

---

---

**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

---

**SCHEDULE TO**

Tender Offer  
Statement under Section 14(d)(1) or 13(e)(1)  
of the Securities Exchange Act of 1934

---

**PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED**

(Name of Subject Company—Issuer and Filing Person—Offeror)

**OPTIONS TO PURCHASE COMMON STOCK, PAR VALUE \$0.01 PER SHARE**

(Title of Class of Securities)

**741929103**

(CUSIP Number of Class of Securities)

**K. PAUL SINGH**  
**CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER**  
**PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED**  
**1700 Old Meadow Road**  
**Suite 300**  
**McLean, Virginia 22102**  
**(703) 902-2800**

(Name, address and telephone number of person authorized to receive notices and communications on behalf of Filing Person)

---

**Copies to:**

**BRIAN J. LYNCH**  
**DARREN K. DESTEFANO**  
**COOLEY GODWARD LLP**  
**ONE FREEDOM SQUARE**  
**RESTON TOWN CENTER**  
**11951 FREEDOM DRIVE**  
**RESTON, VIRGINIA 20190**  
**TELEPHONE: (703) 456-8000**

---

**CALCULATION OF FILING FEE**

---

**TRANSACTION VALUATION\***

**AMOUNT OF FILING FEE\*\***

---

\$41,559,709

\$3,823.49

---

\* Calculated solely for purposes of determining the filing fee. This amount assumes that options to purchase 4,033,483 shares of Common Stock of Primus Telecommunications Group, Incorporated having an aggregate value of \$41,559,709 as of May 17, 2002 will be exchanged pursuant to this offer. The aggregate value of such options was calculated based on the Black-Scholes option pricing model. The number of shares subject to options, the aggregate value of the options and the filing fee are based on the number of shares subject to eligible options on May 17, 2002.

\*\* The fee is based on the product of (a) the transaction value (\$41,559,709), multiplied by (b) \$92.00 per \$1 million.

**CHECK BOX IF ANY PART OF THE FEE IS OFFSET AS PROVIDED BY RULE 0-11(a)(2) AND IDENTIFY THE FILING WITH WHICH THE OFFSETTING FEE WAS PREVIOUSLY PAID. IDENTIFY THE PREVIOUS FILING BY REGISTRATION STATEMENT NUMBER, OR THE FORM OR SCHEDULE AND THE DATE OF ITS FILING.**

AMOUNT PREVIOUSLY PAID: Not applicable

FILING PARTY: Not applicable.

FORM OR REGISTRATION NO.: Not applicable

DATE FILED: Not applicable.

**CHECK THE BOX IF THE FILING RELATES SOLELY TO PRELIMINARY COMMUNICATIONS MADE BEFORE THE COMMENCEMENT OF A TENDER OFFER.**

**CHECK THE APPROPRIATE BOXES BELOW TO DESIGNATE ANY TRANSACTIONS TO WHICH THE STATEMENT RELATES:**

Third-party tender offer subject to Rule 14d-1.

Issuer tender offer subject to Rule 13e-4.

Going-private transaction subject to Rule 13e-3.

Amendment to Schedule 13D under Rule 13d-2.

**CHECK THE FOLLOWING BOX IF THE FILING IS A FINAL AMENDMENT REPORTING THE RESULTS OF THE TENDER OFFER:**

---

---

---

**ITEM 1. SUMMARY TERM SHEET.**

The information set forth in the Offer to Exchange, dated May 20, 2002 (the "Offer to Exchange"), attached hereto as Exhibit 99.(a)(1)(A), under the "Summary of Terms" section is incorporated herein by reference.

**ITEM 2. SUBJECT COMPANY INFORMATION.**

(a) Name and Address. The name of the issuer is Primus Telecommunications Group, Incorporated, a Delaware corporation (the "Company"), the address of its principal executive office is 1700 Old Meadow Road, Suite 300, McLean, Virginia 22102 and the telephone number of its principal executive office is (703) 902-2800. The information set forth in the Offer to Exchange under Section 15 ("Information About Primus") is incorporated herein by reference.

