

## **Veon To Fully Acquire Global Telecom For \$600 Million**

Mobile telecommunications provider Veon Holdings B.V., a wholly-owned subsidiary of Veon Ltd, has officially submitted a public mandatory cash tender offer to purchase up to 1.997 billion shares of Global Telecom Holding (GTH) for \$600 million.

The shares in the offer represent approximately 42.31% of GTH's issued shares, at a price of EGP 5.30 per share (\$0.30). That values the whole company at nearly EGP 24.91 billion (\$1.42 billion).

According to a previous statement from Veon, the company intends to take GTH private following the MTO.

GTH is a telecommunications company with operations in Africa and Asia. The company operates specifically in Algeria (Djezzy), Pakistan (Jazz), Bangladesh (Banglalink) and has a customer count exceeding 100 million in 2018. It is majority-owned by the Veon Group (owns 57.7%) and is traded on the Egyptian Stock Exchange.

VEON has been trying to acquire GTH since November 2017 when a tender offer was deposited by Veon Holdings for purchasing 42.31% of GTH shares. However, Egypt's Financial Regulatory Authority didn't approve the offer due to the company's debts.

In July 2018, GTH announced that it received an offer again from Veon to acquire its assets in Pakistan (Jazz and its associated operations) and Bangladesh (Banglalink) for a total gross consideration of \$2,550 million. But that too was blocked by the shareholders as it didn't meet their expectations.

GTH has lately delayed its assembly regular meeting that was supposed to discuss raising capital via rights issue of EGP 11.2 billion (\$624.7 million), through the issuance of 19.3 billion new shares with a par value of EGP 0.58.

The delay came after Veon revealed its intention to submit a new MTO and take the company private.

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