

**POSITION STATEMENT
OF
ALTICE EUROPE N.V.**



24 NOVEMBER 2020

Regarding the recommended cash offer by Next Private B.V. for all the issued and outstanding common shares A and common shares B in the share capital of Altice Europe N.V.

This position statement is published in accordance with article 18, paragraph 2 and Annex G of the Dutch Decree on public offers Wft (*Besluit openbare biedingen Wft*).

The extraordinary general meeting of Altice Europe N.V. will be held at 11:00 hours CET on 7 January 2021.

IMPORTANT INFORMATION

This position statement (the "**Position Statement**") does not constitute or form part of an offer to sell, or a solicitation of an offer to purchase or subscribe for, any securities to any person in any jurisdiction.

This Position Statement is published by Altice Europe N.V. ("**Altice Europe**") for the sole purpose of providing information to its shareholders on the public offer (*openbaar bod*) by Next Private B.V. (the "**Offeror**") to all holders of issued and outstanding common shares A with a nominal value of EUR 0.01 (one eurocent) each (each a "**Share A**") and all holders of issued and outstanding common shares B with a nominal value of EUR 0.25 (twenty-five eurocents) each (each a "**Share B**") in the share capital of Altice Europe (the Shares A and Shares B as they may form part of Altice Europe's issued and outstanding share capital from time to time, the "**Listed Shares**", and the holders of such Listed Shares other than the Offeror Group (as defined below), the "**Shareholders**") to purchase for cash the Listed Shares on the terms and subject to the conditions and restrictions set forth in the offer memorandum dated 24 November 2020 (the "**Offer Memorandum**") (the "**Offer**"), as required pursuant to section 18, paragraph 2 and Annex G of the Dutch Decree on public offers Wft (*Besluit openbare biedingen Wft*) (the "**Decree**").

Information for U.S. Shareholders

The Offer is being made for the Listed Shares of Altice Europe, a public limited liability company incorporated under Dutch Law and is subject to Dutch disclosure and procedural requirements, which differ from those of the United States. The financial information included in this document has been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board, as adopted in the European Union, and Part 9 of Book 2 of the Dutch Civil Code (the "**DCC**"), and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States. The Offer will be made in the United States in compliance with Regulation 14E under the U.S. Securities Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder, including the exemptions therefrom, and otherwise in accordance with the applicable regulatory requirements in the Netherlands. Accordingly, the Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments, that are different from those applicable under U.S. domestic tender offer procedures and Law.

The receipt of cash pursuant to the Offer by a U.S. Shareholder will generally be a taxable transaction for U.S. federal income tax purposes and may be a taxable transaction under applicable state and local, as well as foreign and other tax Laws. Each Shareholder is urged to consult his or her independent professional advisor immediately regarding the tax consequences of acceptance or non-acceptance of the Offer.

It may be difficult for U.S. Shareholders to enforce their rights and claims arising out of the U.S. federal securities Laws, since the Offeror and Altice Europe are located in a country other than the United States, and some or all of their officers and directors may be residents of a country other than the United States. U.S. Shareholders may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities Laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment.

Neither the U.S. Securities and Exchange Commission nor any U.S. state securities commission or other regulatory authority has approved or disapproved the Offer, passed upon the fairness or merits of the Offer or provided an opinion as to the accuracy or completeness of this Position Statement or any other documents regarding the Offer. Any declaration to the contrary constitutes a criminal offence in the United States.

Restrictions

The release, publication or distribution of this Position Statement and any documentation regarding the Offer or the making of the Offer in jurisdictions other than the Netherlands may be restricted by Law and therefore persons into

whose possession this Position Statement comes should inform themselves of and observe those restrictions. A failure to comply with any of those restrictions may constitute a violation of the Law of any such jurisdiction.

Copies of this Position Statement are available on, and can be obtained free of charge from, the website of Altice Europe (www.altice.net).

Forward-looking statements

Certain statements in this Position Statement may be considered "forward-looking statements", such as statements about the impact of the Transaction on Altice Europe and the expected timing and completion of the Offer. Forward-looking statements involve known or unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Generally, words such as may, should, aim, will, expect, intend, estimate, anticipate, believe, plan, seek, continue or similar expressions identify forward-looking statements. These forward-looking statements speak only as of the date of this Position Statement. Although Altice Europe believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, no assurance can be given that such statements will be fulfilled or prove to be correct, and no representations are made as to the future accuracy and completeness of such statements.

The forward-looking statements are subject to unknown risks, uncertainties and other factors, many of which are outside the control of Altice Europe, difficult to predict and which could cause actual results or outcomes to differ materially from historical experience or those expressed or implied in these forward-looking statements.

These forward-looking statements are not guarantees of future performance. Any such forward-looking statements must be considered together with the fact that actual events or results may vary materially from such forward-looking statements due to, among other things, political, economic or legal changes in the markets and environments in which Altice Europe operates, competitive developments or risks inherent to the business plans of Altice Europe and uncertainties, risk and volatility in financial markets and other factors affecting Altice Europe.

Altice Europe assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by the Law or by any competent regulatory authority.

Governing law and jurisdiction

This Position Statement is governed by and shall be construed in accordance with the Laws of the Netherlands. The District Court of Amsterdam (*Rechtbank Amsterdam*), and its appellate courts shall have exclusive jurisdiction to settle any disputes which might arise out of or in connection with this Position Statement. Accordingly, any legal action or proceedings arising out of or in connection with this Position Statement must be brought exclusively in such courts.

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1. INTRODUCTION

Dear Shareholder,

On 11 September 2020, the Offeror and Altice Europe jointly announced that conditional agreement was reached in connection with a recommended public cash offer for all Listed Shares for a price in cash of EUR 4.11 per Listed Share (cum dividend) (the "**Offer Price**").

Today, the Board is publishing this Position Statement, on the same day on which the Offer Memorandum is also published by the Offeror and the Offer is formally launched. In this document, the Board explains why in its opinion the Transaction promotes the sustainable success of Altice Europe's business and is in the interest of Altice Europe and its stakeholders, including its Shareholders, employees, customers, debt providers and suppliers.

Before reaching conditional agreement on the Transaction, the Board made a comprehensive assessment of the Transaction taking into account the interests of Altice Europe and its stakeholders, including the Shareholders. In this assessment the independence of the deliberations and decision-making process has been carefully safeguarded. A description of the decision-making process is included in section 3.1 (*Sequence of events*) of this Position Statement. Consistent with its fiduciary duties, the Board has followed a thorough process and has given careful consideration to determine the best strategic option for Altice Europe. During this process, which is outlined in this Position Statement, the Board and the Non-Executive Directors received extensive advice from their respective financial and legal advisors. The Board finds it important to share with you its considerations, views and recommendations with respect to the Transaction in this Position Statement. The Board's considerations in respect of the financial terms and conditions of the Transaction are described in section 4 (*Financial assessment of the Transaction*). More information about the Board's non-financial assessment of the Transaction can be found in section 5 (*Non-financial assessment of the Transaction*).

The Board has decided, unanimously, to support the Transaction, recommend to the Shareholders to accept the Offer and to tender their Listed Shares pursuant to the Offer, and recommend that Altice Europe's shareholders vote in favour of all resolutions proposed in relation thereto at the extraordinary general meeting of shareholders to be held at 11:00 hours CET on 7 January 2021 (the "**EGM**"). Separate convocation materials will be made available on Altice Europe's website (www.altice.net).

The EGM is an important event for Altice Europe and its shareholders. The EGM serves to inform you about the Offer and to vote on the resolutions proposed by the Board in connection with the Offer (the "**Resolutions**"). We look forward to hosting you on 7 January 2021.

Yours sincerely,

Jurgen van Breukelen
(Chairman of the Board)

2. DEFINITIONS

In this Position Statement, except for Schedule 1 (*Full Text of the Lazard Fairness Opinion*), Schedule 2 (*Full Text of the LionTree Fairness Opinion*) and Schedule 3 (*Agenda of the EGM and explanatory notes*), capitalised terms have the meaning as set out in this section 2 (*Definitions*). Any reference in this Position Statement to defined terms in plural form shall constitute a reference to such defined terms in singular form, and vice versa. All grammatical and other changes required by the use of a definition in singular form shall be deemed to have been made herein and the provisions hereof shall be applied as if such changes have been made.

"2016 FPPS"	means the FPPS grant document dated 7 July 2016, as amended on 29 May 2018 and 5 October 2020, subject to a resolution of Altice Europe's general meeting to that effect;
"A&O"	has the meaning set out in section 3.1 (<i>Sequence of events</i>);
"Adjusted EBITDA"	means operating income before depreciation and amortisation, other expenses and income (capital gains, non-recurring litigation, restructuring costs) and share-based expenses and after operating lease expenses (i.e. straight-line recognition of the rent expense over the lease term as performed under IAS 17 <i>Leases for operating lease</i>), all on a consolidated basis;
"Adjusted EBITDA – Capex"	means Adjusted EBITDA minus Capex;
"Adverse Recommendation Change"	means the Board or any of its members withholding, revoking, altering or qualifying the Recommendation or making any contradictory statements or passing any contradictory resolutions as to their positive position with respect to the Transaction or failing to announce the Recommendation in any press releases in connection with the Offer or the explanatory notes to the agenda for the EGM or failing to reaffirm the Recommendation within two (2) Business Days of a reasonable request of the Offeror to do so after a statement or action by the Board or any of its members that can reasonably be perceived by the market as inconsistent with the Recommendation;
"Affiliate(s)"	means, with respect to a Party, from time to time, any person that is controlled by that Party, controls that Party, is controlled by a person that also controls that Party or otherwise qualifies as a "subsidiary" or part of a "group" as referred to in Articles 2:24a and 2:24b DCC, <u>provided that</u> no member of the Group shall be deemed to be an Affiliate of the Offeror. " Control " for purposes of this definition means the possession, directly or indirectly, solely or jointly (whether through ownership of securities or partnership interest or other ownership interest, by contract, or otherwise) of (a) more than 50% of the voting power at general meetings of that person or (b) the power to appoint and to dismiss a majority of the managing directors or supervisory directors of that person or otherwise to direct the management and policies of that person;
"Alternative Proposal"	has the meaning set out in section 5.3(c) (<i>Alternative Proposal</i>);
"Altice Europe"	has the meaning set out in the Important Information section;

"Altice Europe Dissolution"	has the meaning set out in section 7.5(ii) (<i>Description of the Post-Offer Asset Sale</i>);
"Articles of Association"	means the current articles of association of Altice Europe (as amended from time to time);
"Asset Sale"	has the meaning set out in section 7.5(i) (<i>Description of the Post-Offer Asset Sale</i>);
"Asset Sale Agreement"	has the meaning set out in section 7.5(i) (<i>Description of the Post-Offer Asset Sale</i>);
"Back-End Resolution (Asset Sale)"	means a Resolution relating to a Post-Offer Asset Sale;
"Back-End Resolution (Merger)"	means a Resolution relating to a Post-Offer Merger;
"Board"	means the non-conflicted members of the Full Board, being Mr. Van Breukelen, Ms. Marty, Mr. Sauvaire, Mr. Besnier and Mr. Paulmier;
"Board Members"	means the members of the Full Board;
"Business Day"	means a day other than a Saturday or Sunday on which banks in the Netherlands and Euronext Amsterdam are generally open for normal business;
"Capex"	means capital expenditure (on an accrued and consolidated basis);
"CET"	means Central European Time;
"Closing Date"	means the day on which the Offer Period expires, whether or not extended;
"Closing Time"	means 17:40 hours CET on the Closing Date;
"Company Holdco"	means Altice Europe's direct wholly-owned subsidiary Altice Europe Holdco B.V.;
"Company Sub"	means Company Holdco's direct wholly-owned subsidiary New Altice Europe B.V.;
"Completion Date"	has the meaning set out in section 8 (<i>Corporate governance Post-Settlement</i>);
"Compulsory Acquisition Procedure"	has the meaning set out in section 7.1 (<i>Compulsory Acquisition Procedure</i>);
"Conflicted Executive Directors"	has the meaning set out in section 3.1 (<i>Sequence of events</i>);
"DCC"	has the meaning set out in the Important Information section;
"De Brauw"	has the meaning set out in section 3.1 (<i>Sequence of events</i>);

"Decree"	has the meaning set out in the Important Information section;
"Delisting"	means the delisting of the Listed Shares from Euronext Amsterdam (including the Listed Shares not tendered under the Offer) and the termination of the listing agreement between Altice Europe and Euronext Amsterdam in relation to the listing of the Listed Shares;
"EGM"	has the meaning set out in section 1 (<i>Introduction</i>);
"EUR" or "euro"	means the lawful currency of the Netherlands;
"Euronext Amsterdam"	means the stock exchange of Euronext Amsterdam, a regulated market operated by Euronext Amsterdam N.V.;
"Executive Directors"	means the executive board members of the Full Board;
"Fairness Opinion(s)"	means the fairness opinions issued by Lazard and LionTree to Altice Europe and the Non-Executive Directors, respectively;
"Fiduciary Out"	has the meaning set out in section 5.3(a) (<i>Adverse Recommendation Change</i>);
"Full Board"	means the board of directors of Altice Europe;
"First Proposal"	has the meaning set out in section 3.1 (<i>Sequence of events</i>);
"Further Revised Offer"	has the meaning set out in section 3.1 (<i>Sequence of events</i>);
"Governmental Authority"	means any European Union, national, provincial, local or foreign judicial, legislative, executive, regulatory or competition authority or entity, any arbitral tribunal or any other governmental authority, agency, commission, court or entity;
"Group"	means Altice Europe and its Group Companies collectively;
"Group Companies"	means Altice Europe's controlled Affiliates (including Altice Europe's subsidiaries and other group companies but excluding, for the avoidance of doubt, any direct or indirect shareholders of Altice Europe) and "Group Company" means any one of them or the relevant one of them, as the context requires;
"Holdco Dissolution"	has the meaning set out in section 7.4(iv) (<i>Description of the Post-Offer Merger</i>);
"Independent Non-Executive Directors"	means independent Non-Executive Directors, where 'independent' shall have the meaning as described in the Dutch Corporate Governance Code 2016;
"Law"	means any applicable statute, law, treaty, ordinance, order, rule, directive, regulation, code, executive order, injunction, judgment, decree or other requirement of any Governmental Authority;
"Lazard"	has the meaning set out in section 3.1 (<i>Sequence of events</i>);

"LionTree"	has the meaning set out in section 3.1 (<i>Sequence of events</i>);
"Liquidator"	has the meaning set out in section 7.4(iii) (<i>Description of the Post-Offer Merger</i>);
"Listed Shares"	has the meaning set out in the Important Information section;
"Material Adverse Effect"	<p>means any event, occurrence, fact, condition, effect, change or circumstance (each an "Effect") that becomes (or has become) known to the Offeror after 11 September 2020 (provided, for the avoidance of doubt, that in the determination of whether a Material Adverse Effect has occurred, any Effect that became known to the Offeror prior to the date of the Offer Memorandum may only be taken into account in combination with any Effect that becomes known to the Offeror on or after the date of the Offer Memorandum) that, individually or in the aggregate, has or is reasonably likely to have a materially adverse effect on the business, cash flow, assets, operations, results of operations or condition (financial or otherwise) of the Group taken as a whole; provided, however, that the following shall not be deemed to have or contribute to, or be taken into account in determining whether there has been or would reasonably be expected to be, a Material Adverse Effect: any Effect arising as a result of:</p> <ul style="list-style-type: none"> a. changes, after 11 September 2020, in prevailing interest rates, currency exchange rates or other economic, monetary or political conditions in the European Union, including any adverse development regarding the European Union, its member states (including Brexit or one or more other member states leaving such union) or euro zone (including one or more members leaving such zone); b. general changes, after 11 September 2020, in the European Union securities markets; c. (prospective) changes in mandatory Law of general applicability or interpretations thereof after 11 September 2020; d. changes in economies in general or the industry in which the Group operates after 11 September 2020 unless those changes have a disproportionate effect on the Group, taken as a whole, in comparison to other companies in the industry in which the Group operates; e. a decline in the market price, or change in trading volume or rating, of the Listed Shares on Euronext Amsterdam, or any debt securities of Altice Europe or any change or prospective change in the credit rating of Altice Europe or any of its Group Companies by any applicable rating agency (it being understood that the underlying cause(s) for any such change, to the extent such cause is not excluded by the other paragraphs of this definition, may be deemed to have, may contribute to and may be taken into account in determining whether there has been or would reasonably be expected to be a Material Adverse Effect);

- f. any natural disaster, pandemic, the outbreak or escalation of war, sabotage, military action, act of god, armed hostilities, acts of terrorism, or any escalation or worsening thereof, unless those events have a disproportionate effect on the Group, taken as a whole, in comparison to other companies in the industry in which the Group operates;
- g. the announcement, making or implementation of the Transaction; or
- h. a violation of the Merger Agreement or applicable Law by the Offeror.

