

The logo for Norlys, consisting of the word "NORLYS" in a bold, red, sans-serif font.

Norlys to create partnership with PGGM and EDF Invest consortium selling a 35% stake in its Norlys Tele fiber division

Energy-telco group Norlys has signed a conditional agreement to sell a 35% stake in its wholesale fibernet business to a consortium led by PGGM, the Dutch pension investor, and including EDF Invest, the real assets fund of the French energy group EDF. The purchase price will not be made public, but it will be among the largest recent fiber deals in Europe when finalized.

"We are both glad and proud. When we started digging fiber some 15 years ago, not everyone could see the rationale. Now time has shown that it was a wise decision, but we are not resting on our laurels, and the new partnership aims to ensure that we can continue the positive development," says Jens Erik Platz, Norlys chairman of the board.

PGGM Infrastructure Fund and EDF Invest both have solid experience with fiber investments in countries such as Germany, France, the Netherlands and Belgium.

"With PGGM and EDF Invest as co-owners, we will free up capital for other strategically important projects, not least a possible mobile acquisition. But we also gain a partner with unique insights that can be leveraged when further developing our fiber activities", says Norlys CEO Niels Duedahl.

The deal comes after a structured process involving a large number of potential buyers.

"We have had intense and constructive dialogues with Norlys management, and we are convinced that there is perfect match between Norlys' values and aspirations and PGGM Infrastructure Fund's strategy, investing for the long-term in sustainable infrastructure companies with a positive impact on modern society. At the same time it is important to stress that Norlys will still be running the company, albeit now with us as a "co-driver", says Dennis van Alphen, head of PGGM's Digital Infrastructure investments.

The Norlys Tele fibernet covers approx. 700,000 households, primarily in Jutland, making it the largest network in Denmark and one of the most advanced roll-outs in Europe. The goal is to pass 1 million households by the end of 2023, and Norlys is now also digging on both Funen and Zealand. The fibernet is open to external service providers, and end users may freely choose between service providers such as Yousee, Hiper, Telenor, Telia and Stofa.

"Norlys' fibernet is one of the best run and most attractive networks which we have seen in all of Europe. At the same time there is ample opportunity for further developing the business together with the Norlys management, who have already created outstanding results," says Pierre Benoist d'Anthenay, head of EDF Invest.

The deal is subject to final approval by Norlys' board of representatives, which will decide on the matter at an extraordinary meeting to be held on 22 March 2022. The deal

is also conditional upon obtaining foreign direct investment approval from the Danish Business Authority.

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About Norlys

Norlys is a Danish cooperative with a mission to contribute to a green and digitized Denmark by leveraging the strengths of responsible communities. Annual revenue (2020) totals DKK 9bn with annual investments of more than DKK 2bn into Norlys' power grid and fiber infrastructure as well as renewable energy sources such as solar and wind. With some 735,000 coop-members, 1.7 million customers and 2,900 employees Norlys is the largest integrated energy and telco group in Denmark.

www.norlys.dk

About PGGM

PGGM is a not-for-profit cooperative pension fund service provider. As a pensions administrator, asset manager and advisor to pension fund boards, it executes its social mandate: to provide for good old-age incomes for 4.4 million participants in the Netherlands. On December 31, 2021 PGGM managed long-term pension capital of EUR 291 billion worldwide. Rooted firmly in the Dutch healthcare sector, PGGM develops innovative solutions for labour market issues in this sector, alone or with strategic partners. Our member organisation PGGM&CO supports 764,000 workers and pensioners with a background in healthcare.

www.pggm.nl

About EDF Invest

EDF Invest is the investment arm of EDF for non-listed Dedicated Assets. Dedicated Assets will fund the decommissioning of EDF's power plants in France. EDF Invest currently manages around €9bn of equity and is targeting around €12 billion in the next few years. Our mission is to diversify EDF's portfolio of Dedicated Assets and lengthen its investment horizon by targeting 3 non-listed asset classes in France and abroad: Infrastructure, Real Estate and Funds.

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