(b) Securities. This Tender Offer Statement on Schedule TO relates to an offer by the Company to exchange certain options (the "Eligible Options") currently outstanding under the Company's Stock Option Plan (the "Plan") to purchase shares of the Company's common stock, par value \$0.01 per share ("Common Stock"), for replacement options (the "Replacement Options") to purchase shares of Common Stock to be granted under the Plan, upon the terms and subject to the conditions set forth in the Offer to Exchange. The number of shares of Common Stock subject to the Replacement Options represent the same number of shares of Common Stock subject to the Eligible Options that are accepted for exchange and cancelled, as set forth in detail in the Offer to Exchange under the "Summary of Terms" section, Section 1 ("Number of Options; Expiration Date"), Section 5 ("Acceptance of Options for Exchange and Cancellation and Issuance of Replacement Options") and Section 8 ("Source and Amount of Consideration; Terms of Replacement Options"), all of which are incorporated herein by reference.

(c) Trading Market and Price. The information set forth in the Offer to Exchange under Section 7 ("Price Range of Common Stock") is incorporated herein by reference.

**ITEM 3. IDENTITY AND BACKGROUND OF THE FILING PERSON.**

(a) Name and Address. The information set forth under Item 2(a) above is incorporated herein by reference.

**ITEM 4. TERMS OF THE TRANSACTION.**

(a) Purchases. The information set forth in the Offer to Exchange under Section 9 ("Interests of Officers Regarding the Offer to Exchange; Transactions and Arrangements Involving the Options") is incorporated herein by reference.

**ITEM 5. PAST CONTACTS, TRANSACTIONS, NEGOTIATIONS AND AGREEMENTS.**

(a) Agreements Involving the Subject Company's Securities. The information set forth in the Offer to Exchange under Section 9 ("Interests of Officers Regarding the Offer to Exchange; Transactions and Arrangements Involving the Options") is incorporated herein by reference.

**ITEM 6. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS.**

(a) Purposes. The information set forth in the Offer to Exchange under Section 2 ("Purpose of the Offer") is incorporated herein by reference.

(b) Use of Securities Acquired. The information set forth in the Offer to Exchange under Section 5 ("Acceptance of Options for Exchange and Cancellation and Issuance of Replacement

---

Options") and Section 10 ("Status of Options Acquired by Us in the Offer; Accounting Consequences of the Offer") is incorporated herein by reference.

(c) Plans. The information set forth in the Offer to Exchange under Section 16 ("Risk Factors") is incorporated herein by reference.

**ITEM 7. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.**

(a) Source of Funds. The information set forth in the Offer to Exchange under Section 8 ("Source and Amount of Consideration; Terms of Replacement Options") and Section 14 ("Fees and Expenses") is incorporated herein by reference.

(b) Conditions. The information set forth in the Offer to Exchange under Section 6 ("Conditions of the Offer") is incorporated herein by reference.

(c) Borrowed Funds. Not applicable.

**ITEM 8. INTEREST IN THE SECURITIES OF THE SUBJECT COMPANY.**

(a) Securities Ownership. The information set forth in the Offer to Exchange under Section 9 ("Interests of Officers Regarding the Offer to Exchange; Transactions and Arrangements Involving the Options") is incorporated herein by reference.

(b) Securities Transactions. The information set forth in the Offer to Exchange under Section 9 ("Interests of Officers Regarding the Offer to Exchange; Transactions and Arrangements Involving the Options") is incorporated herein by reference.

#### ITEM 9. PERSONS/ASSETS, RETAINED, EMPLOYED, COMPENSATED OR USED.

Not applicable.

#### ITEM 10. FINANCIAL STATEMENTS.

(a) Financial Information. Item 8 ("Financial Statements and Supplementary Data") of Part II of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2001 and Part I of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2002 are incorporated herein by reference. The information set forth in the Offer to Exchange under Section 15 ("Information About Primus") and Section 17 ("Additional Information") is incorporated herein by reference.

(b) Pro Forma Financial Information. Not applicable.

#### ITEM 11. ADDITIONAL INFORMATION.

(a) Agreements, Regulatory Requirements and Legal Proceedings. The information set forth in the Offer to Exchange under Section 9 ("Interests of Officers Regarding the Offer to Exchange; Transactions and Arrangements Involving the Options") and Section 11 ("Legal Matters; Regulatory Approvals") is incorporated herein by reference.