"Merger Agreement"	has the meaning set out in section 3.1 (<i>Sequence of events</i>);
"Merger Proposal"	has the meaning set out in section 7.4 (<i>Description of the Post-Offer Merger</i>);
"Netherlands"	means the part of the Kingdom of the Netherlands located in Europe;
"Next Alt"	has the meaning set out in section 3.1 (<i>Sequence of events</i>);
"Non-Executive Directors"	means the non-executive board members of the Full Board;
"Non-Financial Covenants"	has the meaning set out in section 5.1 (<i>Non-Financial Covenants</i>);
"Offer"	has the meaning set out in the Important Information section;
"Offer Conditions"	has the meaning set out in section 6 (<i>Deal certainty</i>);
"Offer Memorandum"	has the meaning set out in the Important Information section;
"Offer Price"	has the meaning set out section 1 (<i>Introduction</i>);
"Offeror"	has the meaning set out in the Important Information section;
"Offeror Group"	means the Offeror, its subsidiaries, its controlling direct or indirect shareholders and BidFair Luxembourg S.à r.l., provided that Altice Europe and its subsidiaries will not be deemed subsidiaries of the Offeror;
"Parties"	means the Offeror and Altice Europe and "Party" means any one of them;
"Position Statement"	has the meaning set out in the Important Information section;
"Post-Acceptance Period"	means a post-Offer acceptance period (<i>na-aanmeldingstermijn</i>) of two (2) weeks;
"Post-Offer Asset Sale"	has the meaning set out in section 7.5(ii) (<i>Description of the Post-Offer Asset Sale</i>);
"Post-Offer Merger"	has the meaning set out in section 7.4(iv) (<i>Description of the Post-Offer Merger</i>);

"Post-Offer Restructuring"	has the meaning set out in section 7.2 (<i>Post-Offer Restructuring</i>);
"Post-Settlement Restructuring"	has the meaning set out in section 7.6 (<i>Other Post-Settlement Restructurings</i>);
"Pref A"	means a preference share A with a nominal value of EUR 0.04 (four eurocents) in the capital of Altice Europe;
"Pref B"	means a preference share B with a nominal value of EUR 0.01 (one eurocent) in the capital of Altice Europe;
"Recommendation"	has the meaning set out in section 12 (<i>Recommendation</i>);
"Reference Date"	means 10 September 2020;
"Relevant Persons"	has the meaning given to it in section 5.3(c) (<i>Alternative Proposal</i>);
"Resolutions"	has the meaning given to it in section 1 (<i>Introduction</i>);
"Revised Offer"	has the meaning set out in section 3.1 (<i>Sequence of events</i>);
"Sale Price"	has the meaning set out in section 7.5(ii) (<i>Description of the Post-Offer Asset Sale</i>);
"Settlement"	means the event that, if the Offeror declares the Offer unconditional (<i>gestand doen</i>), Shareholders will receive the Offer Price in respect of each Tendered Share that has been transferred (<i>geleverd</i>), and the Offeror shall acquire each Tendered Share, within five (5) Business Days following the Closing Date;
"Settlement Date"	means the day on which Settlement occurs;
"Share A"	has the meaning set out in the Important Information section;
"Share B"	has the meaning set out in the Important Information section;
"Share Purchase Agreement"	has the meaning set out in section 7.4(ii) (<i>Description of the Post-Offer Merger</i>);
"Share Sale"	has the meaning set out in section 7.4(ii) (<i>Description of the Post-Offer Merger</i>);
"Share Sale Price"	has the meaning set out in section 7.4(iv) (<i>Description of the Post-Offer Merger</i>);
"Share Transfer Deed"	has the meaning set out in section 7.4(ii) (<i>Description of the Post-Offer Merger</i>);
"Shareholders"	has the meaning set out in the Important Information section;
"Statutory Squeeze-Out"	has the meaning set out in section 7.1(a) (<i>Compulsory Acquisition Procedure</i>);
"Takeover Squeeze-Out"	has the meaning set out in section 7.1(b) (<i>Compulsory Acquisition Procedure</i>);

"Tendered Share"	means each Listed Share validly tendered (or defectively tendered, provided that such defect has been waived by the Offeror) for acceptance pursuant to the Offer prior to or on the Closing Time;
"Transaction"	means the Offer, the Delisting and, to the extent relevant, the relevant Post-Offer Restructuring; and
"Triangular Merger"	has the meaning set out in section 7.4 (<i>Description of the Post-Offer Merger</i>).

3. DECISION-MAKING PROCESS BY THE BOARD

3.1 Sequence of events

This section contains a non-exhaustive description of material contacts between representatives of Altice Europe and the Offeror and certain other circumstances that resulted in reaching and signing the conditional agreement regarding the Transaction on 11 September 2020 (the "**Merger Agreement**").

Since early August 2020, some preliminary and exploratory discussions were held between members of the Board and Next Alt S.à r.l. ("**Next Alt**") regarding a delisting and take-private of Altice Europe through an all-cash public offer.

At the outset, it was considered whether any of the members of the Full Board had a direct or indirect conflict of interest or was related to Next Alt or any of its affiliates. Mr. Drahi, A4 S.A. and Mr. Weill (the "**Conflicted Executive Directors**"), each an Executive Director, were determined to have a conflict of interest within the meaning of article 2:129(6) DCC in respect of the Transaction. Consequently, the Conflicted Executive Directors (and for the avoidance of doubt, A4 S.A.'s permanent representative, Mr. Okhuijsen) have not participated in the deliberations or decision-making process in respect of the Transaction.

Altice Europe engaged external professional advisors, Lazard Frères SAS ("**Lazard**") as financial advisor and De Brauw Blackstone Westbroek N.V. ("**De Brauw**") as legal advisor. In addition, the Non-Executive Directors engaged external professional advisors, LionTree Advisors UK LLP ("**LionTree**") as financial advisor and Allen & Overy LLP ("**A&O**") as legal advisor, who will be, together with Lazard and De Brauw, further referred to as the Board's legal or financial advisors.

Following the exploratory discussions, on 26 August 2020, Altice Europe received an offer letter (the "**First Proposal**") from Next Alt regarding a take-private of Altice Europe by a recommended public offer followed by a delisting and/or corporate restructuring. The terms of the First Proposal included, amongst others, an offer price of EUR 3.93 per Listed Share (cum dividend), to be fully paid in cash. Next Alt shared a draft merger agreement with Altice Europe on 29 August 2020 setting out the proposed terms and conditions of the First Proposal. The Board discussed and carefully considered the First Proposal. Together with its financial and legal advisors, the Board explored the First Proposal on its rationale, merits and consequences and risks for Altice Europe, its business and its stakeholders, including its employees, customers, debt providers, suppliers and Shareholders. In addition, the Board considered various other scenarios for Altice Europe, including the (absence of) strategic alternatives. In the meantime, a confidentiality agreement was entered into between Altice Europe and Next Alt to confirm the agreed confidentiality undertakings. After due consideration, the Board concluded that, although the Board was supportive to the concept of a delisting and take-private of Altice Europe, the First Proposal did not represent a sufficiently compelling proposition for Altice Europe for reasons relating to a combination of (i) price, (ii) acceptance condition, (iii) (more discussion needed on) strategy, and (iv) certain non-financial aspects. The Board therefore rejected the First Proposal by letter of 2 September 2020.

On 4 September 2020, Next Alt improved its First Proposal by a revised offer (the "**Revised Offer**") to Altice Europe, which provided, among other things, for an increase in the proposed offer price to EUR 4.07 per Listed Share (cum dividend) and confirmed Next Alt's progress with respect to the required financing. The Board, together with its advisors, discussed and carefully considered the Revised Offer. The Board concluded that the Revised Offer was an improvement compared to the First Proposal, but that certain elements of the Revised Offer (including price, non-financial aspects and commitments, the lack of a minimum acceptance threshold and the strategic rationale) had to be further clarified and/or negotiated. Consequently, a meeting was held between Next Alt, the Board and its legal and financial advisors on 5 September 2020. On 7 and 8 September 2020, meetings took place between the legal advisors of Next Alt and the legal advisors of the Board.

In the days following the Revised Offer, the Board reviewed the terms of the Revised Offer. The Board continued to be supportive of the concept of a delisting and take-private of Altice Europe. However, although the Board understood the strategic rationale – and saw the merits for Altice Europe and its associated business enterprise – of the Revised Offer, the Board had to further analyse the financial and non-financial elements of the Revised Offer, also in the context of the overall terms. The Board concluded that some elements of the Revised Offer, including the price, the absence of a minimum acceptance threshold to pursue a pre-wired Post-Offer Restructuring below the initial acceptance threshold of 95% and certain non-financial aspects were still not acceptable to the Board. The Board informed Next Alt accordingly on 8 September 2020.

On 9 September 2020, Next Alt further improved its Revised Offer with its final offer by increasing the proposed consideration per Listed Share to EUR 4.11 (cum dividend) and improved terms and non-financial aspects (the **"Further Revised Offer"**), subject to reaching agreement that a minimum acceptance threshold in relation to the Post-Offer Restructurings would not be part of the terms and conditions of the Offer. Following receipt thereof, the Board and Next Alt conducted another meeting on 10 September 2020 to discuss the Further Revised Offer. The Board, taking into account its fiduciary duties, considered that the Further Revised Offer was a further improvement compared to the earlier proposals but that it was yet not sufficient for the Board to change its position as previously communicated. The Board emphasised the importance for the Board to be able to fulfil, and continue to fulfil, its fiduciary duties also in relation to any Post-Offer Restructuring. Multiple discussions took place between the Board, the Offeror (replacing Next Alt as the entity making the Offer), and their respective advisors regarding this matter. These discussions resulted in a revised draft merger agreement that includes the Fiduciary Out (as described in section 5.3(a) (*Adverse Recommendation Change*)), which permits the Board to make an Adverse Recommendation Change and thereby terminate Altice Europe's obligations under the Merger Agreement in respect of any Post-Offer Restructuring if material events or material circumstances after announcement of the Offer result in it being inconsistent with the Board Members' fiduciary duties under Dutch law not to make an Adverse Recommendation Change.

On 10 and 11 September 2020, the Board held Board meetings during which it carefully reviewed and discussed the final terms and conditions of the merger agreement and gave careful consideration to all aspects of the proposed transaction, including the effects on Altice Europe's operations and strategy, and Altice Europe's employees, customers, debt providers, suppliers, Shareholders and other stakeholders, taking into account the advice of its financial and legal advisors. More specifically, Lazard rendered corporate finance advice and a Fairness Opinion to Altice Europe, LionTree rendered corporate finance advice and a Fairness Opinion to the Non-Executive Directors (as discussed in more detail in section 4.3 (*Fairness Opinions*)), De Brauw rendered legal advice to Altice Europe in respect of the terms of the Transaction and the duties of the Board and A&O rendered legal advice to the Non-Executive Directors in respect of the terms of the Transaction and the duties of the Non-Executive Directors. At the end of such meetings, the Board unanimously concluded that the proposed transaction promotes the sustainable success of Altice Europe's business and is in the best interest of Altice Europe and its stakeholders, including its employees, customers, debt providers, suppliers and Shareholders.

Subsequently, the Merger Agreement was signed by representatives of Altice Europe and the Offeror. Immediately thereafter, Altice Europe and the Offeror jointly published a press release stating that they had reached conditional agreement on the intended Offer by the Offeror.

3.2 Rationale

The Board believes that having Altice Europe operate without minority shareholders and without a listing on Euronext Amsterdam (or any other stock exchange) is better for the sustainable success of its business and long-term value creation. In view of, amongst others, its high debt capital structure and related high volatility of the share price and the lack of use of the Listed Shares as acquisition currency, the disadvantages of Altice Europe's listing materially outweigh the benefits. The Board believes that the

business can more successfully focus on the long-term following delisting in a wholly-owned set-up, including pursuant to the following advantages:

- increasing the Group's ability to achieve the goals set out in, and implement the actions of, its strategy (of which the core focus is on customers, revenue, profitability and cash flow growth and, as a result, deleveraging);
- the ability to implement and focus on achieving long-term strategic goals and operational achievements of the Group, as opposed to short-term performance driven by quarterly reporting, for example by increasing the Group's ability to accelerate and implement investment decisions when it is most efficient, rather than having to perform in line with what the public market is expecting;
- avoid the current volatility of the share price of the Listed Shares (e.g. resulting from Altice Europe's high debt to equity ratio)¹ which will (i) unlock the opportunity to improve the effectiveness of employee incentive plans, and thus better align senior management with the business strategy of the Group and improve the retention of the employees of the Group and (ii) improve Altice Europe's reputation vis-à-vis and relationship with its stakeholders such as bond holders and other finance providers, clients, suppliers, employees and local governments;
- a better access to the bond and bank markets independent of the daily and volatile share price fluctuations of the Listed Shares and thus decrease borrowing costs, as finance providers will focus more on fundamental valuation and credit analysis;
- the ability to achieve an efficient capital structure (notably from a financing perspective), which would, amongst others, facilitate intercompany transactions, dividend distributions and elimination of inefficient intercompany flows; and
- reducing the Group's costs (e.g. listing, financial reporting, staff/management and board costs will decrease, there will no longer be a requirement for physical general meetings of Altice Europe and the current legal holding structure can be simplified).

With reference to the Non-Financial Covenants, the Offeror fully supports the long-term strategy of the Group. The Board believes that Altice Europe operating in a private setting will enhance the ability to execute on the Group's long-term strategy.

4. FINANCIAL ASSESSMENT OF THE TRANSACTION

In the decision-making process, the Board has considered a number of key financial aspects associated with the Transaction including those described below.

4.1 Premia to market price

The Offer represents:

- a premium of 23.8% to the closing price per Share A on Euronext Amsterdam on the Reference Date;²
- a premium of 16.5% to the volume-weighted average price per Share A on Euronext Amsterdam for the one hundred and eighty (180) days period prior to and including the Reference Date; and
- a discount of 6.2% to the volume-weighted average price per Share A on Euronext Amsterdam for the twelve (12) month period prior to and including the Reference Date.

¹ Although Altice Europe has made many efforts to decrease its leverage ratio (e.g. by making divestments), the leverage level and related Listed Shares' volatility remained.

² The closing price of the Shares A on the Reference Date was EUR 3.32.

4.2 Financial assessment

The Board has carefully reviewed, with the assistance of its two financial advisors, the Transaction in light of the immediate, medium and long-term prospects of Altice Europe and considered the developments in the telecom sector more generally. In doing so the Board, based on financial advice, has carefully considered and taken into account a range of valuation methodologies and financial analyses that are customarily used towards an assessment of the offer price in a public offer.

More specifically, the Board considered (i) a discounted cash flow analysis of Altice Europe and (ii) an analysis of trading multiples of selected listed companies, the most relevant valuation methodologies. The Board also reviewed premia paid in similar non-change of control transactions.³ The Board believes that the discounted cash flow analysis is the best suited methodology for assessing the medium and long-term prospects of Altice Europe, notably in light of the guidance and adjustments provided to the Board by Altice Europe's management. The trading multiples analysis is relevant as there is a statistically relevant number of comparable companies. In considering the outcome of the discounted cash flow and trading multiple analysis, investors are advised to take into account that Altice Europe's leverage ratio, which is significantly higher than that of other listed telecom companies and which affects the risk profile and therefore the value of Altice Europe, can technically not be fully factored into each of the aforementioned analyses. Other methodologies, such as target prices for the Listed Shares published by research analysts, were considered as less relevant in this case.

Summarised below are the key valuation metrics taken into consideration by the Board in its assessment, with the assistance of its two financial advisors:

- discounted cash flow analysis for Altice Europe based on publicly available analysts' estimates⁴ and extrapolations, adjusted and reviewed by Altice Europe's management, resulting in two ranges of respectively EUR 2.13 to EUR 4.65 and EUR 2.12 to EUR 5.19 for the Listed Shares;
- trading multiples analysis based on key financial metrics (2020E Adjusted EBITDA, 2021E Adjusted EBITDA, 2020E Adjusted EBITDA-Capex and 2021E Adjusted EBITDA-Capex; excluding Pay-TV impacts) of selected European telecom companies. The median enterprise value multiple for each of these financial metrics was, based on two computations, respectively 6.2x, 5.8x, 11.0x and 11.3x⁵ and 6.3x, 6.3x, 13.0x, and 12.6x⁶. This compares to 6.7x, 6.4x, 14.7x and 13.3x for Altice Europe based on the Offer Price.

The Board also took note of the fact that the largest telecom companies in the group of selected peer companies are more comparable to Altice Europe than other selected companies. These largest peer companies overall trade at lower multiples than the full group of selected peer companies, and focussing on this group would lead to lower multiples than abovementioned. More specifically, when considering only BT Group, Deutsche Telekom, Orange, Telefonica, Telecom Italia and Vodafone as large comparable telecom companies, the median enterprise value multiple for each of the abovementioned financial metrics was 5.3x, 5.2x, 11.3x and 11.1x; and when considering only BT Group, Orange, Liberty Global, Telefonica, and Vodafone as large comparable telecom companies, the median enterprise value multiple for each of the abovementioned financial metrics was 5.6x, 5.5x, 11.9x, and 11.6x; and

- analysis of premia paid for similar transactions where the acquirer was the majority shareholder and in a controlling position, resulting in a median premium on the closing price per share on the

³ Transactions in which a change of control occurred were considered not relevant in this case.

⁴ This analysis has been based on cash flow forecasts from the following broker reports: Arete (3 July 2020), BAML (3 August 2020), Barclays (10 August 2020), Citi (2 July 2020), Credit Suisse (1 July 2020), Deutsche Bank (18 June 2020), Exane BNP (3 July 2020), Goldman Sachs (14 August 2020), HSBC (22 May 2020), JP Morgan (22 July 2020), Kempen (25 June 2020), Kepler Cheuvreux (7 July 2020), New Street (27 May 2020) and Société Générale (20 July 2020).

⁵ Selected companies include: BT Group, Deutsche Telekom, Orange, Telecom Italia, Telefónica, Vodafone, Cyfrowi Polsat, Drillish, Elisa, Euskatel, Iliad, KPN, Liberty Global, NOS, Orange Polska, OTE, Play, Proximus, Swisscom, Telefónica Deutschland, Telekom Austria, Telenor, Tele2 and Telia.

⁶ Selected companies include: Telefonica, Liberty Global, Orange, BT Group, Vodafone, Telenor, Telia, Telekom Austria, Proximus, KPN, Telecom Italia, Elisa, Tele2, Swisscom, Sunrise, Telenet, NOS, and Euskaltel.

reference date of such transactions of 20.0%, compared to a premium of 23.8% to the closing price per Share A on Euronext Amsterdam on the Reference Date.

