

## NEWS RELEASE

### **Eurohold agreed to acquire CEZ Group's assets in Bulgaria**

*Eurohold will pay EUR 335 million and has mandated two global investment banks to arrange the funding for the transaction*

**Sofia, 20<sup>th</sup> June 2019 - Eurohold Bulgaria AD**, a leading independent business group operating in the CEE/SEE/CIS region and the largest Bulgaria-based publicly-listed holding company, signed today an agreement with CEZ Group, the Czech energy group, to acquire CEZ Group's assets in Bulgaria.

**Eurohold** will pay EUR 335 million for the acquisition of CEZ Group's assets in Bulgaria.

**Eurohold** will finance the acquisition through a combination of equity and debt financing.

**Eurohold** has mandated two global investment banks with significant experience in raising similar debt financing to arrange the funding for the transaction.

**Eurohold** has already set up an advisory board comprising of experts with solid international experience in power distribution business that will consult the process of integrating CEZ Bulgaria's operations into the structure of **Eurohold**. Additionally, **Eurohold** has secured that CEZ Bulgaria's current senior management, including the chief executive officer, will remain in the company in order to ensure a smooth transition period.

CEZ's assets in Bulgaria comprise power utility CEZ Distribution Bulgaria, power supplier CEZ Electro Bulgaria, licensed electricity trader CEZ Trade Bulgaria, IT services company CEZ ICT Bulgaria, solar park Free Energy Project Oreshetz, biomass-fired power plant Bara Group and CEZ Bulgaria.

**Eurohold**'s acquisition of CEZ Group's assets in Bulgaria is expected to be finalized after obtaining regulatory approvals.

Morrison & Foerster in London is representing EuroHold, led on the corporate side by partner Gary Brown and associate Carlo Pia, and led on the finance side by partner Christopher Kandel and counsel John Burge. Stoeva, Tchompalov & Znepolski, led by partners Iordan Tchompalov and Irina Stoeva, and senior associate Miroslava Iordanova, is advising EuroHold on Bulgarian legal matters.

ČEZ is represented by Czech firm Skills s.r.o, with a team led by partners Karel Dřevínek and Vladimír Kykal, and associate Tomáš Bayer. Penkov, Markov & Partners, led by partner Ivan Markov, is advising ČEZ on Bulgarian legal matters.

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### **Eurohold Bulgaria AD**

*Sofia-based Eurohold Bulgaria AD is a leading independent business group, operating in the CEE/SEE/CIS region and the largest publicly-listed holding company in Bulgaria. Eurohold's subsidiaries operate in the field of insurance, leasing, car sales, asset management and investment services in 10 European countries. The company is listed on the Bulgarian Stock Exchange and the Warsaw Stock Exchange. The group has over 2.5 million clients and approximately 3000 employees. As of 2018, Eurohold's consolidated revenues amounted to BGN 1.3 billion, its operating profit reached BGN 52.3 million and its consolidated assets totalled BGN 1.4 billion. For the last 20 years the holding company has completed 16 successful acquisitions of companies in different business segments in Central and Eastern Europe in transactions with leading corporations in Europe. Eurohold owns Euroins Insurance Group (EIG), one of the largest independent insurance groups in the CEE/SEE/CIS region, operating in 10 European markets, including own subsidiaries in Bulgaria, Romania, North Macedonia, Ukraine, Georgia and Russia. EIG is also operating in Greece and has niche operations in Spain, Poland and Italy. In March, 2019, EIG agreed to take over 4 insurance companies from Germany-based ERGO in 3 European countries - Romania, the Czech Republic and Belarus.*

[www.eurohold.bg](http://www.eurohold.bg) [www.eig.bg](http://www.eig.bg)