(b) Other Material Information. Not applicable.

3

---

#### ITEM 12. EXHIBITS.

EXHIBIT NUMBER	DESCRIPTION
99.(a)(1)(A)	Offer to Exchange, dated May 20, 2002.
99.(a)(1)(B)	Form of Electronic Letter of Transmittal.
99.(a)(1)(C)	Summary of Terms of Option Exchange.
99.(a)(1)(D)	Form of Election Form for Eligible Options.
99.(a)(1)(E)	Form of Notice of Change in Election from Accept to Reject.
99.(a)(1)(F)	Form of Notice of Change in Election from Reject to Accept.
99.(a)(1)(G)	Form of Confirmation of Participation in the Offer to Exchange.
99.(a)(1)(H)	Form of Electronic Communication—Cancellation Date Reminder.
99.(a)(1)(I)	Press Release, dated May 20, 2002, entitled "Primus Telecommunications Group, Incorporated Announces Voluntary Stock Option Exchange Program."
99.(a)(1)(J)	Primus Telecommunications Group, Incorporated Annual Report on Form 10-K for its fiscal year ended December 31, 2001, filed with the Securities and Exchange Commission on April 16, 2002 and incorporated herein by reference.
99.(a)(1)(K)	Primus Telecommunications Group, Incorporated Quarterly Report on Form 10-Q for its quarter ended March 31, 2002, filed with the Securities and Exchange Commission on May 14, 2002 and incorporated herein by reference.
99.(b)	Not applicable.
99.(d)(1)	Primus Telecommunications Group, Incorporated Stock Option Plan, as amended (incorporated herein by reference to Exhibit No. 10.5 to the Company's Annual Report on Form 10-K for the year ended December 31, 2002, as filed with the Securities and Exchange Commission on April 16, 2002).
99.(g)	Not applicable.
99.(h)	Not applicable.

**ITEM 13. INFORMATION REQUIRED BY SCHEDULE 13E-3.**

Not applicable.

4

**SIGNATURE**

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: May 20, 2002

**PRIMUS TELECOMMUNICATIONS GROUP,  
INCORPORATED**

By: /s/ K. PAUL SINGH

Name: K. Paul Singh  
Title: *Chairman, President and Chief Executive Officer*

5

**EXHIBITS.**

<b>EXHIBIT NUMBER</b>	<b>DESCRIPTION</b>
99.(a)(1)(A)	Offer to Exchange, dated May 20, 2002.
99.(a)(1)(B)	Form of Electronic Letter of Transmittal.
99.(a)(1)(C)	Summary of Terms of Option Exchange.
99.(a)(1)(D)	Form of Election Form for Eligible Options.
99.(a)(1)(E)	Form of Notice of Change in Election from Accept to Reject.
99.(a)(1)(F)	Form of Notice of Change in Election from Reject to Accept.
99.(a)(1)(G)	Form of Confirmation of Participation in the Offer to Exchange.
99.(a)(1)(H)	Form of Electronic Communication—Cancellation Date Reminder.
99.(a)(1)(I)	Press Release, dated May 20, 2002, entitled "Primus Telecommunications Group, Incorporated Announces Voluntary Stock Option Exchange Program."
99.(a)(1)(J)	Primus Telecommunications Group, Incorporated Annual Report on Form 10-K for its fiscal year ended December 31, 2001, filed with the Securities and Exchange Commission on April 16, 2002 and incorporated herein by reference.
99.(a)(1)(K)	Primus Telecommunications Group, Incorporated Quarterly Report on Form 10-Q for its quarter ended March 31, 2002, filed with the Securities and Exchange Commission on May 14, 2002 and incorporated herein by reference.
99.(b)	Not applicable.
99.(d)(1)	Primus Telecommunications Group, Incorporated Stock Option Plan, as amended (incorporated herein by reference to Exhibit No. 10.5 to the Company's Annual Report on Form 10-K for the year ended December 31, 2002, as filed with the Securities and Exchange Commission on April 16, 2002).
99.(g)	Not applicable.
99.(h)	Not applicable.

