

FOR THE THIRD CONSECUTIVE YEAR, THE ANNUAL GENERAL MEETING OF O2 APPROVED TOTAL AMOUNT TO BE PAID TO SHAREHOLDERS OF CZK 21 PER SHARE

June 4, 2019

- In total, up to CZK 6.5 billion will be paid in dividends for 2018 and distribution of part of the share premium, the payment will commence on July 4, 2019
- The shareholders also approved company's 2018 financial statements
- The General Meeting appointed the auditor KPMG Česká republika Audit to conduct mandatory audit of the company for 2019
- The General Meeting elected new member of the Audit Committee

The Annual General Meeting of O2 Czech Republic was held on June 4, 2019 in Prague. It was attended in person or by a proxy by shareholders who own shares representing 81.67% share on the voting rights, providing a quorum for the meeting.

The supreme body of the company approved the regular (unconsolidated) and consolidated financial statements of the company for the year 2018 prepared under the International Financial Reporting Standards (IFRS). Both sets of financial statements were recommended for approval by the Board of Directors of the company, reviewed by the Supervisory Board and audited by the audit firm KPMG Česká republika Audit, who gave both sets of financial statements its unqualified statement. As per the 2018 consolidated financial statements, consolidated revenue grew by 0.8% year-on-year to CZK 37,996 million. EBITDA improved by 6.2 % year-on-year to CZK 11,163 million. The company reported net consolidated profit of CZK 5,448 million, down by 2.5% year-on-year and a net unconsolidated profit of CZK 5,366 million.

The General Meeting further approved the distribution of the company's unconsolidated 2018 profit as proposed by the Board of Directors. Dividends in the total amount of CZK 5,274 million will be paid out to the shareholders. A dividend of CZK 17 before tax will be paid to each share with a nominal value of CZK 10 and a dividend of CZK 170 before tax will be paid to the share with a nominal value of CZK 100. CZK 84 million from 2018 net income have been contributed to the retained earnings from previous years. On top of the regular dividend, the General Meeting approved distribution of part of the share premium of up to CZK 1,241 million, which will be paid out to the shareholders. CZK 4 before tax will be paid to each share with a nominal value of CZK 10 and CZK 40 before tax will be paid to the share with a nominal value of CZK 100. In total, up to CZK 6,515 million will be paid out to the shareholders for 2018. Those, who will be registered as shareholders as of June 4, 2019, will be entitled for the pay-out. The pay-out, which shall be carried out by Česká spořitelna, shall commence on July 4, 2019. „*The approved dividend and share premium distribution amounts correspond fully to our shareholder remuneration policy,*” comments Tomáš Kouřil, the Chief Financial Officer and Vice-Chairman of the Board of Directors and adds: „*At the current share price we offer our shareholders over 8% yield, which ranks us high above the average among the telecommunication operators in Central and South-eastern Europe.* “

Acting on the proposal by the Supervisory Board and recommendation of the Audit Committee, the General Meeting appointed the auditor KPMG Česká republika Audit, as the company's statutory auditor for 2019.



At the conclusion the Annual General Meeting elected Radek Neužil as a member of the Audit Committee and Ondřej Chaloupecký as the first substitute member of the Audit Committee.

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About O2 Czech Republic

O2 is the largest integrated telecommunications provider in the Czech market. At present we operate close to eight million mobile and fixed accesses, which ranks us among the market leaders in fully converged services in Europe. To users of mobile services in the Czech Republic we offer state-of-the-art HSPA+ and LTE technology. We have the most comprehensive proposition of voice and data services in the Czech Republic, and we actively exploit the growth potential of the various business lines, especially ICT. Our data centres, with total floor area of 7,300 square metres, rank us among the leaders in hosting, cloud and managed services. O2 data centres belong to the few commercial ones in Central Europe to have TIER III certification. With our O2 TV we are also the largest IPTV service provider in the Czech Republic.