

Announcement

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13 February 2023

Banco Comercial Português, S.A. informs about signing of conditional agreement concerning the sale of Millennium Financial Services sp. z o.o. and strategic insurance cooperation

Banco Comercial Português, S.A. informs that Bank Millennium S.A., in which it holds a 50.1% stake, has published the attached current report today.

End of announcement

Banco Comercial Português, S.A.

BANCO COMERCIAL PORTUGUÊS, S.A.,
having its registered office at Praça D. João I, 28, Oporto,
registered at the Commercial Registry of Oporto, with the
single commercial and tax identification number 501 525 882
and the share capital of EUR 3,000,000,000.00.
LEI: JUIU6SODG9YLT7N8ZV32

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February 13th, 2023

Current report no. 7/2023

SUBJECT: Signing of conditional agreement concerning the sale of Millennium Financial Services sp. z o.o. and strategic insurance cooperation

The Management Board of Bank Millennium S.A. (the "Bank") informs that following necessary corporate approvals, on February 13, 2023, the Bank executed the agreement (the "Agreement") for the sale of 80% of the shares (the "Shares") in Millennium Financial Services sp. z o.o. (the "Company") to Towarzystwo Ubezpieczeń na Życie Europa S.A. which acquires 72% of the Company's shares and Towarzystwo Ubezpieczeń Europa S.A. which acquires 8% of the Company's shares (collectively the "Buyers").

Bank Millennium concluded also with the Buyers and the Company certain agreements concerning exclusive insurance distribution model, including a cooperation agreement, distribution agreements and agency agreements (the "Strategic Insurance Cooperation"). The Strategic Insurance Cooperation provides for long term (10 years) bancassurance liaison in relation specified insurance products linked to loans offered by Bank Millennium.

The essence of the transaction contemplated by the Agreement is the direct acquisition of the Shares by the Buyers from Bank Millennium for a pre-defined initial price which may be subject to a price adjustment mechanism after the Transaction is closed, (i.e. after transfer of legal title to the Shares to the Buyers and payment of the Price, "Closing") and establishment of the Strategic Insurance Cooperation (the "Transaction"). If the Transaction will close successfully, the Bank expects to recognize an upfront pre-tax gain on the transaction of approximately PLN 500 million.

The Closing of the Transaction is subject to the fulfilment of a condition precedent - obtaining the relevant consent of the relevant antimonopoly authority (the "Condition").

Bank Millennium will publish information on the fulfilment or non-fulfilment of the Condition in relevant current reports. The Parties may also withdraw from the Agreement in certain situations indicated therein and penalties may apply in case of failure of one of the Parties to fulfil its obligations under the Transaction documentation.

The Transaction documentation contains a certain catalogue of representations and warranties from Bank Millennium and the Buyers with respect to the Shares and Strategic Insurance Cooperation, as well as sets out the principles of the Parties' liability thereunder.

Legal basis: Article 17 sec. 1 of MAR - inside information