**QuickLinks**[ITEM 1. SUMMARY TERM SHEET.](#)[ITEM 2. SUBJECT COMPANY INFORMATION.](#)[ITEM 3. IDENTITY AND BACKGROUND OF THE FILING PERSON.](#)

ITEM 4. TERMS OF THE TRANSACTION.

ITEM 5. PAST CONTACTS, TRANSACTIONS, NEGOTIATIONS AND AGREEMENTS.

ITEM 6. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS.

ITEM 7. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION.

ITEM 8. INTEREST IN THE SECURITIES OF THE SUBJECT COMPANY.

ITEM 9. PERSONS/ASSETS, RETAINED, EMPLOYED, COMPENSATED OR USED.

ITEM 10. FINANCIAL STATEMENTS.

ITEM 11. ADDITIONAL INFORMATION.

ITEM 12. EXHIBITS.

ITEM 13. INFORMATION REQUIRED BY SCHEDULE 13E-3.

SIGNATURE

EXHIBITS.

**PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED  
1700 OLD MEADOW ROAD, SUITE 300  
MCLEAN, VIRGINIA 22102  
(703) 902-2800**

**OFFER TO EXCHANGE  
CERTAIN OUTSTANDING OPTIONS  
TO PURCHASE COMMON STOCK  
MAY 20, 2002**

---

**PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED**

**OFFER TO EXCHANGE CERTAIN OUTSTANDING OPTIONS  
TO PURCHASE COMMON STOCK  
HAVING AN EXERCISE PRICE OF MORE THAN \$2.00**

**THE OFFER EXPIRES AT 5:00 P.M., EASTERN DAYLIGHT TIME,  
ON JUNE 18, 2002, UNLESS THE OFFER IS EXTENDED**

Primus Telecommunications Group, Incorporated ("Primus" or the "Company") is offering employees (including officers) of the Company (each an "Eligible Participant") the opportunity to exchange all outstanding stock options with exercise prices per share greater than \$2.00 (the "Eligible Options") granted under the Company's Stock Option Plan (the "Plan") for replacement options (the "Replacement Options") to purchase shares of the Company's common stock ("Common Stock").

We are making this offer upon the terms and subject to the conditions described in this Offer to Exchange Outstanding Options (the "Offer to Exchange," which, as it may be amended from time to time, constitutes the "Offer"). The exercise price of the Replacement Options will be established by reference to the closing price of the Company's Common Stock on the date that is six months and one day after the expiration date of the Offer, or December 19, 2002, unless we extend the expiration date. This Offer is not conditioned upon a minimum number of options being exchanged. This Offer is subject to conditions that we describe in Section 6 of this Offer to Exchange.

**ALTHOUGH THE COMPENSATION COMMITTEE OF OUR BOARD OF DIRECTORS HAS APPROVED THIS OFFER, NEITHER WE NOR OUR BOARD OF DIRECTORS MAKES ANY RECOMMENDATION AS TO WHETHER OR NOT YOU SHOULD TENDER YOUR ELIGIBLE OPTIONS FOR EXCHANGE. YOU MUST MAKE YOUR OWN DECISION WHETHER TO TENDER YOUR ELIGIBLE OPTIONS.**

Shares of our Common Stock are quoted on the Nasdaq SmallCap Market under the symbol "PRTL." On May 17, 2002, the closing price of our Common Stock as reported on the Nasdaq SmallCap Market was \$0.73 per share. We recommend that you obtain current market quotations for our Common Stock before deciding whether to elect to exchange your Eligible Options.

You should direct questions about this Offer, requests for assistance in completing the related documentation and requests for additional copies of the Offer to Exchange or related documents to Danielle Saunders via e-mail at [dsaunders@primustel.com](mailto:dsaunders@primustel.com) or by telephone at (703) 902-2800 or SiSi Cheng via e-mail at [scheng@primustel.com](mailto:scheng@primustel.com) or by telephone at (703) 394-5951.

**THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC"). NOR HAS THE SEC PASSED UPON THE FAIRNESS OR MERITS OF SUCH TRANSACTION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

**IMPORTANT**

Regardless of whether you accept or reject this Offer, **YOU MUST COMPLETE AND SIGN THE ELECTION FORM AND RETURN IT TO DANIELLE SAUNDERS AT PRIMUS BEFORE 5:00 P.M., EASTERN DAYLIGHT TIME, ON JUNE 18, 2002** (or a later expiration date if Primus extends the Offer). You do not need to return your stock option agreements for your Eligible Options to effectively elect to accept the Offer as they will be cancelled automatically if Primus accepts your Eligible Options for exchange. However, you will be required to return such stock option agreements upon Primus's request.

We cannot guarantee that the Replacement Options will have a lower exercise price than the Eligible Options. The decision to accept or reject the Offer is an individual one that should be based on a variety of factors, and **you should consult your personal advisors if you have questions about your financial or tax situation. The information about this Offer from Primus is limited to this document.**

---

**WE HAVE NOT AUTHORIZED ANY PERSON TO MAKE ANY RECOMMENDATION ON THE COMPANY'S BEHALF AS TO WHETHER OR NOT YOU SHOULD TENDER YOUR OPTIONS PURSUANT TO THE OFFER. WE HAVE NOT AUTHORIZED ANYONE TO GIVE YOU ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THIS OFFER OTHER THAN THE INFORMATION AND REPRESENTATIONS CONTAINED IN THIS DOCUMENT AND THE TENDER OFFER STATEMENT ON SCHEDULE TO. IF ANYONE MAKES ANY SUCH RECOMMENDATION OR REPRESENTATION TO YOU OR GIVES YOU ANY SUCH INFORMATION, YOU MUST NOT RELY UPON THAT RECOMMENDATION, REPRESENTATION OR INFORMATION AS HAVING BEEN AUTHORIZED BY US.**

---

## TABLE OF CONTENTS

	<u>Page</u>
SUMMARY OF TERMS	1
THE OFFER	5
1. Number of Options; Expiration Date	5
2. Purpose of the Offer	5
3. Procedures	6
4. Change in Election	6
5. Acceptance of Options for Exchange and Cancellation and Issuance of Replacement Options	7
6. Conditions of the Offer	7
7. Price Range of Common Stock	9
8. Source and Amount of Consideration; Terms of Replacement Options	9
9. Interests of Officers Regarding the Offer to Exchange; Transactions and Arrangements Involving the Options	11
10. Status of Options Acquired by Us in the Offer; Accounting Consequences of the Offer	12
11. Legal Matters; Regulatory Approvals	12
12. Material United States Federal Income Tax Consequences	12
13. Extension of Offer; Termination; Amendment	13
14. Fees and Expenses	14
15. Information About Primus	14
16. Risk Factors	15
17. Additional Information	16
18. Forward-Looking Statements; Miscellaneous	17
SCHEDULE A—Information about the Directors and Executive Officers of Primus	18

### SUMMARY OF TERMS

The following is a summary of terms about the Offer presented in a question and answer format. We urge you to read carefully the remainder of the Offer to Exchange and the accompanying documents, which provide further details regarding the Offer. We have included references to the relevant sections of the Offer to Exchange where you can find a more complete description of the topics in this Summary of Terms.

**Q1. WHAT SECURITIES ARE WE OFFERING TO EXCHANGE?**

We are offering to exchange all outstanding stock options with exercise prices per share greater than \$2.00 granted under the Plan that are held by employees (including officers) of the Company.

**Q2. WHY ARE WE MAKING THE OFFER?**

A key element of our future success is highly dependent upon the motivation of our employees. Accordingly, since many of our outstanding options have exercise prices that are significantly higher than the current market price of our Common Stock, we felt it appropriate to offer this exchange program. (See Section 2 of the Offer to Exchange.)

**Q3. ARE THERE CONDITIONS TO THE OFFER?**

The Offer is subject to a number of conditions, including the conditions described in Section 6 of the Offer to Exchange. However, the Offer is not conditioned on a minimum number of optionholders accepting the Offer or a minimum number of options being exchanged.