Moreover, the Board also took other considerations into account, including:

- the current share price as a reflection of the market's assessment of the value of Altice Europe, reflecting future growth prospects for the business, which have all been described or announced to the market, including expected revenues, EBITDA, free cash flow and leverage ratio⁷ of Altice Europe and remaining potential for infrastructure and tower transactions as well as Altice Europe's performance versus other selected companies on a firm value and aggregate basis;
- the 12-month target price for the Listed Shares published by 17 research analysts following Altice Europe's results for the second quarter of 2020. The target prices range from EUR 2.70 to EUR 9.00.⁸ The Board took into account the high volatility of Altice Europe's share price;
- analysis of Altice Europe's operating and equity market performance (e.g. EBITDA, EBITDA-Capex and share price), including pre-COVID-19 and at present compared to selected publicly listed companies active in the telecom sector;
- analysis based on share price developments of selected publicly listed companies active in the telecom sector (both in the Netherlands as well as in Europe) over various periods of time;
- analysis of Altice Europe's growth, margin and cash flow on a country-by-country basis in comparison with selected publicly listed companies in the same country;
- the competitive market conditions in the overall telecom sector and within the countries that Altice Europe operates in;
- Altice Europe's significantly higher leverage than the other selected listed companies and in particular, analysts' concern that net debt has not been significantly reduced since the 2018 spin-off of Altice USA, Inc. despite EUR 6.5 billion cash proceeds from disposals;
- Altice Europe's forecasted pro forma net debt at the end of year 2020;
- Altice Europe's other liabilities, notably the value of minority interests (e.g. Hivory, Fastfiber, Teads and Intelcia) based on transaction values, the value of the MEO pension liabilities based on Altice International financial accounts, the value of future spectrum and Pay-TV liabilities based on liabilities retained by analysts, the value of other financial liabilities disclosed in Altice Europe's financial accounts (notably reverse factoring and securitisation) and the value of a liability associated to a fine from the European Commission;
- Altice Europe's other assets, notably the value of its ownership in associated companies (e.g. SFR FTTH and Covage) and the value of its tax assets based on a benchmark of the value retained by analysts;
- the impact of dilutive instruments issued by Altice Europe, notably Prefs B and stock-options;
- the underlying volatility of the Listed Shares, driven by relatively low free float and high leverage;
- the form of consideration to be paid to the Shareholders in the Offer being cash, which will provide certainty of value and liquidity to Shareholders; and
- the confirmation from the Offeror of its ability to finance the Transaction; and the absence of realistic interest from alternative offerors for a strategic transaction.

⁷ Reference is made to Altice Europe's earlier announced guidance.

⁸ EUR 9.00 (Deutsche Bank), EUR 6.80 (Kempfen), EUR 6.00 (New Street), EUR 5.40 (Goldman Sachs), EUR 5.30 (BNP), EUR 4.99 (Alpha Value), EUR 4.80 (CIC), EUR 4.70 (J.P. Morgan), EUR 4.60 (BofA), EUR 4.50 (HSBC), EUR 4.20 (Credit Suisse), EUR 4.20 (Kepler Cheuvreux), EUR 4.00 (Morgan Stanley), EUR 3.90 (Oddo BHF), EUR 3.80 (Bryan Garnier), EUR 3.30 (Barclays) and EUR 2.70 (Société Générale).

4.3 Fairness Opinions

On 10 September 2020, Lazard issued its Fairness Opinion to Altice Europe that, as of that date, and based upon and subject to the factors, assumptions, qualifications and other matters set forth in Lazard's Fairness Opinion, (i) the Offer Price is fair, from a financial point of view, to the Shareholders, (ii) the purchase price paid to Company Holdco in the Share Sale is fair, from a financial point of view, to Company Holdco, and (iii) the purchase price paid to Altice Europe in the Asset Sale is fair, from a financial point of view, to Altice Europe.

On 10 September 2020, LionTree issued its Fairness Opinion to the Non-Executive Directors that, as of such date, and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations on the review undertaken by LionTree in preparing its Fairness Opinion, (i) the aggregate cash consideration to be paid for the outstanding Listed Shares in the Offer pursuant to the Merger Agreement and (ii) the applicable aggregate advance liquidation distribution to be paid if a Post-Offer Restructuring is implemented pursuant to the Merger Agreement and the Share Purchase Agreement or Asset Sale Agreement, as applicable, in each case, to the Shareholders, is fair, from a financial point of view to such Shareholders.

Lazard's and LionTree's Fairness Opinions were provided solely for the benefit of Altice Europe and the Non-Executive Directors (in their capacity as such), respectively, in connection with, and for the sole purpose of, its and their, respectively, evaluation of the Offer. The summary of Lazard's and LionTree's Fairness Opinions in this Position Statement is qualified in its entirety by reference to the full text of the respective Fairness Opinion, which is included as Schedule 1 (*Full Text of the Lazard Fairness Opinion*) and Schedule 2 (*Full Text of the LionTree Fairness Opinion*), respectively, to this Position Statement and sets forth the assumptions made, procedures followed, matters considered, and qualifications and limitations on the review undertaken by each of Lazard and LionTree in preparing its respective Fairness Opinion. However, neither Lazard's nor LionTree's Fairness Opinion, any summary of their Fairness Opinion, nor any analyses set forth in this Position Statement constitute a recommendation by Lazard or LionTree to any Shareholder as to how such Shareholder should vote or act on the Offer or any other matter.

4.4 Certainty of funds

The Offeror shall fund the Offer and, if applicable, the cash component of the purchase price in the Share Sale or Asset Sale, through third-party debt financing. The Offeror has entered into a binding term loan credit agreement with BNP Paribas Fortis S.A./N.V., which will provide for credit in the form of term loans in an aggregate principal amount that provides the Offeror sufficient funds for (i) the acquisition of Listed Shares tendered under the Offer, (ii) the cash component of the purchase price in the Share Sale or Asset Sale and (iii) the payment of fees, costs and expenses in relation to the Transaction, subject to the customary terms and conditions therein.

The Offeror has confirmed that it has no reason to believe that any such conditions will not be fulfilled on or prior to the Settlement Date. The debt financing, which may be syndicated, is fully committed on a "certain funds" basis.

The Board received advice from its financial and legal advisors to confirm the certainty of funds nature of the financing.

4.5 Assessment

Based on the above considerations, an evaluation of the Transaction with the assistance of its advisors, and taking into account all relevant circumstances, the Board determined that the Offer Price is fair to the Shareholders from a financial point of view.

5. NON-FINANCIAL ASSESSMENT OF THE TRANSACTION

The Board determined that the Transaction can materially enhance the success of Altice Europe's business with the support of the Offeror, as the disadvantages of Altice Europe's listing materially outweigh the benefits. In addition, full private ownership by the Offeror is expected to facilitate implementation of Altice Europe's long-term strategy and hence be beneficial to Altice Europe and its stakeholders. Reference is made to the explanation of the rationale in section 3.2 (*Rationale*).

In its decision-making process, the Board has also considered a number of material non-financial aspects associated with the Transaction. With regard thereto, Altice Europe and the Offeror agreed upon the Non-Financial Covenants described below.

5.1 Non-Financial Covenants

The Offeror shall, in accordance with the terms and subject to the conditions of the Merger Agreement, comply with the non-financial covenants set out in this section 5.1 (*Non-Financial Covenants*) (the "**Non-Financial Covenants**").

(a) *Strategy*

Following Settlement, the Offeror will continue to work with Altice Europe with a shared ambition to grow the business in a manner that reflects the current business strategy of the Group. The Offeror fully supports the strategy of the Group and does not intend to effect a change in the Group's strategy.

Altice Europe is seen as a highly successful and competitive business and as such the Offeror does not envisage any material changes to the operations and business activities of the Group.

The Offeror is supportive of the Group's ambitions and will seek to capitalise the increased business opportunities that Altice Europe will have in a non-listed setting, including increasing the investments in its infrastructure.

(b) *Employees*

As a consequence of the Transaction or completion thereof, there will not be (i) any reductions of the workforce of the Group's operating companies, and (ii) material reductions of Altice Europe's workforce. Any necessary reductions of Altice Europe's workforce will be implemented fairly and at least in line with local practices and existing redundancy practices applied by the Group, including with respect to severance packages.

The Offeror will respect the existing rights and benefits of the employees of the Group, including existing rights and benefits under their individual employment agreements, collective labour agreements, social plans, and including existing rights and benefits under existing covenants made to employee representation bodies and trade unions, as well as the existing redundancy practice applied by the Group. For the avoidance of doubt, it is understood that the Group's share based incentive plans will be amended in accordance with Section 7.11 (*Incentive Plans*) of the Offer Memorandum.

The Offeror will respect the existing pension rights of the Group's current and former employees.

The Offeror will respect the Group's current employee consultation structure.

(c) *Minority shareholders*

Without prejudice to Sections 6.11.3 (*Delisting*) up to and including 6.11.6 (*Post-Settlement Restructurings*) of the Offer Memorandum, the Offeror shall procure that as long as Altice Europe has minority shareholders, no member of the Group shall take any of the following actions:

- (i) agree to and enter into a related party transaction with any material shareholder (including the Offeror and its Affiliates) which is not at arm's length;
 - (ii) take any action which disproportionately prejudices the value of, or the rights relating to, any minority shareholder's Listed Shares; and
 - (iii) neither the Offeror nor any of its Affiliates shall charge the Group any management fees or holding costs that are not related to the Group, and the Group shall not pay the Offeror or its Affiliates any such fees or costs.
- (d) *Financing, group integrity and disposals*

The Offeror and Altice Europe will ensure that the Group will remain prudently financed to safeguard business continuity and to support the success of the business.

The Offeror supports the Group's deleveraging strategy, including but not limited to the Group's leverage target of 4.0x to 4.5x net debt to Adjusted EBITDA, it being understood that (i) the Offeror shall not be obliged to contribute additional equity to the Group, and (ii) any debt push-down to the Group will not be effected until the earlier of (A) the moment that the Offeror and its Affiliates, in the aggregate, directly or indirectly own one hundred percent (100%) of the outstanding Listed Shares and (B) the completion of the Share Sale or the Asset Sale.

The Offeror will use its commercially reasonable efforts to ensure that the Transaction does not have a negative impact on the Group's debt ratings.

The Offeror will not on-sell the Listed Shares or substantially all of the assets of the Group to a third party other than an Affiliate of the Offeror. The Offeror and Altice Europe will not transfer, sell, or otherwise dispose or cause the Group to transfer, sell or otherwise dispose any material strategic asset of or any material business operated by the Group. The proceeds of the divestment of any non-strategic asset or business may be used for the possible repayment of debt of the Offeror without materially increasing the leverage of the Group.

(e) *Tax residency of Altice Europe*

The Offeror acknowledges the importance for Altice Europe or, if the Post-Offer Merger is implemented, Company Holdco, to stay exclusively tax resident in the Netherlands until there are no longer minority shareholders. As such, the Offeror does not intend to take any actions that affect the current Dutch tax residency of Altice Europe, and, if the Post-Offer Merger is implemented, the intended Dutch tax residency of Company Holdco, until the moment that there are no longer any minority shareholders. For as long as there are minority shareholders, Altice Europe shall monitor that Altice Europe or Company Holdco stays exclusively tax resident in the Netherlands. In order to avoid a loss of exclusive Dutch tax residency of Altice Europe or Company Holdco for as long as there are minority shareholders, the Independent Non-Executive Directors can issue a reasoned objection to a (proposed) act by the Offeror or its Affiliates substantiating on reasonable grounds that such act would lead to a loss of exclusive Dutch tax residency of Altice Europe or Company Holdco, as the case may be. If a reasoned objection is issued, the Offeror shall, and shall cause its Affiliates to, refrain from such act unless it determines, acting reasonably and after consultation with its outside legal counsel, that such act is not expected to cause such loss of exclusive Dutch tax residency. The contents of this Non-Financial Covenant shall not apply if the Offeror commits to indemnify the minority shareholders for adverse tax consequences as a result of a loss of exclusive Dutch tax residency of Altice Europe or Company Holdco, as the case may be.

5.2 Duration, benefit and enforcement of the Non-Financial Covenants

In the Merger Agreement, Altice Europe and the Offeror have agreed the following in respect of the duration, benefit and enforcement of the Non-Financial Covenants.

The Non-Financial Covenants will expire twelve (12) months after the Settlement Date.

Any deviation from the Non-Financial Covenants shall require the prior approval of the Full Board, including the affirmative vote of a majority of the Independent Non-Executive Directors (or, if there are only two Independent Non-Executive Directors, the affirmative vote of at least one of them).

The Non-Financial Covenants have been made to Altice Europe as well as, by way of an irrevocable third party stipulation for no consideration (*onherroepelijk derdenbeding om niet*), to each of the Independent Non-Executive Directors and regardless of whether he or she is in office or dismissed, provided that after dismissal, the dismissed Independent Non-Executive Director must assign the benefit of such stipulation to any new Independent Non-Executive Director in function, unless such dismissal is successfully challenged by such Independent Non-Executive Director. Any enforcement of the Non-Financial Covenants shall require the approval of a majority of the Independent Non-Executive Directors (or, if there are only two Independent Non-Executive Directors, the affirmative vote of at least one of them). The Offeror has agreed in advance to the assignment of the benefit of this undertaking by any Independent Non-Executive Director to its successor.

Altice Europe will bear all reasonable costs and expenses relating to the enforcement of the Non-Financial Covenants by the Independent Non-Executive Directors.

5.3 Certain other considerations and arrangements

During the discussions and negotiations leading up to the execution of the Merger Agreement, Altice Europe considered certain matters and negotiated certain terms, conditions and other aspects of the Transaction. Such considerations, terms, conditions and other aspects include the following:

(a) *Adverse Recommendation Change*

The Board may not make any Adverse Recommendation Change, except that the Board may effect an Adverse Recommendation Change if any material event, material development, material circumstance or material change in circumstances or facts occurs or arises after the date of the Merger Agreement up until the implementation of the Post-Offer Restructuring, that causes the Board to determine in good faith (after consultation with its outside legal counsel and financial advisors and after consultation with the Offeror) that the failure to make an Adverse Recommendation Change would be inconsistent with the fiduciary duties of the Board Members under Dutch law.

In case of such a permitted Adverse Recommendation Change, the Offeror may decide, after consultation with Altice Europe, to proceed with the Offer, subject to waiver of the Offer Condition set out in Section 6.6.1(g) of the Offer Memorandum. In such case, however, any obligations for Altice Europe set out in the Merger Agreement in relation to any Post-Offer Restructuring, any Post-Settlement Restructuring or any amendment to the Articles of Association will no longer apply and no longer be enforceable by the Offeror (the "**Fiduciary Out**").

This Fiduciary Out is tailor-made and negotiated by the Board in light of the particularities of this Transaction and is not limited to a superior strategic transaction as is customary in these cases in the Netherlands. Pursuant to the Fiduciary Out negotiated by the Board, it has a right to change its recommendation if material events or material circumstances after the date of the announcement of the Transaction would result in it being inconsistent with the fiduciary duties of the Board Members under Dutch law not to make an Adverse Recommendation Change. In its determination of whether or not it must effect a (permitted) Adverse Recommendation Change, the Board can take all relevant circumstances and developments into account at the time of making such decision, which may include (but is not necessarily limited to) the proceedings and outcome of the EGM, the acceptance of the Offer, the nature and behaviour of the tendering and non-tendering Shareholders and their relevant shareholding period, (potential) material adverse or material positive effects on Altice Europe and strategic alternatives (such as an Alternative Proposal) for Altice Europe, deal certainty, and the

consequences of the successful completion of the Transaction for Altice Europe, its business and its stakeholders versus the consequences of not completing the Transaction, and all other circumstances relating to and interests of Altice Europe, its business and the stakeholders. With this tailor-made Fiduciary Out, the Board has the ability to take due account of the interests of Altice Europe, its business and all stakeholders, including the Shareholders, in accordance with its fiduciary duties. If the Board determines to effect a permitted Adverse Recommendation Change, any obligations for Altice Europe set out in the Merger Agreement in relation to any Post-Offer Restructuring will no longer apply and no longer be enforceable by the Offeror. As set out in section 3.1 (*Sequence of events*), the Fiduciary Out, given its importance to the Board, was the subject of multiple discussions between the Board, the Offeror and their respective advisors.

In addition, no termination fee, no break-fee or other penalty is due by Altice Europe in the event of such a permitted Adverse Recommendation Change.

(b) *Acceptance level*

The number of Tendered Shares, together with (i) any Listed Shares directly or indirectly held by the Offeror Group, (ii) any Listed Shares committed to the Offeror Group, in writing, and (iii) any Listed Shares to which the Offeror Group are unconditionally entitled but which have not yet been delivered (*gekocht maar nog niet geleverd*) must represent at least 95% of Altice Europe's issued share capital (*geplaatst kapitaal*) as at the Closing Date.

The Offeror may waive this acceptance level condition, but the Board has negotiated that the Offeror can only do so after consultation with Altice Europe. In such consultation, the Offeror and Altice Europe, represented by the Board, can exchange and discuss their views on such waiver and the consequences thereof.

In agreeing to this Offer Condition, the Board took into account that the Offeror already has control over Altice Europe (which has been known to the Shareholders since the date of Altice Europe's IPO) and the benefits for Altice Europe, its business and its stakeholders in pursuing the Transaction in light also of the Non-Financial Covenants.

A minimum acceptance level – in addition to the 95% acceptance threshold described above – for the implementation of a Post-Offer Restructuring was a key subject in the negotiations. After multiple discussions on this matter, the Offeror and Altice Europe could not agree on a specific minimum acceptance level for the implementation of a Post-Offer Restructuring.

The Board extensively considered the implications of agreeing to the absence of a minimum acceptance threshold for implementing a Post-Offer Restructuring. While having an acceptance level for implementation of a back-end structure has been a common feature for Dutch public M&A transactions to date, there are no hard and fast statutory or other rules that such a minimum acceptance level should be set and if so, at what level. Accordingly, the Board evaluated the pros, cons and risks related to the absence of a minimum threshold for implementing a Post-Offer Restructuring in the context of the Transaction as a whole. It took, among others, into account on the one hand the clarity for Shareholders that a specific threshold would create, and on the other hand the undesirability of an acceptance threshold, and the challenges in choosing the right threshold in an atypical and non-customary scenario where the Offeror already owns approximately 78% of the outstanding capital and voting rights and approximately 50% of the number of outstanding Listed Shares. The Board took furthermore into account the concern, as voiced by the Offeror, that a pre-set, rigid minimum acceptance level for pursuing a Post-Offer Restructuring may make the Transaction subject to tactics by opportunistic investors. In addition, the Board considered the benefit of maintaining flexibility for the Board to balance the implications of the actual acceptance level together with all other relevant circumstances at the relevant time as required by its fiduciary duties in deciding whether or not to effect an Adverse Recommendation Change. Furthermore, the Board considered that an acceptance threshold for implementing a Post-Offer Restructuring would negatively impact the proposed Offer Price by the Offeror or even lead to no

Transaction materialising. Finally, the Board also took into account the fairness of the Offer Price and the customary nature of the Post-Offer Restructurings which gives the Shareholders a fair cash exit (the fairness of the cash exit price in the Post Offer Restructuring is also set out in the Fairness Opinions), the deal certainty and the opportunity costs if the Transaction would not materialise.

