job from Ericsson at the beginning of the year. The continuation of the cooperation is a proof of quality teamwork with Hrvatski Telekom experts and also the efforts and competencies of our employees in providing managed services throughout the period, especially in the challenging period marked by the earthquake and coronavirus. I expect Ericsson Nikola Tesla Services, our subsidiary, will continue responsibly providing quality service to Hrvatski Telekom, for which they will have the full support of the entire Ericsson Nikola Tesla Group", stated Gordana Kovačević, Ericsson Nikola Tesla, President.



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About Hrvatski Telekom

Croatian Telecom (HT) is the leading provider of telecommunication services in Croatia, serving 0.8 million fixed lines, 2.3 million mobile subscribers and 736 thousand broadband connections through its Residential and Business divisions.