**Q4. WHO CAN PARTICIPATE IN THE EXCHANGE?**

You can elect to surrender for cancellation any Eligible Options if you are an Eligible Participant on December 19, 2002. Termination of your employment or service with the Company on or before December 19, 2002, will automatically revoke any election that you make to participate in this program.

**Q5. HOW MANY OPTION SHARES WILL I RECEIVE IN EXCHANGE FOR THE OPTION SHARES I ELECT TO EXCHANGE?**

For those Eligible Participants who elect to participate in the Offer, on December 19, 2002, (or a later date if Primus extends the Offer), the Company will grant you a Replacement Option to purchase a number of shares of Common Stock equal to the number of shares subject to your Eligible Options that were cancelled, as applicable, (so long as your employment or service with the Company continues through that date). Replacement Options issued in exchange for options granted under the Plan will be issued under the Plan. (See Section 8 of the Offer to Exchange.)

**Q6. WHEN WILL I RECEIVE MY REPLACEMENT OPTION?**

The Replacement Options will be granted on December 19, 2002 (or a later date if Primus extends the Offer). We expect the stock option agreements to be distributed within two weeks from the date of grant. (See Section 5 of the Offer to Exchange.)

1

---

**Q7. WHAT WILL BE THE EXERCISE PRICE OF THE REPLACEMENT OPTIONS?**

The Replacement Options will have an exercise price equal to the closing price of the Company's Common Stock as reported on the trading market where the Company's Common Stock is traded at such time (i.e., either the Nasdaq SmallCap Market or the Over the Counter Bulletin Board) (the "Fair Market Value") on the last market trading day prior to the date of grant, which we expect to be December 18, 2002, unless we extend the Expiration Date of the Offer. We cannot guarantee that the Replacement Options will have a lower exercise price than those of the Eligible Options. We recommend that you obtain current market quotations for our Common Stock before deciding whether to elect to exchange your options, but we caution you that there nonetheless will be at least six months' market risk between the time you make any election to exchange Eligible Options and the date Replacement Options are granted (and their exercise price is established). (See Section 7 of the Offer to Exchange.)

**Q8. WHAT WILL BE THE VESTING PERIOD OF THE REPLACEMENT OPTIONS?**

50% of the Replacement Options granted to an eligible employee will be exercisable as of the first anniversary of the Replacement Option grant date and the remaining 50% of the Replacement Options will be exercisable as of the second anniversary of such date of the grant (assuming your continued employment or service with the Company through such dates).

**Q9. WHEN WILL THE REPLACEMENT OPTIONS EXPIRE?**

The Replacement Options will expire ten (10) years from the date the Replacement Options are granted (so long as you remain employed by or continue service with the Company).

**Q10. WILL I HAVE TO WAIT LONGER TO PURCHASE COMMON STOCK UNDER MY REPLACEMENT OPTION THAN I WOULD UNDER THE OPTIONS I EXCHANGE?**

You may be exchanging some vested options for unvested Replacement Options. You WILL NOT be able to exercise or sell any portion of the shares subject to the Replacement Options until they vest.

**Q11. IF I ELECT TO EXCHANGE ELIGIBLE OPTIONS, WILL MY ELECTION AFFECT OTHER COMPONENTS OF MY COMPENSATION?**

No. Whether or not you accept or reject the Offer will not affect your compensation in the future. Your acceptance or rejection of the Offer will not result in your becoming more or less likely to receive stock option grants in the future, other than the Replacement Options.

**Q12. IF I ELECT TO EXCHANGE ELIGIBLE OPTIONS, DO I HAVE TO EXCHANGE ALL OF MY ELIGIBLE OPTIONS OR CAN I JUST EXCHANGE SOME OF THEM?**

You may elect to exchange some but not all Eligible Options that you own if you satisfy the following requirements: (1) you must exchange all shares and options underlying a particular option agreement or grant letter; and (2) if you have multiple option agreements or grant letters, you can elect to exchange all shares and options underlying one or more particular option agreements or grant letters even if they constitute less than all of your Eligible Options as long as you satisfy the requirements described in clause (1) above.