In the end, the Board opted for and successfully negotiated with the Offeror the tailor-made Fiduciary Out. As a result, in the event the Offeror waives the acceptance level condition and if the then prevailing circumstances cause the Board to effect a permitted Adverse Recommendation Change, any obligations for Altice Europe set out in the Merger Agreement in relation to any Post-Offer Restructuring, any Post-Settlement Restructuring or any amendment to the Articles of Association will no longer apply and no longer be enforceable by the Offeror if the Offeror decides to proceed with the Offer.

(c) *Alternative Proposal*

Altice Europe and the Offeror have agreed to certain arrangements with respect to a potential alternative offer as described below. Non-solicitation arrangements are customary for recommended public offers in the Netherlands and do not prohibit a third party from making an Alternative Proposal (as defined below) nor do they prohibit the Board from carefully considering and discussing an unsolicited *bona fide* proposal in line with its fiduciary duties. In this respect, the Board considered the position of the Offeror as the controlling shareholder and that it would not be willing to entertain alternative transactions with respect to Altice Europe other than the Transaction and hence the unlikelihood of a successful alternative transaction given the fact that any other potential bidder would need the co-operation of the Offeror to acquire Altice Europe.

The arrangements agreed between Altice Europe and the Offeror are as follows.

During the period commencing on the date of execution of the Merger Agreement and ending on the earlier of the Settlement Date and the date of termination of the Merger Agreement in accordance with its terms, Altice Europe shall not, and shall procure that no member of the Group and its and their respective directors, officers and advisors acting on its behalf (together the "**Relevant Persons**") shall, directly or indirectly, initiate discussions or negotiations with, or otherwise approach or solicit any third party to make any enquiry, offer or proposal relating to a potential offer for Listed Shares, a potential acquisition of the whole or a part of the business or assets of the Group, the potential acquisition of a substantial interest in the Group, a legal merger or demerger involving any member of the Group, a reverse takeover of any member of the Group, or a reorganisation or re-capitalisation of any member of the Group (an "**Alternative Proposal**").

Altice Europe shall notify the Offeror promptly (and in any event within twenty-four (24) hours) if any approach or enquiry, or any request for information, is received by it or any of its Relevant Persons from any third party in relation to an Alternative Proposal, it being understood that in any case Altice Europe shall notify the Offeror of its knowledge of the identity of such third party, the proposed consideration, the conditions to (the making and declaring unconditional of) the Alternative Proposal and other proposed material terms of such Alternative Proposal.

Following receipt of an Alternative Proposal and subject to the Fiduciary Out as described in section 5.3(a) (*Adverse Recommendation Change*), Altice Europe shall continue to cooperate with and support the Transaction in accordance with the terms and conditions of the Merger Agreement.

6. **DEAL CERTAINTY**

The Board considered deal certainty of great importance for Altice Europe, all its stakeholders and the Offeror. In light of this, the Board, with the assistance of its advisors, took among other things the following into consideration:

- the obligation of the Offeror to declare the Offer unconditional (*gestand doen*) is subject to satisfaction or waiver of customary offer conditions (the "**Offer Conditions**") (reference is made to Section 6.6.1 (*Offer conditions*) of the Offer Memorandum);
- the definition of Material Adverse Effect having customary carve-outs;
- the Offer is not subject to any antitrust or regulatory condition, other than the regulatory clearance as described in Section 6.6 (*Offer Conditions, satisfaction and waiver*) of the Offer Memorandum; and
- together with its advisors, the Board has concluded that the Offeror's funding of the Transaction is fully committed on a "certainty of funds" basis (reference is made to section 4.4 (*Certainty of funds*)),

all of which contributes to deal certainty, which promotes the sustainable success of Altice Europe's business and is in the interest of Altice Europe and its stakeholders, including its employees, customers, debt providers, suppliers and Shareholders.

7. POST-OFFER RESTRUCTURING MEASURES

The Merger Agreement provides several restructuring measures in order to allow the Offeror to take certain steps to acquire 100% of the Listed Shares or Altice Europe's assets and operations (including the Group's entire business). The different possibilities are described below in this section 7 (*Post-Offer Restructuring measures*).

7.1 Compulsory Acquisition Procedure

To acquire the remaining Listed Shares not tendered and not held by the Offeror or Altice Europe following the Settlement Date, the Offeror may initiate:

- a squeeze-out procedure (*uitkoopprocedure*) in accordance with Article 2:92a or 2:201a DCC (the "**Statutory Squeeze-Out**"), if the Offeror, alone or together with one or more of its group companies within the meaning of Article 2:24b DCC, holds for its own account (*voor eigen rekening*) at least 95% of Altice Europe's issued share capital (calculated in accordance with the DCC); or
- a takeover buy-out procedure (*uitkoopprocedure*) in accordance with Article 2:359c DCC (a "**Takeover Squeeze-Out**"), (i) in respect of the Shares A, if the Offeror, alone or together with one or more of its group companies within the meaning of Article 2:24b DCC, holds for its own account at least 95% of the issued Shares A and represents at least 95% of the voting rights of all issued Shares A (calculated in accordance with the DCC), or (ii) in respect of the Shares B, if the Offeror, alone or together with one or more of its group companies within the meaning of Article 2:24b DCC, holds for its own account at least 95% of the issued Shares B and represents at least 95% of the voting rights of all issued Shares B (calculated in accordance with the DCC,

(the Statutory Squeeze-Out and the Takeover Squeeze-Out together the "**Compulsory Acquisition Procedure**").

Altice Europe shall provide the Offeror with any reasonable assistance as may be required, including, if so requested by the Offeror, by joining such proceedings as co-claimant or defendant.

7.2 Post-Offer Restructurings

The Merger Agreement envisages the possibility for the Offeror, after completion of the Offer, to acquire the entirety of Altice Europe's assets and operations (including the Group's entire business) by means of either a Post-Offer Merger or a Post-Offer Asset Sale (each a "**Post-Offer Restructuring**").

7.3 Board's assessment of the Post-Offer Restructurings

The terms of the Offer and the Offeror's willingness to pursue the Offer are predicated on Altice Europe's cooperation with and support for each of the Post-Offer Restructurings, which enable the Offeror to acquire the entirety of Altice Europe's assets and operations (including the Group's entire business).

The Board has, together with its financial and legal advisors, carefully considered the Offeror's position and the Post-Offer Restructurings proposed. Amongst others the Board has taken into account that the advance liquidation distribution that the Shareholders that have not tendered their Shares in the Offer will receive through any Post-Offer Restructuring is intended to take place on or about the date the Share Sale or the Asset Sale is completed and in an amount that is, to the fullest extent possible, equal to the Offer Price (without any interest and less any applicable withholding taxes and other taxes). Altice Europe has determined that such liquidation distributions up to an amount of the Offer Price will not be subject to Dutch dividend withholding tax (in case of the Post-Offer Merger: provided that, as Altice Europe expects, the fair market value of Altice Europe per Listed Share immediately prior to the Triangular Merger will not be less than the Offer Price).

Based on such assessment and subject to section 5.3 (*Certain other considerations and arrangements*), Altice Europe expresses an interest in and its support for each of the Post-Offer Restructurings. To protect the interests of Altice Europe and the sustainable success of its business, taking into account the interests of its stakeholders, including the Shareholders, the Board has negotiated the Fiduciary Out. This means that the Board has the right to revoke or amend its recommendation, and that upon such revocation or amendment, Altice Europe will no longer be bound to its obligations under the Merger Agreement to cooperate with the Post-Offer Restructuring.

Rationale of the Post-Offer Restructuring

The Board's reasons for agreeing to the Post-Offer Restructuring include ensuring that the Offeror will acquire 100% of Altice Europe or Altice Europe's assets and operations (including the Group's entire business). In a situation where a public minority remains in Altice Europe, it would not be possible to secure the same benefits for the Altice Europe stakeholders and deliver the same Offer Price to all Shareholders.

Therefore it is important that the Offeror can acquire 100% of the Listed Shares or Altice Europe's assets and operations and that Altice Europe can be delisted. This importance is key to realise the strategic rationale for the Transaction as set out in section 3.2 (*Rationale*) as soon as reasonably possible to start profiting from the benefits of the Transaction and as such promotes the sustainable success of the Altice Europe business.

Stakeholders' analysis

The Board has performed an analysis of the position of all Altice Europe's stakeholders in connection with the Post-Offer Restructuring. Part of that analysis has been the following:

Shareholders

- It is the fiduciary duty of the Board to facilitate the successful consummation of the Transaction if the Board has concluded that such transaction is in the interest of the sustainable success of Altice Europe's business and the stakeholders' interests have been carefully taken into account. The Post-Offer Restructurings provide a fair and realistic cash exit to the Shareholders (other than the Offeror) that did not tender their Listed Shares, at the fair Offer Price, to the fullest extent possible. The Post-Offer Restructurings are an integral part of the Transaction and are required in order to succeed with the Transaction and benefit from its rationale.
- In order to protect the interests of Altice Europe and the sustainable success of its business, taking into account the interests of the Shareholders and all other stakeholders, the Board has negotiated the Fiduciary Out. Reference is made to section 5.3(a) (*Adverse Recommendation Change*).
- It is intended that Shareholders will obtain a cash exit swiftly following the Offer being declared unconditional, giving them the ability to apply the cash at their discretion.
- The consideration paid to Shareholders under each of the Post-Offer Restructurings will, to the fullest extent possible, be equal to the Offer Price (without any interest and less any applicable withholding taxes and other taxes). Altice Europe has determined that such liquidation distributions up to an amount of the Offer Price will not be subject to Dutch dividend withholding tax (in case of the Post-Offer Merger: provided that, as Altice Europe expects, the fair market value of Altice Europe per Listed Share immediately prior to the Triangular Merger will not be less than the Offer Price).
- Altice Europe has received a Fairness Opinion from Lazard dated 10 September 2020 as to the fairness, as of that date, to the effect that (i) the Offer Price is fair, from a financial point of view, to the Shareholders, (ii) the purchase price paid to Company Holdco in the Share Sale is fair, from a financial point of view, to Company Holdco, and (iii) the purchase price paid to Altice Europe under the Post-Offer Asset Sale is fair, from a financial point of view, to Altice Europe, based upon and subject to the factors, assumptions, qualifications and other matters set forth in the Fairness Opinion (see also Schedule 1 for the full text of Lazard's Fairness Opinion, which you are encouraged to read in its entirety).
- The Non-Executive Directors received a Fairness Opinion from LionTree dated 10 September 2020 as to the fairness, from a financial point of view, as of such date, to the Shareholders (other than the Offeror and its Affiliates) of (i) the aggregate cash consideration to be paid for the outstanding Listed Shares in the Offer pursuant to the Merger Agreement and (ii) the applicable aggregate advance liquidation distribution to be paid if a Post-Offer Restructuring is implemented pursuant to the Merger Agreement and the Share Purchase Agreement or Asset Sale Agreement, as applicable, in each case, based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations on the review undertaken by LionTree in preparing its opinion, as more fully described above in section 4.3 (*Fairness Opinions*) (see also Schedule 2 for the full text of LionTree's Fairness Opinion, which you are encouraged to read in its entirety).

Employees

The Board considered the position of Altice Europe's employees and concluded that no impact is foreseen for the employees in the Post-Offer Restructuring. Employees will benefit from the expedited implementation of the Transaction, including through improvement of the effectiveness of employee incentive plans (reference is made to section 3.2 (*Rationale*)). Specific arrangements have been agreed to ensure that, for the avoidance of doubt, all existing rights and benefits of employees will be respected. For the avoidance of doubt, the Group's share-based incentive plans will be amended as described in Section 7.11 (*Incentive plans*) of the Offer Memorandum.

Debt providers

The Board considered the position of Altice Europe's debt holders – who provide the majority of Altice Europe's capital – and concluded that no impact is foreseen for the debt holders in any Post-Offer Restructuring. Debt providers will benefit from the expedited implementation of the Transaction, because debt providers will no longer be confronted with the Listed Shares' current volatility and can start focusing on credit analysis and fundamental valuation.

Other stakeholders

The Post-Offer Restructuring will not negatively affect the position of other stakeholders and they will benefit from the expedited implementation of the Transaction.

After any Post-Offer Restructuring, the rights and obligations under the Non-Financial Covenants will apply *mutatis mutandis* to the new holding entity of the Group and will remain in full force and effect until twelve (12) months after the Settlement Date.

7.4 Description of the Post-Offer Merger

Prior to the date of this Position Statement, Altice Europe has incorporated Company Holdco as a wholly-owned subsidiary of Altice Europe and Company Holdco has incorporated Company Sub as a wholly-owned subsidiary of Company Holdco. Also, the Full Board and the management boards of Company Sub and Company Holdco have prepared and have unanimously adopted and signed a merger proposal⁹ in accordance with Dutch law (the "**Merger Proposal**") for a legal triangular merger (*juridische driehoeksfusie*) of Altice Europe (as disappearing company) with and into Company Sub (as acquiring company), with Company Holdco allotting shares to Altice Europe's shareholders in accordance with Articles 2:309 et seq. and 2:333a DCC (the "**Triangular Merger**") and in which Company Holdco cancels its share that formed its issued share capital immediately prior to the completion of the Triangular Merger. Furthermore, the Full Board and the management boards of Company Holdco and Company Sub have prepared and have unanimously adopted and signed the explanatory notes to the Merger Proposal.

Altice Europe, Company Sub and Company Holdco have filed the Merger Proposal and all ancillary documents required by Law with the trade register of the Dutch Chamber of Commerce. Copies of the Merger Proposal, the explanatory notes to the Merger Proposal and all ancillary documents required by Law are available at the offices of Altice Europe. Altice Europe will announce in a Dutch national newspaper that the filing is made and that such copies are made available.

In the Merger Agreement, the Offeror and Altice Europe have agreed that, subject to the adoption of the Back-End Resolution (Merger) and the Offer being declared unconditional, the Offeror may, after consultation with Altice Europe, decide to pursue the Post-Offer Merger after the expiry of the Post-Acceptance Period (if any), in which case Altice Europe shall (subject to Section 6.7.3 (*Revocation or withdrawal of Recommendation*) of the Offer Memorandum):

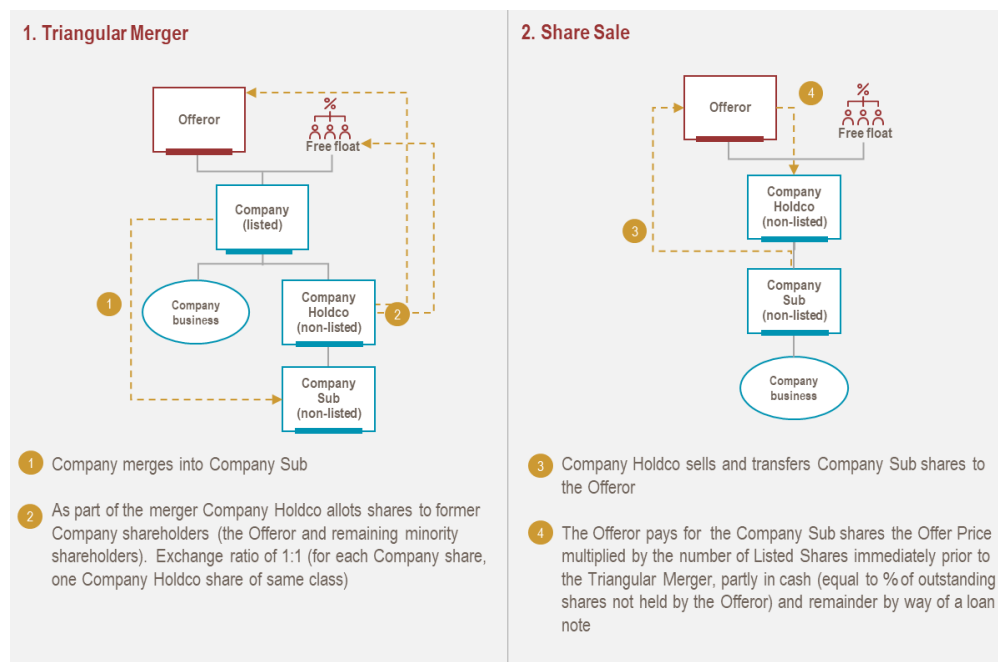
- (i) effect, and shall procure that Company Holdco and Company Sub shall effect, the Triangular Merger in accordance with the provisions set forth in the Merger Proposal and the explanatory notes pursuant to the execution of a notarial deed of merger as soon as possible after the Offeror's decision to pursue the Post-Offer Merger;
- (ii) procure that Company Holdco enters into a share purchase agreement with the Offeror (the "**Share Purchase Agreement**"), pursuant to which all issued shares in the capital of Company Sub will be sold and, by means of the execution of a notarial deed of transfer (the "**Share Transfer Deed**"), be transferred to the Offeror (or its nominee nominated in accordance with the

⁹ For the avoidance of doubt: the Conflicted Executive Directors have not participated in the decision-making progress in respect of the Post-Offer Merger.