**Q13. WILL I HAVE TO PAY TAXES IF I EXCHANGE MY OPTIONS IN THE OFFER?**



If you accept the Offer, you will not recognize income for United States Federal Income Tax purposes at the time of the exchange or at the time we grant Replacement Options to you. We recommend that you consult with your tax advisor to determine the tax consequences of accepting the Offer. (See Section 12 of the Offer to Exchange.)

---

**Q14. WHEN DOES THE OFFER EXPIRE? CAN THE OFFER BE EXTENDED, AND IF SO, HOW WILL I KNOW IF IT IS EXTENDED?**

The Offer expires on June 18, 2002, at 5:00 p.m., Eastern Daylight Time, unless we extend it. Although we do not currently intend to do so, we may, in our discretion, extend the Offer at any time. If we extend the Offer, we will announce the extension no later than 6:00 a.m., Eastern Daylight Time, on June 19, 2002. (See Section 13 of the Offer to Exchange.)

**Q15. WHAT DO I NEED TO DO?**

Whether or not you accept the Offer, you need to make your election, sign the Election Form and deliver the Election Form to Danielle Saunders at Primus before 5:00 p.m., Eastern Daylight Time, on June 18, 2002 (or a later expiration date if Primus extends the Offer). The Election Form may be sent via mail, courier, e-mail or facsimile. Danielle Saunders is located at Primus's corporate headquarters in McLean, Virginia, her direct facsimile number is (703) 902-2814, and her e-mail address is [dsaunders@primustel.com](mailto:dsaunders@primustel.com). Election Forms must be physically received by Danielle Saunders before 5:00 p.m., Eastern Daylight Time, on June 18, 2002 (or a later expiration date if Primus extends the Offer). If Election Forms are sent by e-mail or facsimile, originals should be promptly sent by mail, courier or hand delivery and must be received by June 25, 2002.

If you have questions about delivery, you may contact Danielle Saunders via e-mail or by telephone at (703) 902-2800. You should review the Offer to Exchange, the Election Form and all of their attachments before making your election.

If we extend the Offer beyond June 18, 2002, then you must sign and deliver the Election Form before the extended expiration of the Offer. We may reject any Eligible Options as described in Question 15 and the related text above, or to the extent that we determine the Election Form is not properly completed, or to the extent that we determine it would be unlawful to accept the options. Although we may later extend, terminate or amend the Offer, we will accept or return all properly exchanged options promptly after 5:00 p.m., Eastern Daylight Time, on June 18, 2002 (or a later expiration date if Primus extends the Offer). If you do not sign and deliver the Election Form before the Offer expires, it will have the same effect as if you rejected the Offer. (See Section 3 of the Offer to Exchange.)

**Q16. DURING WHAT PERIOD OF TIME MAY I CHANGE MY PREVIOUS ELECTION?**

You may change your previous election at any time before 5:00 p.m., Eastern Daylight Time, on June 18, 2002. If we extend the Offer beyond that time, you may change your previous election at any time until the extended expiration of the Offer. To change your election, you must deliver a Notice of Change in Election Form to Danielle Saunders before the Offer expires. You may change your election more than once. (See Section 4 of the Offer to Exchange.)

**Q17. WHAT HAPPENS TO MY OPTIONS IF I DO NOT ACCEPT THE OFFER?**

Nothing. If you do not accept the Offer, you will keep all of your current options, and no changes will be made to your current options. Furthermore, if you do not accept the Offer, you will not receive Replacement Options. (See Section 12 of the Offer to Exchange.)

---

**Q18. UNDER WHAT CIRCUMSTANCES WOULD THE COMPANY NOT ACCEPT MY OPTIONS?**

We currently expect that we will accept promptly after the expiration date all Eligible Options that are properly submitted to be exchanged and for which the election has not been validly withdrawn. We may, however, reject any or all Election Forms, Notice of Change in Election Forms or exchanged options to the extent that we determine they were not properly executed or delivered, to the extent that we determine it is unlawful to accept the exchanged options or to the extent certain conditions exist which in our reasonable judgment makes it inadvisable to proceed with the Offer. (See Sections 3, 5 and 6 of the Offer to Exchange.)