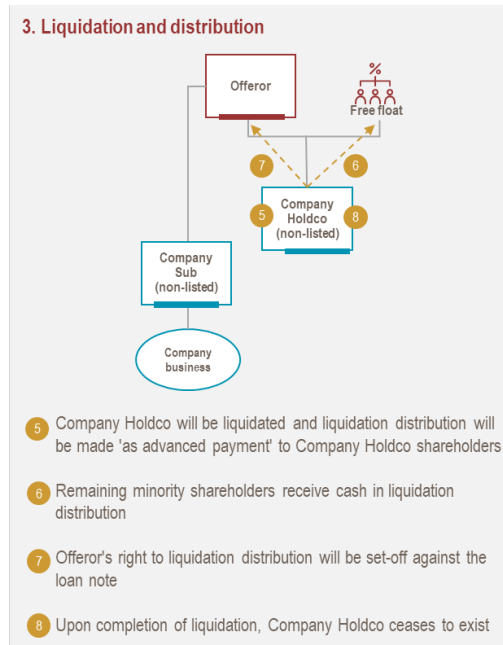
Share Purchase Agreement) immediately after the Triangular Merger becoming effective (the "**Share Sale**");

- (iii) adopt prior to the Settlement Date, in its capacity as sole shareholder of Company Holdco, a resolution to, subject to and immediately following completion of the Share Sale, (i) dissolve Company Holdco in accordance with Article 2:19 DCC, (ii) appoint Stichting Liquidator Altice Europe as the liquidator of Company Holdco (the "**Liquidator**"), (iii) approve reimbursement of the Liquidator's reasonable salary and costs and (iv) appoint Company Sub as the custodian of the books and records of Company Holdco in accordance with Article 2:24 DCC; and
- (iv) following the execution of the Share Transfer Deed, cause the effectuation of the dissolution and liquidation of Company Holdco (the "**Holdco Dissolution**" and, together with the Triangular Merger and the Share Sale, the "**Post-Offer Merger**") and the making of an advance liquidation distribution in accordance with the articles of association of Company Holdco per ordinary share in the capital of Company Holdco that is intended to take place on or about the date the Share Sale is completed and in an amount that is to the fullest extent possible equal to the Offer Price, without any interest and less any applicable withholding taxes and other taxes (the "**Share Sale Price**"). Altice Europe has determined that liquidation distributions by Company Holdco up to an amount of the Offer Price will not be subject to Dutch dividend withholding tax (provided that, as Altice Europe expects, the fair market value of Altice Europe per Listed Share immediately prior to the Triangular Merger will not be less than the Offer Price).

Below is a schematic overview of the intended key steps relating to the Post-Offer Merger:



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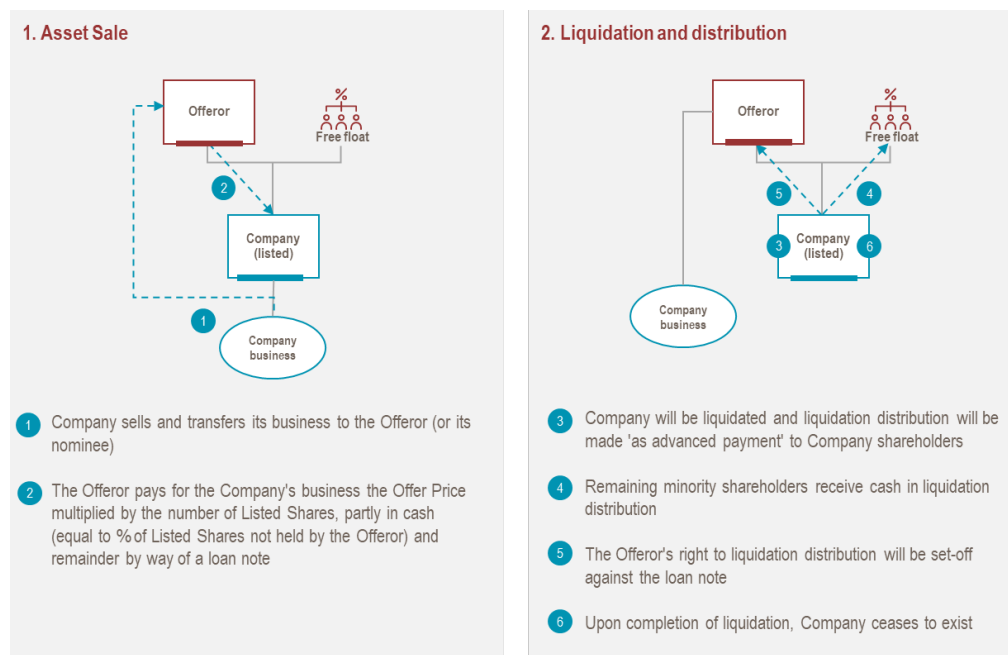


7.5 Description of the Post-Offer Asset Sale

In the Merger Agreement, the Offeror and Altice Europe have agreed that, subject to adoption of the Back-End Resolution (Asset Sale) and the Offer being declared unconditional, the Offeror may decide (as an alternative to the Post-Offer Merger and after consultation with Altice Europe) to pursue the Post-Offer Asset Sale after the expiry of the Post-Acceptance Period (if any), in which case Altice Europe shall (subject to Section 6.7.3 (*Revocation or withdrawal of Recommendation*) of the Offer Memorandum):

- (i) as soon as possible after the Offeror's decision to pursue the Post-Offer Asset Sale, enter into an asset sale agreement with the Offeror (the "**Asset Sale Agreement**"), and the Parties shall promptly implement the asset sale as contemplated by the Asset Sale Agreement (the "**Asset Sale**") and take (or cause to be taken) the steps to complete the actions and transactions set forth in the Asset Sale Agreement; and
- (ii) following the completion of the Asset Sale, effect the dissolution and liquidation of Altice Europe (the "**Altice Europe Dissolution**" and, together with the Asset Sale, the "**Post-Offer Asset Sale**") and make an advance liquidation distribution in accordance with the Articles of Association per Listed Share that is intended to take place on or about the date the Asset Sale is completed and in an amount that is to the fullest extent possible equal to the Offer Price, without any interest and less any applicable withholding taxes and other taxes (the "**Sale Price**"). The average paid-up capital of Altice Europe recognised for Dutch dividend withholding tax purposes has been estimated by Altice Europe. Based on these estimations, Altice Europe has determined that liquidation distributions as part of the Post-Offer Asset Sale will not be subject to Dutch dividend withholding tax.

Below is a schematic overview of the intended key steps relating to the Post-Offer Asset Sale:



7.6 Other Post-Settlement Restructurings

Without prejudice to Section 6.11.4 (*Compulsory Acquisition Procedure*) and Section 6.11.5 (*Post-Offer Restructuring*) of the Offer Memorandum, if the Offeror declares the Offer unconditional, the Offeror may, at any time following the expiry of the Post-Acceptance Period (if any), effect or cause to effect any restructuring of the Group (other than a Compulsory Acquisition Procedure or Post-Offer Restructuring) for the purpose of achieving an optimal operational, legal, financial and/or tax structure in accordance with applicable Law (each a "**Post-Settlement Restructuring**"), some of which may have the (side) effect of diluting the shareholding of any remaining minority shareholders of Altice Europe, including:

- (a) a subsequent public offer for the Listed Shares held by minority shareholders;
- (b) a statutory cross-border or domestic (bilateral or triangular) legal merger (*juridische (drie)hoeks-fusie*) or legal demerger (*juridische splitsing*) in accordance with Title 7 of Book 2 DCC involving one or more members of the Group and/or the Offeror and/or any Affiliate of the Offeror;
- (c) a contribution of cash and/or assets by the Offeror or any of its Affiliates in exchange for new shares in the share capital of a member of the Group, in which circumstances the pre-emptive rights (*voorkeursrechten*), if any, of Altice Europe's minority shareholders may be excluded;
- (d) a sale of all, substantially all, or a substantial part of the assets of any member of the Group to the Offeror or any of its Affiliates;
- (e) a distribution of proceeds, cash and/or assets to the shareholders of Altice Europe or share buybacks;
- (f) a sale and transfer of assets and liabilities by the Offeror or any of its Affiliates to any member of the Group, or a sale and transfer of assets and liabilities by any member of the Group to the Offeror or any of its Affiliates;

- (g) any transaction between any member of the Group and the Offeror or any of its Affiliates;
- (h) any transaction, including a sale and/or transfer of any material asset, between members of the Group or between any member of the Group and the Offeror or any of its Affiliates with the objective of using any carry forward tax losses available to the Group, the Offeror or any of its Affiliates;
- (i) conversion of Altice Europe into a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*);
- (j) any transactions, restructurings, share issues, procedures and/or proceedings in relation to any member of the Group required to effect the aforementioned objectives; or
- (k) any combination of the foregoing.

When deliberating and resolving on any possible Post-Settlement Restructuring, due consideration will be given to the requirements of the applicable Law, including the fiduciary duties of Board Members to promote the sustainable success of Altice Europe, its business and also to consider the interests of shareholders (including minority shareholders) and all other stakeholders, and relevant employee representative bodies' information and/or consultation requirements.

In the Merger Agreement, the Offeror and Altice Europe have agreed that if any proposed Post-Settlement Restructuring is reasonably expected to lead to a dilution of the shareholdings of the remaining minority shareholders or to any other form of unequal treatment that would prejudice or negatively affect the value of the Listed Shares held by the remaining minority shareholders, other than (i) pursuant to a rights issue or any other share issue where they have been offered a reasonable opportunity to subscribe pro rata to their then existing shareholding, (ii) any shares issued to a third party not being an Affiliate of the Offeror, (iii) the Delisting (including the execution of the draft amended Articles of Association included in Section 14 (*Amendments to the Company Articles of Association*) of the Offer Memorandum), (iv) any Compulsory Acquisition Procedure or (v) any Post-Offer Restructuring, then the affirmative vote of a majority of the Independent Non-Executive Directors (or, if there are only two Independent Non-Executive Directors, the affirmative vote of at least one of them) shall be required prior to the implementation of any such Post-Settlement Restructuring before the Completion Date. In this regard, the Independent Non-Executive Directors shall have the opportunity to engage for the account of Altice Europe their own financial and legal advisors if and to the extent they believe that the advice of such advisors is reasonably necessary to assist them in reviewing and assessing matters that come before them.

8. CORPORATE GOVERNANCE POST-SETTLEMENT

At the date of this Position Statement, the Offeror does not intend to change the composition of the Full Board prior to or at the Settlement Date. It is therefore envisaged that after the Settlement Date, the Full Board will be composed of the same persons as the current Board Members. The Full Board consists of the following members:

Name	Position
P. Drahi	President and Executive Director
A. Weill	Chief Executive Officer and Executive Director
A4 S.A.	Vice President and Executive Director
N. Marty	General Counsel and Executive Director
J. van Breukelen	Chairman and Non-Executive Director
T. Sauvaire	Non-Executive Director
P. Besnier	Non-Executive Director
N. Paulmier	Non-Executive Director

Altice Europe and the Offeror have agreed in the Merger Agreement that, subject to applicable Law, after the Settlement Date, the Offeror may, at its sole discretion, procure any appointments and dismissals of the Board Members, provided that the Offeror shall ensure that the Full Board or, if the Triangular Merger has taken effect, the board of Company Sub, or, if the Asset Sale has taken effect, the board of the Offeror or the board of the Offeror's nominee who will purchase Altice Europe's assets and operations, shall include at least two (2) Independent Non-Executive Directors, until the later to occur of (A) the earliest of (i) the moment that the Offeror and its Affiliates, in the aggregate, directly or indirectly own 100% of the outstanding Listed Shares, (ii) the Offeror or any of its Affiliates having initiated a Compulsory Acquisition Procedure and (iii) the completion of the Share Sale or the Asset Sale and (B) twelve (12) months after the Settlement Date (the latest such date, the "**Completion Date**").

Unless the Offeror requests otherwise, the Independent Non-Executive Directors shall resign upon the Completion Date.

All Board Members, including the Independent Non-Executive Directors, shall monitor and protect the interests of Altice Europe and all of its stakeholders and the sustainable success of Altice Europe's business, in accordance with their obligation under Dutch Law.

The Independent Non-Executive Directors shall be particularly tasked with monitoring the compliance with the Non-Financial Covenants and, particularly when material transactions between Altice Europe and the Offeror or an Affiliate of the Offeror are considered, the fair treatment of minority shareholders of Altice Europe (if any).

As long as the Listed Shares are listed on Euronext Amsterdam, Altice Europe shall continue to comply with the Dutch Corporate Governance Code (except for deviations that find their basis in the Merger Agreement, as disclosed in the Offer Memorandum, and other deviations in accordance with the "explain" requirement in respect of such deviations). Current deviations from the Dutch Corporate Governance Code by Altice Europe are described in section 3.6.2 of Altice Europe's annual report for the financial year 2019, which is available on the website of Altice Europe (www.altice.net). There are currently no intentions for post-Settlement deviations from the Dutch Corporate Governance Code by Altice Europe other than the current deviations and deviations that find their basis in the Merger Agreement (as disclosed in the Offer Memorandum).

9. FINANCIALS

Reference is made to Section 13 (*Selected consolidated financial statements of the Company*) of the Offer Memorandum, which includes the financial information as required by Annex G of the Decree.

10. CONSULTATION WITH EMPLOYEE REPRESENTATIVE BODIES

No employee consultation and/or information requirements are applicable to Altice Europe in connection with the Offer.

11. OVERVIEW OF LISTED SHARES HELD, SHARE TRANSACTIONS AND INCENTIVE PLANS

11.1 Information on Listed Shares, Prefs B and rights to Listed Shares or Prefs B and other instruments held by the Board Members

As at the date of this Position Statement, the Shares A, Shares B, Prefs B, awards of conditional Prefs B and stock options for Shares A, held by each Board Member, directly or indirectly via entities over which such Board Member has control (*zeggenschap hebben in*) within the meaning of Annex A, Paragraph 2, sub-paragraphs 5 and 6 of the Decree, are shown in the table below:

Board Member	Number of Shares A	Number of Shares B	Number of Prefs B	Number of conditional Prefs B	Number of stock options for Shares A
P. Drahi	421,464,912	167,660,043	-	-	41,374,755
A. Weill	22,238,144	-	1,304,116	50,000,000	-
N. Marty	-	-	-	-	886,270
T. Sauvaire	56,554	-	-	-	-
N. Paulmier	6,000	2,000	-	-	-

Mr. Weill intends to tender his Listed Shares under the Offer.

In addition, Mr. Besnier has an arrangement with Mr. Drahi pursuant to which Mr. Besnier is entitled to the economic benefits relating to 301,200 Listed Shares (225,900 Shares A and 75,300 Shares B). This arrangement is limited to economic benefits on such number of Shares A and Shares B only and does not entitle Mr. Besnier to exercise voting rights on any Share A or Share B.

Mr. Paulmier and Mr. Sauvaire, both Non-Executive Directors holding Listed Shares (together representing less than 0.01% of Altice Europe's issued share capital), have undertaken to tender all their Listed Shares under the Offer, under the same terms and conditions as the other Shareholders, subject to (i) the Merger Agreement not having been terminated in accordance with its terms and (ii) no permitted Adverse Recommendation Change having occurred. Both Mr. Paulmier and Mr. Sauvaire will vote their Listed Shares, or cause such Listed Shares to be voted, in favour of the Resolutions, subject to the same conditions.

If and when the Offer is declared unconditional, it is expected that Mr. Paulmier will receive a cash amount of EUR 32,880 and Mr. Sauvaire a cash amount of EUR 232,436.94 in consideration for the tender under the Offer of their respective Tendered Shares (held as of the date of this Position Statement by each of them). Mr. Paulmier and Mr. Sauvaire did not receive any information from the Offeror or Altice Europe relevant for a Shareholder in connection with the Offer that is not included in the Offer Memorandum and will tender their Listed Shares under the Offer under the same terms and conditions as the other Shareholders.

11.2 Transactions in the year prior to the date of this Position Statement

On 27 November 2019, Altice Europe cancelled 200,000,000 Shares A held in treasury. On 5 October 2020, Altice Europe issued 551,548 Shares A following the conversion by Mr. Weill of 551,548 Prefs B into Shares A. On 24 November 2020, Altice Europe and Mr. Weill have agreed that Mr. Weill will convert the remaining part of the 2016 FPPS Tranche 1 Prefs B (i.e. 551,548 Prefs B) into 551,548 Shares A before 12 January 2021.

The following table sets out transactions by the Board Members in securities and stock options of Altice Europe in the last twelve (12) months prior to the date of this Position Statement:

Board Member	Number and type of financial instrument	Type of transaction	Date	Volume weighted average price (EUR)
A. Weill	551,548 Prefs B / 551,548 Shares A	Agreement to convert Prefs B in Shares A	24 November 2020	-
A. Weill	551,548 Prefs B / 551,548 Shares A	Conversion of Prefs B in Shares A	5 October 2020	-
N. Marty	325,000 stock options for Shares A	Stock option grant	26 June 2020	-
T. Sauvaire	5,500 Shares A	Acquisition	3 April 2020	3.28
N. Marty	500,000 stock options for Shares A	Stock option grant	15 January 2020	-
A. Weill	463,916 Prefs B	Vesting of Prefs B	31 December 2019	-

11.3 Incentive Plans

Reference is made to Section 7.11 (*Incentive plans*) of the Offer Memorandum, which includes the relevant information on Altice Europe's incentive plans and the treatment thereof under the Offer.

12. RECOMMENDATION

The Board has met frequently throughout the process to discuss the Transaction and its developments.

In accordance with its fiduciary duties, the Board has carefully and extensively assessed the Transaction with the assistance of its legal and financial advisors. In addition, Altice Europe and the Non-Executive Directors have received the Fairness Opinions described in section 4.3 (*Fairness Opinions*).

After having reviewed the terms and conditions of the Offer and the Merger Agreement, including the Non-Financial Covenants, and having taken the interests of all Altice Europe's stakeholders into account, the Board unanimously determined that the Transaction promotes the sustainable success of Altice Europe's business and is in the interest of Altice Europe and its stakeholders, including its employees, customers, debt providers, suppliers and Shareholders.

With reference to the above, the Board unanimously (i) supports the Transaction, (ii) recommends to the Shareholders to accept the Offer and to tender their Shares pursuant to the Offer and (iii) recommends to Altice Europe's shareholders to vote in favour of the Resolutions at the EGM (the "**Recommendation**").

13. AGENDA OF THE EGM

In accordance with applicable Law, Altice Europe has convened an extraordinary general meeting to discuss the Offer with its shareholders and, subject to the terms of the Merger Agreement, recommend the Offer to the Shareholders for acceptance and recommend Altice Europe's shareholders to vote in favour of the Resolutions at the EGM.

The EGM shall be held at 11:00 hours CET on 7 January 2021. Separate convocation materials will be made available on Altice Europe's website (www.altice.net). The full agenda of the EGM and the explanatory notes thereto are included in Schedule 3 (*Agenda of the EGM and explanatory notes*).

SCHEDULE 1

FULL TEXT OF THE LAZARD FAIRNESS OPINION

LAZARD

ALTICE EUROPE N.V.
Oostdam 1
3441 EM Woerden
The Netherlands
Attn: The Board of Directors

10 September 2020

Dear Members of the Board:

We understand that ALTICE EUROPE N.V. (the “Company”) and NEXT PRIVATE B.V. (the “Offeror”), a wholly-owned subsidiary of NEXT ALT S.à r.l., intend to enter into a merger agreement (including the schedules thereto), a draft of which dated September 10, 2020 was provided to us (the “Merger Agreement”), setting forth the terms and conditions pursuant to which the Offeror expects to launch a public offer (the “Offer”) for all of the issued and outstanding common shares A of the Company, each having a nominal value of Euro 0.01 (the “Shares A”), and all of the issued and outstanding common shares B of the Company, each having a nominal value of Euro 0.25 (the “Shares B” and, together with the Shares A, collectively the “Shares” and individually a “Share”) for an amount in cash equal to Euro 4.11 per Share (the “Offer Price”), which price is cum dividend.

The Merger Agreement further provides that subject to the adoption of the Back-End Resolution (as defined in the Merger Agreement) and the Offer being declared unconditional, the Offeror may, after consultation with the Company, subject to the terms and conditions of the Merger Agreement, decide to pursue either the Post-Offer Merger or the Post-Offer Asset Sale (in each case, as defined in the Merger Agreement) after the expiry of the Post-Acceptance Period (as defined in the Merger Agreement), pursuant to which, (i) if the Post-Offer Merger is implemented, (a) the Company will incorporate Company Holdco (as defined in the Merger Agreement) with the Company as sole shareholder of Company Holdco, which in turn will incorporate Company Sub (as defined in the Merger Agreement) with Company Holdco as sole shareholder of Company Sub, (b) the Company will be merged with and into Company Sub as part of the Triangular Merger (as defined in the Merger Agreement), (c) each of the holders of the Shares in the Company immediately prior to completion of the Triangular Merger will immediately after completion of the Triangular Merger hold a number and class of shares in the capital of Company Holdco equal to the number and class of Shares held by such holder of Shares immediately prior to completion of the Triangular Merger, (d) the Offeror and Company Holdco will enter into the Share Purchase Agreement (as defined in the Merger Agreement) and the Share Transfer Deed (as defined in the

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Merger Agreement) pursuant to which all of the issued shares in the capital of Company Sub will be sold and transferred to the Offeror, and Company Holdco will be paid the Share Sale Price (as defined in the Merger Agreement), and (e) Company Holdco will be dissolved and liquidated and an advance liquidation distribution will be paid per share to the shareholders of Company Holdco (other than the Offeror or any of its affiliates) in an amount that is to the fullest extent possible equal to the Offer Price; (ii) if the Post-Offer Asset Sale is implemented, (a) the Offeror and the Company will enter into the Asset Sale Agreement (as defined in the Merger Agreement) pursuant to which, subject to the terms and conditions set forth therein, the Company will transfer the entirety of the Company's assets and operations (including the Company Group's entire business) to the Offeror, and the Company will be paid the Sale Price (as defined in the Merger Agreement), and (b) the Company will be dissolved and liquidated and an advance liquidation distribution will be paid per Share to the holders of Shares (other than the Offeror or any of its affiliates) in an amount that is to the fullest extent possible equal to the Offer Price.

While certain provisions of the transactions are summarized herein, the terms and conditions of the Offer, the Post-Offer Merger and the Post-Offer Asset Sale (together, the "Transactions") are more fully set forth in the Merger Agreement. As a result, the description of the Transactions and certain other information contained herein is qualified in its entirety by reference to the more detailed information appearing or incorporated by reference in the Merger Agreement.

You have requested the opinion of Lazard Frères SAS ("Lazard") as of the date hereof as to the fairness, from a financial point of view, (i) of the Offer Price to the holders of the Shares of the Company (other than the Offeror, the Company or any of their respective affiliates) in connection with the Offer, (ii) of the Share Sale Price to Company Holdco in connection with the Share Sale (as defined in the Merger Agreement), and (iii) of the Sale Price to the Company in connection with the Asset Sale (as defined in the Merger Agreement). In connection with this opinion, we have:

- (i) reviewed the financial terms and conditions of the Transactions as set forth in the Merger Agreement;
- (ii) reviewed certain historical business and financial information relating to the Company;
- (iii) reviewed the financial forecasts compiled by the Company relating to the business of the Company based on a consensus of analyst research reports on the Company, as adjusted by senior management of the Company, and prepared extrapolations of the foregoing forecasts for the years 2023-2025, as approved for our use by senior management of the Company (together, the "Forecasts");
- (iv) held discussions with members of the senior management of the Company with respect to the business and prospects of the Company;
- (v) reviewed public information with respect to certain other companies in lines of business we believe to be generally relevant in evaluating the business of the Company;
- (vi) reviewed the financial terms of certain transactions involving companies in lines of businesses we believe to be generally relevant in evaluating the business of the Company;

- (vii) reviewed the historical stock prices and trading volumes of the Shares; and
- (viii) conducted such other financial studies, analyses and investigations as we deemed appropriate.

In preparing this opinion, we have assumed and relied upon, without independent verification, the accuracy and completeness of all of the foregoing information, including, without limitation, all the financial and other information and reports provided or discussed with us and all representations made to us. We have further assumed that upon completion of the Triangular Merger and immediately prior to completion of the Share Sale, Company Sub will have no assets and liabilities other than the assets and liabilities of the Company immediately prior to the Triangular Merger. We have not undertaken any independent investigation or appraisal of such information, reports or representations. We have not provided, obtained or reviewed on your behalf any specialist advice, including but not limited to, legal, accounting, actuarial, environmental, information technology or tax advice, and accordingly our opinion does not take into account the possible implications of any such specialist advice.

We have assumed that the valuation of assets and liabilities made by the management of the Company are fair and reasonable. We have not independently investigated, valued or appraised any of the assets or liabilities (contingent or otherwise) of the Company or the solvency or fair value of the Company, and we have not been furnished with any such valuation or appraisal. Senior management of the Company has advised us that the Forecasts are a reasonable basis to evaluate the future results of operations and financial condition and performance of the Company, and at the Company's instruction, we have used the Forecasts for purposes of our financial analyses with respect to the Company. We assume no responsibility or liability for and express no view as to any such forecasts, projections or the assumptions on which they are based, including with respect to the potential effects of the Covid-19 pandemic on such forecasts, projections or assumptions.

In preparing our opinion, we have assumed that the Transactions will be consummated on the terms and subject to the conditions described in the Merger Agreement without any waiver or modification of any of its material terms or conditions. We have also assumed that all governmental, regulatory or other approvals and consents required in connection with the consummation of the Transactions will be obtained without any reduction in the benefits of the Offer to the holders of the Shares (other than the Offeror, the Company or any of their respective affiliates) or the holders of shares in Company Holdco (other than the Offeror or any of its affiliates), without any reduction in the benefits of the Post-Offer Asset Sale to the Company and without any adverse effect on the holders of the Shares (other than the Offeror, the Company or any of their respective affiliates), the holders of shares in Company Holdco (other than the Offeror or any of its affiliates), the Company, Company Sub or the Transactions.

Further, our opinion is necessarily based on the financial, economic, monetary, market and other conditions as in effect on, and the information made available to us as of, the date hereof. Events or circumstances occurring after the date hereof (including changes in laws and regulations) may affect this opinion and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this opinion. We further note that the current volatility and disruption in the credit and financial markets relating to, among others, the Covid-19 pandemic, may or may not have an effect on the Company and its affiliates and we are not expressing an opinion as to the effects of such volatility or such disruption on the Company and its affiliates.

We are acting as financial advisor to the Company in connection with the Transactions and will receive a fee for our services which is payable upon completion of the Transactions. Lazard or other companies of the Lazard Group have in the past provided and in the future may provide, financial advisory services to the Offeror, the Company and/or certain of their respective affiliates and have received or in the future may receive customary compensation for the rendering of these services. In addition, certain companies of the Lazard Group may trade in the shares and other securities of the Company for their own account and for the accounts of their customers, and accordingly, may at any time hold a long or short position in such securities, and may also trade and hold securities on behalf of the Company, the Offeror and/or certain of their respective affiliates. We do not express any opinion as to the price at which the Shares may trade at any time.

This opinion is being provided solely for the benefit of the Board of Directors of the Company (in its capacity as such) in connection with, and for the purposes of, its consideration, in its sole independence of judgment, of the Transactions and is not on behalf or for the benefit of, and shall not confer rights or remedies upon any shareholder of the Company, the Offeror or any other person. This opinion may not be used or relied upon by any person other than the Board of Directors of the Company for any purpose. This opinion addresses only the fairness, as of the date hereof, from a financial point of view, (i) of the Offer Price to the holders of the Shares of the Company (other than the Offeror, the Company or any of their respective affiliates) in connection with the Offer, (ii) of the Share Sale Price to Company Holdco in connection with the Share Sale, and (iii) of the Sale Price to the Company in connection with the Asset Sale, and does not address any other aspect or implication of the Transactions, including without limitation, any legal, tax, regulatory or accounting matters or the form or structure of the Transactions or any agreements or arrangements entered into in connection with, or contemplated by, the Transactions, including without limitation, the terms of the Merger Agreement, the form or structure of the Transactions including that of the Share Sale Price or Sale Price or the distribution to be made in connection with the Holdco Dissolution (as defined in the Merger Agreement) or the Company Dissolution (as defined in the Merger Agreement). In connection with our engagement, we were not authorized to, and we did not, solicit indications of interest from third parties regarding a potential transaction with the Company. In addition, our opinion does not address the relative merits of the Transactions as compared to any alternative transaction or strategy that might be available to the Company or the merits of the underlying decision by the Company to engage in the Transactions. This opinion is not intended to and does not constitute a recommendation to any person as to whether such person should tender Shares pursuant to the Offer or as to how any shareholder of the Company should vote or act with respect to the Transactions or any matter relating thereto.

This opinion is confidential and may not be disclosed, referred to or communicated by you (in whole or in part) to any third party for any purpose whatsoever without our prior written authorization.

This opinion is issued in the English language, and if any translations of this opinion may be delivered, they are provided only for ease of reference, have no legal effect and we make no representation as to (and accept no liability in respect of) the accuracy of any such translation. This opinion shall be governed and construed in accordance with the laws of France.

Based on and subject to the foregoing, we are of the opinion, as of the date hereof, that (i) the Offer Price is fair, from a financial point of view, to the holders of the Shares (other than the Offeror, the Company or any of their respective affiliates) in connection with the Offer, and (ii) the Share Sale Price is fair, from a financial point of view, to Company Holdco, in connection with the Share Sale, and (iii) the Sale Price is fair, from a financial point of view, to the Company in connection with the Asset Sale.

Very truly yours,

A handwritten signature in black ink, appearing to read 'G. Lazard', written in a cursive style.

Lazard Frères SAS

SCHEDULE 2

FULL TEXT OF THE LIONTREE FAIRNESS OPINION

CONFIDENTIAL

September 10, 2020

The Non-Executive Directors of the Board of Directors
Altice Europe N.V.
Oostdam 1
3441 EM Woerden
The Netherlands

Dear Members of the Board:

We understand that Altice Europe N.V. (the “**Company**”) proposes to enter into a Merger Agreement, to be dated on or about September 10, 2020 (the “**Agreement**”) among the Company, Next Private B.V. (“**Acquiror**”), and Next Alt S.à r.l., pursuant to which the Acquiror will make a public offer (the “**Tender Offer**”) to purchase each issued and outstanding (i) common share A, with a par value of €0.01 per share (each a “**Share A**”) and (ii) common share B, with a par value of €0.25 per share (each a “**Share B**” and, together with the Shares A, the “**Company Stock**”) for €4.11 (including any dividends declared or made between the date of the Agreement and Settlement) per share, net of any applicable withholding taxes (the “**Offer Price**,” and the aggregate amount of such cash to be paid pursuant to the Tender Offer, the “**Tender Offer Consideration**”), and (A) if the Post-Offer Merger (as defined in the Agreement) is implemented, the making of an advance liquidation distribution to the former holders of Company Stock in an amount per share of Company Stock that we have assumed, with your consent, will equal the Offer Price (the aggregate amount of such advance liquidation distribution to such former holders, the “**Merger Liquidation Distribution**”), or (B) if the Post-Offer Asset Sale (as defined in the Agreement) is implemented, the making of an advance liquidation distribution to the holders of Company Stock in an amount per share of Company Stock that we have assumed, with your consent, will equal the Offer Price (the aggregate amount of such advance liquidation distribution to such holders, the “**Asset Liquidation Distribution**” and, collectively with the Tender Offer Consideration and the Merger Liquidation Distribution, the “**Consideration**”).

The transactions contemplated by the Agreement (collectively, the “**Transaction**”) and the terms and conditions thereof are more fully set forth in the Agreement. Capitalized terms used but not defined in this letter have the meanings ascribed thereto in the Agreement.

You have requested our opinion as to the fairness, from a financial point of view, to the public holders of Company Stock (other than the Acquiror and its affiliates (collectively, the “**Excluded Parties**”)) of (a) the Tender Offer Consideration to be paid in the Tender Offer pursuant to the Agreement, (b) the Merger Liquidation Distribution to be paid in connection with a Post-Offer Merger pursuant to the Agreement and the Share Purchase Agreement, and (c) the Asset Liquidation Distribution to be paid in connection with a Post-Offer Asset Sale pursuant to the Agreement and Asset Sale Agreement, in each case, to be paid to such stockholders, taken in

the aggregate (without giving effect to any impact of the Transaction on any particular stockholder of the Company other than in its capacity as a holder of Company Stock).

In arriving at our opinion, we have, among other things:

- (i) reviewed a draft, dated September 10, 2020, of the Agreement;
- (ii) reviewed a draft, dated September 9, 2020, of the Asset Sale Agreement;
- (iii) reviewed a draft, dated September 4, 2020, of the Share Sale Agreement;
- (iv) reviewed certain publicly available business and financial information relating to the Company;
- (v) reviewed certain historical financial information and other data relating to the Company that were provided to us by the management of the Company and approved for our use by the Company;
- (vi) reviewed certain financial forecasts, estimates, and other data relating to the business and financial prospects of the Company that were provided to us by the management of the Company, approved for our use by the Company, and not publicly available;
- (vii) reviewed certain publicly available research analyst estimates and other data relating to the business and financial prospects of the Company for the fiscal years ending December 31, 2020, through December 31, 2022, approved for our use by the Company (the “**Analyst Estimates**”);
- (viii) conducted discussions with members of the senior management of the Company concerning the business, operations, historical financial results, and financial prospects of the Company and the Transaction;
- (ix) reviewed current and historical market prices of the Company Stock;
- (x) reviewed and compared data regarding the premiums paid in certain other transactions;
- (xi) reviewed certain financial and stock market data of the Company and compared that data with similar publicly available data for certain other companies; and
- (xii) conducted such other financial studies, analyses and investigations, and considered such other information, as we deemed necessary or appropriate.

In connection with our review, with your consent, we have assumed and relied upon, without independent verification, the accuracy and completeness of the information provided to, discussed with, or reviewed by us for the purpose of this opinion. In addition, with your consent, we have not made any independent evaluation or appraisal of any of the assets or liabilities

(contingent or otherwise) of the Company, or any of its subsidiaries, nor have we been furnished with any such evaluation or appraisal. With respect to the financial forecasts and estimates referred to above, we have assumed, with your consent and based on advice of management of the Company, that they have been reasonably prepared in good faith on a basis reflecting the best currently available estimates and judgments of the management of the Company as to the future financial performance of the Company and will be achieved at the times and in the amounts projected. With respect to the Analyst Estimates referred to above, we have assumed, with your consent, that they (as adjusted by Company management) are a reasonable basis upon which to evaluate the future performance of the Company. Based on our discussions with you and at your direction, we have used the financial forecasts referred to above and the Analyst Estimates for purposes of our analyses and this opinion. We express no opinion with respect to such forecasts or estimates. We have also assumed that the Transaction will have the tax consequences described in discussions with, and materials furnished to us by, representatives of the Company and the Acquiror. This opinion does not address any legal, regulatory, taxation, or accounting matters, as to which we understand that you have obtained such advice as you deemed necessary from qualified professionals, and we have assumed the accuracy and veracity of all assessments made by such advisors to the Company with respect to such matters. Our opinion is necessarily based on economic, monetary, market, and other conditions as in effect on, and the information available to us as of, the date hereof and our opinion speaks only as of the date hereof. At your direction, for the purposes of our analysis and this opinion, we have assumed with respect to the Post-Offer Merger or Post-Offer Asset Sale, as applicable, (a) such transaction will be consummated on the same terms set forth in the Agreement reasonably promptly following the consummation of the Tender Offer, without the waiver or modification of any term or condition the effect of which would be in any way meaningful to our analysis, and (b) the advance liquidation distribution to the holders of Company Stock (or former holders of Company Stock, in the case of a Post-Offer Merger) will be in an amount per share of Company Stock equal to the Offer Price.

Our opinion does not address the Company's underlying business decision to engage in the Transaction or any related transaction, the relative merits of the Transaction or any related transaction as compared to other business strategies or transactions that might be available to the Company, or whether the consideration to be received by the stockholders of the Company pursuant to the Agreement represents the best price obtainable. In connection with our engagement, we were not requested to, and did not, solicit interest from other parties with respect to an acquisition of, or other business combination with, the Company or any other alternative transaction. We also express no view as to, and our opinion does not address, the solvency of the Company or any other entity under any state, federal, or other laws relating to bankruptcy, insolvency, or similar matters. This opinion addresses only the fairness from a financial point of view, as of the date hereof, to the holders of Company Stock (other than the Excluded Parties) of the Consideration to be received by such holders pursuant to the Agreement. We have not been asked to, nor do we, offer any opinion as to the terms, other than the Consideration to the extent expressly specified herein, of the Agreement or any related documents or the form of the Transaction or any related transaction (including any agreement or transaction between any Excluded Party and the Company), including the fairness of the Transaction to, or any consideration received in connection therewith by, the holders of any class of securities,

creditors, or other constituencies of the Company, the Acquiror, or any of their respective affiliates. We have not been asked to, nor do we, offer any opinion with respect to any allocation of the Consideration (or any portion thereof), including the allocation of the Consideration among the holders of Shares A and Shares B, or the fair market value of the Company or the Company Stock. In addition, we express no opinion as to the fairness of the amount or nature of any compensation to be received by any officers, directors, or employees of any parties to the Transaction, any Excluded Parties, or any class of such persons, whether relative to the Consideration or otherwise. This letter should not be construed as creating any fiduciary duty on the part of LionTree Advisors LLC (or any of its affiliates) to any party. We express no opinion as to the price at which the Company Stock will trade at any time. We have not been requested to opine as to, and our opinion does not in any manner address, the likelihood of the consummation of the Transaction. In rendering this opinion, we have assumed, with your consent, that except as would not be in any way meaningful to our analysis: (i) the final executed form of the Agreement, and the related Transaction documents, will not differ from the draft that we have reviewed, (ii) the representations and warranties of the parties to the Agreement, and the related Transaction documents, are true and correct, (iii) the parties to the Agreement, and the related Transaction documents, will comply with and perform all covenants and agreements required to be complied with or performed by such parties under the Agreement and the related Transaction documents, and (iv) the Transaction will be consummated in accordance with the terms of the Agreement and related Transaction documents, without any waiver or amendment of any term or condition thereof. We have also assumed, with your consent, that all governmental, regulatory, or other third-party consents and approvals necessary for the consummation of the Transaction or otherwise contemplated by the Agreement will be obtained without any adverse effect on the Company or on the expected benefits of the Transaction in any way meaningful to our analysis.

This opinion is provided solely for the benefit of the Non-Executive Directors of the Board of Directors of the Company (in their capacity as such) in connection with, and for the sole purpose of, its evaluation of the Transaction, and does not constitute a recommendation to any stockholder as to whether or not any holder of Company Stock should tender such Company Stock in connection with the Tender Offer or how such stockholder should vote or act with respect to the Transaction or any other matter. Except for the Non-Executive Directors of the Board of Directors of the Company (in their capacity as such), this opinion is not intended to be relied upon by, and may not be relied upon, by any person (including security holders, affiliates, employees, or creditors of the Company), and we do not accept any responsibility or liability for the contents of this opinion to any such persons.

This opinion and our contractual and non-contractual obligations to you hereunder shall be governed by and construed in accordance with the laws of England and Wales.

We have acted as financial advisor to the Non-Executive Directors of the Board of Directors of the Company in connection with the Transaction. We will receive a fee for our services, a portion of which is payable in connection with this opinion and the principal portion of which is contingent upon the successful completion of the Transaction, and the Company has agreed to reimburse certain of our expenses arising, and indemnify us against certain liabilities that may arise, out of our engagement. As a result of the acquisition of equity interests in

The Non-Executive Directors of the Board of Directors
Altice Europe N.V.
September 10, 2020
Page 5

Suddenlink Communications by Altice SA, we and certain of our partners held an indirect interest in a vehicle that owned equity securities of Altice USA, Inc., an affiliate of the Acquiror. Such equity securities of Altice USA, Inc. were fully disposed of during 2020. We and our affiliates may seek in the future to provide investment banking and capital markets services to the Company, the Acquiror, and their respective affiliates and their related entities or entities in which they have a significant direct or indirect interest, and expect to receive fees for the rendering of these services. In the ordinary course of business, certain of our employees and affiliates may hold or trade, for their own accounts and the accounts of their investors, securities of the Company and affiliates of the Acquiror and, accordingly, may at any time hold a long or short position in such securities. The issuance of this opinion was approved by an authorized committee of LionTree Advisors UK LLP.

Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, (a) the Tender Offer Consideration to be paid in the Tender Offer pursuant to the Agreement, (b) the Merger Liquidation Distribution to be paid pursuant to the Agreement and the Share Purchase Agreement, and (c) the Asset Liquidation Distribution to be paid pursuant to the Agreement and the Asset Purchase Agreement, in each case, to be paid to the holders of the Company Stock (other than the Excluded Parties), taken in the aggregate, is fair, from a financial point of view, to such stockholders.

Very truly yours,

LionTree Advisors UK LLP

LIONTREE ADVISORS UK LLP

SCHEDULE 3

AGENDA OF THE EGM AND EXPLANATORY NOTES

ALTICE EUROPE N.V.
with corporate seat in Amsterdam
Oostdam 1
3441 EM Woerden
The Netherlands
Trade Register Number 63329743
(the "**Company**")

EXTRAORDINARY GENERAL MEETING

to be held on 7 January 2021 at 11:00 hours (Amsterdam time) at the Conservatorium Hotel, Van Baerlestraat 27, 1071 AN Amsterdam, The Netherlands¹

AGENDA

1. Opening
2. Recommended public offer
 - (a) Explanation of the recommended public offer by Next Private B.V. for all issued and outstanding common shares A and common shares B in the Company's share capital (*discussion item*)
 - (b) Proposal to adopt the Back-End Resolution (Merger) (*voting item*)
 - (c) Proposal to adopt the Back-End Resolution (Asset Sale) (*voting item*)
 - (d) Proposal to conditionally amend the Company's articles of association (*voting item*)
3. Treatment of share-based incentives
 - (a) Discussion of the treatment of stock options in connection with the recommended public offer (*discussion item*)
 - (b) Proposal to settle the stock options held by Ms. Natacha Marty in connection with the recommended public offer (*voting item*)
 - (c) Proposal to amend the terms and conditions of the 2016 FPPS and 2018 FPPS, in connection with the recommended public offer, held by Mr. Alain Weill (*voting item*)
4. Any other business
5. Closing

¹ In connection with the COVID-19 pandemic, the Company's board of directors may decide to hold the Company's extraordinary general meeting ("**EGM**") virtually, in line with and as further specified in the notice convening the EGM.

ALTICE EUROPE N.V.
with corporate seat in Amsterdam
Oostdam 1
3441 EM Woerden
The Netherlands
Trade Register Number 63329743
(the "**Company**")

EXTRAORDINARY GENERAL MEETING

**to be held on 7 January 2021 at 11:00 hours (Amsterdam time) at the Conservatorium Hotel,
Van Baerlestraat 27, 1071 AN Amsterdam, The Netherlands¹**

EXPLANATORY NOTES TO THE AGENDA

Undefined terms in these explanatory notes to the agenda (excluding the annexes) shall have the meaning ascribed to them in the Offer Memorandum (as defined below).

2. Recommended public offer

- (a) **Explanation of the recommended public offer by Next Private B.V. for all issued and outstanding common shares A and common shares B in the Company's share capital (discussion item)**

On 24 November 2020, an offer memorandum (the "**Offer Memorandum**") was made publicly available containing the details of the public offer by Next Private B.V. (the "**Offeror**") to all holders of issued and outstanding Shares A and Shares B (as they may form part of the Company's issued and outstanding share capital from time to time, the "**Listed Shares**" and each a "**Listed Share**") to purchase for cash their Listed Shares on the terms and subject to the conditions and restrictions set out in the Offer Memorandum (the "**Offer**").

The Offer Memorandum has been approved by the Netherlands Authority for the Financial Market (*Stichting Autoriteit Financiële Markten*). The offer period under the Offer begins on 25 November 2020 at 09:00 hours CET and, unless extended, ends on 21 January 2021 at 17:40 hours CET (such period, as it may be extended from time to time, the "**Offer Period**").

In addition to the key terms such as the Offer Price, the Offer Period, the acceptance procedure and the settlement of the Offer by transfer of the Shares against delivery of the Offer Price by the Offeror, the Offer Memorandum contains an explanation of the conditions to declaring the

¹ In connection with the COVID-19 pandemic, the Company's board of directors may decide to hold the extraordinary general meeting ("**EGM**") virtually, in line with and as further specified in the notice convening the EGM.

Offer unconditional and other relevant information regarding the Offer, its consequences and the parties involved in the Offer.

The Company published a position statement relating to the Offer on 24 November 2020 (the "**Position Statement**"). The board of the Company (the "**Full Board**") excluding the Conflicted Executive Directors (the "**Board**") has extensively considered the Offer and the Offer Price. Reference is made to the Position Statement, in which the decision-making process and the recommendation of the Board are included, and the financial and non-financial merits of the Offer are explained. As detailed in the Position Statement, the Board unanimously (i) supports the Transaction, (ii) recommends to the Shareholders to accept the Offer and to tender their Shares pursuant to the Offer and (iii) recommends to the Company's shareholders to vote in favour of the Resolutions at the EGM.

During the EGM, the Offer will be discussed in accordance with article 18(1) of the Dutch Decree on public offers Wft (*Besluit openbare biedingen Wft*). In connection therewith, the Board will give a presentation on the Offer, the Post-Offer Restructurings (as further explained under agenda items 2(b) and 2(c)), and the Delisting (as further explained under agenda item 2(d)).

The Offer Memorandum and the Position Statement are available on, and can be obtained free of charge from, the website of the Company (www.altice.net) and at the Company's offices (Oostdam 1, 3441 EM Woerden, the Netherlands).

(b) **Proposal to adopt the Back-End Resolution (Merger) (voting item)**

Following completion of the Offer, the Offeror or any of its group companies within the meaning of article 2:24b DCC may, if so desired by the Offeror, obtain 100% of the Listed Shares or the entirety of the Company's assets and operations (including the Group's entire business) through (i) a Compulsory Acquisition Procedure, being either (a) a statutory squeeze-out procedure (*uitkoopprocedure*) in accordance with article 2:92a or 2:201a DCC or (b) a takeover buy-out procedure (*uitkoopprocedure*) in accordance with article 2:359c DCC, (ii) a Post-Offer Restructuring, being either (a) a Post-Offer Merger or (b) a Post-Offer Asset Sale, and/or (iii) one or more Post-Settlement Restructurings.

Post-Offer Merger

Prior to the date of the Offer Memorandum, the Company has incorporated Altice Europe Holdco B.V. ("**Company Holdco**") as a wholly-owned subsidiary of the Company and Company Holdco has incorporated New Altice Europe B.V. ("**Company Sub**") as a wholly-owned subsidiary of Company Holdco. Also, the Full Board and the management boards of Company Sub and Company Holdco have prepared and have unanimously adopted and signed a merger proposal (the "**Merger Proposal**") for a legal triangular merger (*juridische driehoeksfusie*) of the Company (as disappearing company) with and into Company Sub (as acquiring company), with Company Holdco allotting shares to the Company's shareholders in accordance with articles 2:309 et seq. and 2:333a DCC (the "**Triangular Merger**") and in which Company Holdco cancels its share that formed its issued share capital immediately prior to

the completion of the Triangular Merger. Furthermore, the Full Board and the management boards of Company Holdco and Company Sub have prepared and have unanimously adopted and signed the explanatory notes to the Merger Proposal.

The Offeror and the Company have agreed that, subject to the adoption of the Back-End Resolution (Merger) and the Offer being declared unconditional, the Offeror may, after consultation with the Company, decide to pursue the Post-Offer Merger after the expiry of the Post-Acceptance Period (if any), in which case the Company shall (subject to Section 6.7.3 of the Offer Memorandum):

- (i) effect, and procure that Company Holdco and Company Sub shall effect, the Triangular Merger in accordance with the provisions set forth in the Merger Proposal and the explanatory notes pursuant to the execution of a notarial deed of merger as soon as possible after the Offeror's decision to pursue the Post-Offer Merger;
- (ii) procure that Company Holdco enters into a share purchase agreement with the Offeror (the "**Share Purchase Agreement**"), pursuant to which all issued shares in the capital of Company Sub will be sold and, by means of the execution of a notarial deed of transfer (the "**Share Transfer Deed**"), be transferred to the Offeror (or its nominee nominated in accordance with the Share Purchase Agreement) immediately after the Triangular Merger becoming effective (the "**Share Sale**");
- (iii) adopt prior to the Settlement Date, in its capacity as sole shareholder of Company Holdco, a resolution to, subject to and immediately following completion of the Share Sale, (a) dissolve Company Holdco in accordance with article 2:19 DCC, (b) appoint Stichting Liquidator Altice Europe as the liquidator of Company Holdco (the "**Liquidator**"), (c) approve reimbursement of the Liquidator's reasonable salary and costs and (d) appoint Company Sub as the custodian of the books and records of Company Holdco in accordance with article 2:24 DCC; and
- (iv) following the execution of the Share Transfer Deed, cause the effectuation of the dissolution and liquidation of Company Holdco (the "**Holdco Dissolution**" and, together with the Triangular Merger and the Share Sale, the "**Post-Offer Merger**") and the making of an advance liquidation distribution in accordance with the articles of association of Company Holdco per ordinary share in the capital of Company Holdco that is intended to take place on or about the date the Share Sale is completed and in an amount that is to the fullest extent possible equal to the Offer Price, without any interest and less any applicable withholding taxes and other taxes (the "**Share Sale Price**").

For further details of the Post-Offer Merger and the Dutch dividend withholding tax treatment of the Share Sale Price, reference is made to sections 6.11.5.2 and 9.3.2 of the Offer Memorandum and section 7.4 of the Position Statement.

The Merger Proposal, including its schedules, and the other documents required to be filed in connection with the Triangular Merger on the basis of the DCC, are available at the Company's offices and on the Company's website (www.altice.net).

It is proposed to the Company's general meeting (the "**General Meeting**") to adopt the following resolution: subject to Settlement having occurred and the Offeror having notified the Company it wishes to pursue the Post-Offer Merger, to enter into the Triangular Merger (the "**Back-end Resolution (Merger)**").

All voting items, including this agenda item 2(b), shall be validly adopted if adopted by an absolute majority of the votes cast and with at least 50% of the issued and outstanding capital being present or represented at the EGM.

(c) **Proposal to adopt the Back-End Resolution (Asset Sale) (voting item)**

Post-Offer Asset Sale

The Offeror and the Company have agreed that, subject to adoption of the Back-End Resolution (Asset Sale) and the Offer being declared unconditional, the Offeror may decide (as an alternative to the Post-Offer Merger and after consultation with the Company) to pursue the Post-Offer Asset Sale after the expiry of the Post-Acceptance Period (if any), in which case the Company shall (subject to section 6.7.3 of the Offer Memorandum):

- (i) as soon as possible after the Offeror's decision to pursue the Post-Offer Asset Sale, enter into an asset sale agreement with the Offeror (the "**Asset Sale Agreement**"), and the Parties shall promptly implement the asset sale as contemplated by the Asset Sale Agreement (the "**Asset Sale**") and take (or cause to be taken) the steps to complete the actions and transactions set forth in the Asset Sale Agreement; and
- (ii) following the completion of the Asset Sale, effect the dissolution and liquidation of the Company (the "**Company Dissolution**" and, together with the Asset Sale, the "**Post-Offer Asset Sale**") and make an advance liquidation distribution in accordance with the Company's articles of association per Listed Share that is intended to take place on or about the date the Asset Sale is completed and in an amount that is to the fullest extent possible equal to the Offer Price, without any interest and less any applicable withholding taxes and other taxes (the "**Sale Price**").

For further details of the Post-Offer Asset Sale and the Dutch dividend withholding tax treatment of the Sale Price, reference is made to sections 6.11.5.3 and 9.3.3 of the Offer Memorandum and section 7.5 of the Position Statement.

It is proposed to the General Meeting to adopt the following resolution: subject to Settlement having occurred and the Offeror having notified the Company it wishes to pursue the Asset Sale, (A) in accordance with article 2:107a DCC, to approve the resolution of the Board to pursue the Asset Sale and, subject to completion of the Asset Sale, (B) to dissolve the Company in accordance with article 2:19 DCC, (C) to appoint the Liquidator as the liquidator

of the Company, (D) to approve reimbursement of the Liquidator's reasonable salary and costs and (E) to appoint Company Sub as the custodian of the Company's books and records following its dissolution in accordance with article 2:24 DCC (the "**Back-End Resolution (Asset Sale)**").

(d) **Proposal to conditionally amend the Company's articles of association (voting item)**

The Offeror and the Company have agreed that they shall, as soon as reasonably practicable after Settlement, seek to procure the delisting of the Listed Shares from Euronext Amsterdam (including the Listed Shares not tendered under the Offer) and the termination of the listing agreement between the Company and Euronext Amsterdam in relation to the listing of the Listed Shares (the "**Delisting**").

In connection with, *inter alia*, the Delisting, it is proposed to the General Meeting to amend the Company's articles of association in accordance with the draft deed of amendment of the articles of association drawn up by De Brauw Blackstone Westbroek N.V., which, if deemed desirable by the Offeror, shall be executed and become effective as soon as practicable following the Delisting.

The proposed amendments mainly relate to:

- (i) the deletion of the notification obligation in the Company's articles of association;
- (ii) the introduction of prior approval of the Full Board or the General Meeting for a transfer of shares in the capital of the Company;
- (iii) the removal of provisions that only apply to listed companies; and
- (iv) governance related provisions that are more suitable for the Company's new status as a non-listed company.

A full version of the proposed amendment of the articles of association of the Company and explanatory notes (triptych) is available at the offices of the Company and on the Company's website (www.altice.net).

This proposal includes: (i) the proposal to authorize each lawyer and paralegal employed by De Brauw Blackstone Westbroek N.V. to execute the deed of amendment of the articles of association and (ii) the proposal to approve the resolution of the Board to pursue the Delisting.

3. Treatment of share-based incentives

(a) Discussion of the treatment of stock options in connection with the recommended public offer (*discussion item*)

Incentive plans

The Company has granted rights to subscribe for Shares A to Executive Directors, and other (senior) managers and employees. These rights to subscribe for Shares A have been granted pursuant to the terms and conditions of:

- (i) a share option plan dated 9 August 2015, as most recently amended on 20 March 2017 ("**SOP**"), including an Israeli appendix²;
- (ii) a 2017 share option plan dated 2 November 2017, as amended on 18 May 2018 ("**2017 SOP**");
- (iii) a long term incentive plan dated 28 June 2016, as amended on 6 September 2016 ("**LTIP**"); and
- (iv) a performance stock option plan dated 28 June 2017 ("**Performance SOP**").

In addition, (i) rights to acquire Shares A have been granted by the Company under the brand license and services agreement ("**BLSA**"), (ii) Prefs B and rights to acquire Prefs B have been granted under the FPPS grant document dated 7 July 2016, as amended on 29 May 2018 and 5 October 2020 subject to a resolution of the General Meeting to that effect ("**2016 FPPS**") and (iii) rights to acquire Prefs B have been granted under the FPPS grant document dated 29 May 2018 ("**2018 FPPS**").

The main terms and conditions of these share-based incentive plans are described in sections 7.11.2 through 7.11.8 of the Offer Memorandum.

Treatment of incentive plans in connection with the Offer

SOP, 2017 SOP and LTIP

Mr. Patrick Drahi has renounced the stock options granted to him under the LTIP and Next Alt S.à r.l. has renounced the stock options granted to it under the SOP, in each case subject to and upon (i) initiation of a Compulsory Acquisition Procedure, (ii) execution of the notarial deed to effect the Triangular Merger or (iii) execution of the Asset Sale Agreement, as the case may be.

² In addition to these incentive plans, stock options have been granted to a specific service provider under terms and conditions that are mostly equal to the terms and conditions of the SOP with the provision that certain Board decisions do not require a recommendation of the Remuneration Committee.

The Board (excluding Ms. N. Marty with regard to the SOP and the 2017 SOP), based on a recommendation of the Remuneration Committee, has determined to settle the other stock options that have been granted under the SOP³, the 2017 SOP and the LTIP as follows, subject to either (i) initiation of a Compulsory Acquisition Procedure, (ii) execution of the notarial deed to effect the Triangular Merger or (iii) execution of the Asset Sale Agreement:

- (i) acceleration of unvested stock options: all unvested stock options will vest in full upon (i) initiation of a Compulsory Acquisition Procedure, (ii) execution of the notarial deed to effect the Triangular Merger or (iii) execution of the Asset Sale Agreement, as the case may be;
- (ii) settlement of the stock options in cash: all stock options will be settled and become a right to receive for each such stock option cash in an amount equal to the Offer Price minus the exercise price upon (i) initiation of a Compulsory Acquisition Procedure, (ii) execution of the notarial deed to effect the Triangular Merger or (iii) execution of the Asset Sale Agreement, as the case may be, with payment by the Group to the relevant participants to occur on the first payroll date thereafter;
- (iii) forfeiture of stock options that are out of the money: all stock options with an exercise price in excess of the Offer Price will forfeit upon (i) initiation of a Compulsory Acquisition Procedure, (ii) execution of the notarial deed to effect the Triangular Merger or (iii) execution of the Asset Sale Agreement, as the case may be.

Performance SOP

The Board, based on a recommendation of the Remuneration Committee, has determined that all stock options that have been granted under the Performance SOP will forfeit subject to and upon (i) initiation of a Compulsory Acquisition Procedure, (ii) execution of the notarial deed to effect the Triangular Merger or (iii) execution of the Asset Sale Agreement, as the case may be, since all such stock options have an exercise price in excess of the Offer Price.

BLSA

Next Luxembourg S.C.Sp has renounced the stock options held by it under the terms and conditions of the BLSA, subject to and upon (i) initiation of a Compulsory Acquisition Procedure, (ii) execution of the notarial deed to effect the Triangular Merger or (iii) execution of the Asset Sale Agreement, as the case may be.

- (b) **Proposal to settle the stock options held by Ms. Natacha Marty in connection with the recommended public offer (voting item)**

Ms. Natacha Marty holds the following stock options:

³ Including the options that have been granted to the specific service provider under terms and conditions that are in line with the SOP, as further specified in footnote 2.

- (i) 25,320 stock options that have been granted under the SOP, with an exercise price of EUR 4.14, and that have all vested;
- (ii) 35,950 stock options that have been granted under the SOP, with an exercise price of EUR 3.38, and that have all vested;
- (iii) 500,000 stock options that have been granted under the 2017 SOP, with an exercise price of EUR 2.00, of which 250,000 options have vested, 125,000 options will vest on 31 January 2021 and 125,000 options will vest on 31 January 2022; and
- (iv) 325,000 stock options that have been granted under the 2017 SOP, with an exercise price of EUR 4.00, which are all unvested.

It is proposed to the General Meeting, on the basis of a proposal of the Board (excluding Ms. Natacha Marty), based on a recommendation of the Remuneration Committee, to settle the stock options held by Ms. Natacha Marty in the manner as described in agenda item 3(a) under "Treatment of the incentive plans in connection with the Offer" to the extent such stock options have not been exercised prior to the time of such settlement.

(c) **Proposal to amend the terms and conditions of the 2016 FPPS and 2018 FPPS, in connection with the recommended public offer, held by Mr. Alain Weill (*voting item*)**

2016 FPPS

On 10 July 2018, the General Meeting adjusted the terms and conditions governing Mr. Alain Weill's existing right to acquire the 2016 FPPS, as follows:

- (i) 2016 FPPS Tranche 1 Prefs B: 1,103,096 Prefs B, each upon vesting convertible into one newly to be issued Share A as well as 0.4163 existing shares of class A common stock in Altice USA;
- (ii) 2016 FPPS Tranche 2 Prefs B: 752,568 Prefs B, each upon vesting convertible into a number of newly to be issued Shares A depending on the share price of the Shares A during the five trading days preceding the conversion request;
- (iii) a gross cash compensation of a maximum aggregate amount of USD 839,991.15, to be paid after the conversion of the 2016 FPPS Tranche 2 Prefs B into Shares A.

All 2016 FPPS Tranche 1 Prefs B and 2016 FPPS Tranche 2 Prefs B have vested.

In July 2020, the Company informed Mr. Alain Weill that, due to regulatory constraints, the Company may not be in a position to acquire sufficient shares of class A common stock in Altice USA to meet the conversion ratio for the 2016 FPPS Tranche 1 Prefs B and discussed a possible limited amendment to the terms and conditions of the 2016 FPPS grant document with respect to the delivery of shares of class A common stock in Altice USA.

In connection therewith, it is proposed to the General Meeting, on the basis of a proposal of the Board, based on a recommendation of the Remuneration Committee, to amend the terms and conditions of the 2016 FPPS grant document such that instead of 0.4163 existing shares of class A common stock in Altice USA, at the discretion of the Board a cash amount or a number of Shares A held by the Company in its own share capital, all with same value as the Altice USA shares, may be paid or delivered to Mr. Alain Weill. The changes to the main terms and conditions of the 2016 FPPS as agreed between the Company and Mr. Weill on 5 October 2020 subject to adoption of this resolution by the General Meeting, compared to the main terms and conditions that have been determined by the General Meeting on 10 July 2018, are specified in **Annex 1** (*Changes to the main terms and conditions of the 2016 FPPS*).

On 5 October 2020, Mr. Alain Weill converted 551,548 of the 2016 FPPS Tranche 1 Prefs B in accordance with the terms and conditions of the 2016 FPPS grant document, as amended, and, consequently, acquired (i) 551,548 Shares A and (ii) subject to adoption of this resolution by the General Meeting, a cash amount of USD 6,098,426.53 in lieu of shares of class A common stock in Altice USA.

In respect of the remaining part of the 2016 FPPS Tranche 1 Prefs B (i.e. 551,548 Prefs B), Mr. Alain Weill and the Company have agreed that Mr. Alain Weill will convert these Prefs B into 551,548 Shares A in accordance with the terms and conditions of the 2016 FPPS grant document, as amended, before 12 January 2021. At the time of the conversion of such 2016 FPPS Tranche 1 Prefs B, the Full Board will determine whether, in addition (i) 0.4163 share of class A common stock in Altice USA, (ii) an equivalent USD cash amount or (iii) a number of Shares A held by the Company in its own share capital of equivalent value will be provided to Mr. Weill for each such 2016 FPPS Tranche 1 Pref B.

In respect of the 2016 FPPS Tranche 2 Prefs B (i.e. 752,568 Prefs B), Mr. Alain Weill and the Company have agreed that these Prefs B will be acquired for no consideration by the Company subject to and upon (i) initiation of a Compulsory Acquisition Procedure, (ii) execution of the notarial deed to effect the Triangular Merger or (iii) execution of the Asset Sale Agreement, as the case may be, since the exercise price for the conversion of these Prefs B into Shares A exceeds the Offer Price.

2018 FPPS

On 10 July 2018, the General Meeting determined to grant Mr. Alain Weill, in respect of his position as CEO of Altice France S.A., the 2018 FPPS with the following main characteristics:

- (i) granted number of Prefs B: 25,000,000;
- (ii) vesting period: earliest of four years from the grant date of the Prefs B and the annual general meeting of the Company to be held in 2022;
- (iii) performance criteria: on the financial year ending on 31 December 2021, the Company having generated an annual consolidated Adjusted EBITDA (as reported on a consolidated basis and with constant perimeter and accounting standards) equal or in

excess of the projected annual consolidated Adjusted EBITDA in the 4-year business plan adopted by the Company;

- (iv) number of Prefs B, each convertible into one Share A, ranging between 0% and 200% of the number of granted Prefs B, to be assessed at the end of the vesting period, according to a pre-determined allocation key linked to performance criteria.

The 2018 FPPS will be retained by Mr. Alain Weill in connection with the Offer. It is proposed to the General Meeting, on the basis of a proposal of the Board, based on a recommendation of the Remuneration Committee, to amend the terms and conditions of the 2018 FPPS Grant Document as follows:

- (i) In case a Compulsory Acquisition Procedure is initiated, the 2018 FPPS will be retained by Mr. Alain Weill at the level of the Company. In such scenario, necessary changes to the 2018 FPPS grant document in connection with and with effect upon the Delisting will be implemented. Other terms and conditions of the 2018 FPPS, including the partial, total or over-vesting conditions, will remain the same.
- (ii) In case of the Triangular Merger, a roll-over of the 2018 FPPS to the level of Company Sub will be effected, subject to and upon execution of the notarial deed to effect the Triangular Merger. In such scenario, necessary changes to the 2018 FPPS grant document in connection with the roll-over will be implemented. Other terms and conditions of the 2018 FPPS, including partial, total or over-vesting conditions, will remain the same.
- (iii) In case of the Asset Sale, a roll-over of the 2018 FPPS to the level of the Offeror will be effected, subject to and upon execution of the Asset Sale Agreement (with a further roll-over to be effected to the Offeror's nominee that will purchase the Company's assets and operations at the completion of the Asset Sale, in case such assets and operations would not be purchased by the Offeror). In such scenario, necessary changes to the 2018 FPPS grant document in connection with the roll-over will be implemented. Other terms and conditions of the 2018 FPPS, including partial, total or over-vesting conditions, will remain the same.

The changes to the main terms and conditions of the 2018 FPPS, compared to the main terms and conditions determined by the General Meeting on 10 July 2018, are specified in **Annex 2** (*Changes to the main terms and conditions of the 2018 FPPS*).

Annex 1
Changes to the main terms and conditions of the 2016 FPPS⁴

Topic	Existing 2016 FPPS Grant Document	Amended 2016 FPPS Grant Document
	FPPS Conversion	
Conversion Ratio First FPPSs	The conversion ratio for the First FPPSs shall be one Listed Share and 0.4163 Altice USA share for one First FPPS, with the resulting number of Altice USA shares being rounded down to the nearest whole Altice USA share.	<p>The conversion ratio for the First FPPSs shall be:</p> <ul style="list-style-type: none"> (i) one Listed Share; and (ii) at the sole discretion of the Board, either: <ul style="list-style-type: none"> (a) 0.4163 US Share for one First FPPS, with the resulting total number of US Shares being rounded down to the nearest whole US Share; (b) a gross cash compensation per First FPPS that is equal to the outcome of the following formula (rounded to two decimals): 0.4163 multiplied by the average of the closing prices of a US Share on the New York Stock Exchange during the five trading days prior to the date of the Company's receipt of the Conversion Notice (the "Cash Component"); or (c) a number of common shares A held by the Company in its own share capital ("Treasury Shares") per First FPPS based on the

⁴ Compared to the main terms and conditions of the 2016 FPPS that were included in the explanatory notes of the Company's extraordinary general meeting held on 10 July 2018.

Topic	Existing 2016 FPPS Grant Document	Amended 2016 FPPS Grant Document
		outcome of the following formula: (i) 0.4163 multiplied by the average of the closing prices of a US Share on the New York Stock Exchange during the five trading days prior to the date of the Company's receipt of the Conversion Notice divided by (ii) the average of the closing prices of a Listed Share on Euronext Amsterdam during the five trading days prior to the date of the Company's receipt of the Conversion Notice, converted in US dollars at the EUR/USD exchange rate published on the applicable Bloomberg page at 11.00 am CET on the day of the Company's receipt of the Conversion Notice, with the resulting total number of Treasury Shares being rounded down to the nearest whole Treasury Share.
Right of First Refusal of Next Alt	Next Alt will have a right of first refusal if Mr. Weill intends to sell all or part of his Listed Shares resulting from conversions.	Next Alt will have a right of first refusal if Mr. Weill intends to sell all or part of his Listed Shares that he acquired resulting from conversions or transfer of Treasury Shares .

Definitions to Annex 1

"Listed Shares" means newly issued class A ordinary shares in the share capital of the Company;

Annex 2
Changes to the main terms and conditions of the 2018 FPPS⁵

Topic	Existing FPPS Grant Document	New FPPS Grant Document
	Vesting	
Vesting Period(s)	<p>FPPSs will be issued to Mr. Weill when they Vest at the fourth anniversary of the Date of Grant or on the day before the date of the Company's annual General Meeting to be held in 2022 if this date is earlier than the fourth anniversary of the Date of Grant (the "Vesting Period").</p> <p>The terms of the FPPS grant concerning the issuance and Vesting may be amended in case of a corporate event, which includes an event such as a demerger, delisting, rights issue, dividend, special dividend, variation of the Company's share capital or any other similar event.</p>	<p>FPPSs will be issued to Mr. Weill when they Vest at the fourth anniversary of the Date of Grant or on the day before the date of the Company's annual General Meeting to be held in 2022 if this date is earlier than the fourth anniversary of the Date of Grant (the "Vesting Period").</p> <p>The terms of the FPPS grant concerning the issuance and Vesting may be amended in case of a corporate event, which includes an event such as a demerger, delisting, rights issue, dividend, special dividend, variation of the Company's share capital or any other similar event.</p>
Exceptions to the Vesting Period(s)	<p>The following exceptions apply to Vesting Period:</p> <p>(a) in case of a Change of Control, the FPPS will Vest automatically on (i) the first calendar day after the second anniversary of the Date of Grant if the Change of Control occurs on or before such date, or (ii) the date of the Change of Control if the Change of Control occurs after the second anniversary of the Date of Grant; and</p> <p>(b) in case a demerger, a delisting or similar event affects the value of the Listed Shares, all of Mr. Weill's Unvested</p>	<p>The following exceptions apply to Vesting Period:</p> <p>(a) in case of a Change of Control, the FPPS will Vest automatically on (i) the first calendar day after the second anniversary of the Date of Grant if the Change of Control occurs on or before such date, or (ii) the date of the Change of Control if the Change of Control occurs after the second anniversary of the Date of Grant; and</p> <p>(b) in case a demerger, a delisting or similar event affects the value of the Listed Shares, all of Mr. Weill's Unvested</p>

⁵ Compared to the main terms and conditions of the 2018 FPPS that were included in the explanatory notes of the Company's extraordinary general meeting held on 10 July 2018.

Topic	Existing FPPS Grant Document	New FPPS Grant Document
	FPPSs may, subject to the relevant corporate resolutions being taken, Vest in advance, but on a date no earlier than the first calendar day after the second anniversary of the Date of Grant, to the extent required by French tax law.	FPPSs may, subject to the relevant corporate resolutions being taken, Vest in advance, but on a date no earlier than the first calendar day after the second anniversary of the Date of Grant, to the extent required by French tax law.
FPPS Conversion		
Conversion Period	The issued FPPSs are convertible into Listed Shares during a period of ten (10) years starting at the Date of Grant of the FPPSs.	The issued FPPSs are convertible into Listed Shares during a period of ten (10) years starting at the Date of Grant of the FPPSs.
Conversion Ratio	The conversion ratio shall be one Listed Share for one FPPS.	The conversion ratio shall be one Listed Share for one FPPS.
Put/Call Option	<p>In case of a conversion, the Company will have a call option, requiring Mr. Weill to sell all or part of his Listed Shares for a price of four (4) euros per Listed Share.</p> <p>Mr. Weill will have a put option during 180 days after a conversion, requiring the Company to purchase all or part of his Listed Shares resulting from such conversion for a price per Listed Share which shall be the result of a formula based on the Company's turnover and financial debt figures, both figures being those of the year ending 31 December 2021, or, in case of early Vesting, the financial year during which the Change of Control or relevant corporate resolution occurred. If the EBITDA Target is achieved, the result of this formula would presumably be higher than the price of four (4) euros to be paid by the Company should the Company exercises the above-mentioned call option.</p>	<p>In case of a conversion, the Company will have a call option, requiring Mr. Weill to sell all or part of his Listed Shares for a price of four (4) euros per Listed Share.</p> <p>Mr. Weill will have a put option during 180 days after a conversion, requiring the Company to purchase all or part of his Listed Shares resulting from such conversion for a price per Listed Share which shall be the result of a formula based on the Company's turnover and financial debt figures, both figures being those of the year ending 31 December 2021, or, in case of early Vesting, the financial year during which the Change of Control or relevant corporate resolution occurred. If the EBITDA Target is achieved, the result of this formula would presumably be higher than the price of four (4) euros to be paid by the Company should the Company exercises the above-mentioned call option.</p>

Topic	Existing FPPS Grant Document	New FPPS Grant Document
	The purchase price payable to Mr. Weill under the call option or the put option will consist of a mix of cash and freely tradable Company shares to be freely determined by the Company, provided that at least 50% of the aggregate consideration payable to Mr. Weill shall be in the form of cash.	The purchase price payable to Mr. Weill under the call option or the put option will consist of a mix of cash and freely tradable Company shares to be freely determined by the Company, provided that at least 50% of the aggregate consideration payable to Mr. Weill shall be in the form of cash.

Definitions to Annex 2

"**Change of Control**" means (i) Next Alt, a company controlled by Mr. P. Drahi, owning, directly or indirectly, less than 30% of the aggregate nominal value of the issued and outstanding common shares in the capital of the Company or (ii) Mr. P. Drahi owning, directly or indirectly, less than 50% of the voting rights of Next Alt;

"**Listed Shares**" means newly issued class A ordinary shares in the share capital of the Company;

"**Vesting**" means the Company becoming obliged to unconditionally issue, and Mr. Weill becoming entitled to unconditionally receive, the relevant FPPSs. The words "**Vest**", "**Vested**" and "**Unvested**" are to be construed accordingly.