**Q19. CAN I CANCEL THE REMAINING PORTION OF AN ELIGIBLE OPTION THAT I HAVE ALREADY PARTIALLY EXERCISED?**

Yes, the remaining outstanding, unexercised portion of an Eligible Option can be cancelled.

**Q20. AFTER I AM GRANTED A REPLACEMENT OPTION, WHAT HAPPENS IF THAT REPLACEMENT OPTION ENDS UP UNDERWATER (MEANING THE EXERCISE PRICE IS LESS THAN THE CURRENT FAIR MARKET (OR TRADING) VALUE OF THE SECURITY) ?**

We are conducting this Offer only at this time. Therefore, this Offer is considered a one-time offer and is not expected to be repeated again in the future. As the Replacement Options are valid for up to ten years from the Replacement Option grant date, subject to continued employment with the Company, the price of our Common Stock may appreciate over this period even if your option is underwater for some period of time after the grant date of the Replacement Options. HOWEVER, WE CAN PROVIDE NO ASSURANCE AS TO THE PRICE OF OUR COMMON STOCK AT ANY TIME IN THE FUTURE, AND NOTHING CONTAINED IN THIS DOCUMENT OR THE OTHER DOCUMENTS YOU RECEIVE RELATING TO THIS OFFER SHOULD BE INTERPRETED IN ANY WAY AS A CLAIM RELATING TO THE FUTURE PROSPECTS OF THE PRICE OF OUR COMMON STOCK, NOR SHOULD ANY INFERENCE ABOUT SUCH FUTURE PROSPECTS BE DRAWN FROM ANYTHING CONTAINED HEREIN OR THEREIN.

**Q21. WHO CAN I TALK TO IF I HAVE QUESTIONS ABOUT THE OFFER?**

For additional information or assistance, you should contact Danielle Saunders via e-mail at [dsaunders@primustel.com](mailto:dsaunders@primustel.com) or by telephone at (703) 902-2800 or SiSi Cheng via e-mail at [scheng@primustel.com](mailto:scheng@primustel.com) or by telephone at (703) 394-5951.

4

---

**THE OFFER**

**1. NUMBER OF OPTIONS; EXPIRATION DATE.**

We are offering to grant Replacement Options to purchase our Common Stock in exchange for all Eligible Options held by Eligible Participants. As of May 17, 2002, Eligible Options to purchase 4,033,483 shares of our Common Stock were outstanding and held by 485 Eligible Participants.

You may elect to exchange some but not all Eligible Options that you own if you satisfy the following requirements: (1) you must exchange all shares and options underlying a particular option agreement or grant letter; and (2) if you have multiple option agreements or grant letters, you can elect to exchange all shares and options underlying one or more particular option agreements or grant letters even if they constitute less than all of your Eligible Options as long as you satisfy the requirements described in clause (1) above. Replacement Options issued in exchange for options granted under the Plan will be issued under the Plan. Our Offer is subject to the terms and conditions described in this Offer to Exchange. We will only accept options that are properly elected for exchange and not validly withdrawn in accordance with Section 5 of this Offer to Exchange before the Offer expires on the "expiration date" as defined below. Your Replacement Option will represent the same total number of option shares of all your Eligible Options cancelled in connection with the Offer.

The term "expiration date" of this Offer means 5:00 p.m., Eastern Daylight Time, on June 18, 2002, unless and until we, in our discretion, extend the period of time during which the Offer will remain open. If we extend the period of time during which the Offer remains open, the term "expiration date" will refer to the latest time and date at which the Offer expires. See Section 13 of this Offer to Exchange for a description of our rights to extend, delay, terminate and/or amend the Offer.

We will publish a notice if we decide to take any of the following actions:

- increase or decrease what we will give you in exchange for your Eligible Options;
- increase or decrease the number of Eligible Options to be exchanged in the Offer; or
- extend or terminate the Offer.

If the Offer is scheduled to expire within ten (10) business days from the date we notify you of such an increase or decrease, we also intend to extend the Offer until ten (10) business days after the date the notice is published.

A "business day" means any day other than a Saturday, Sunday or United States federal holiday and consists of the time period from 12:01 a.m. through 12:00 midnight, Eastern Daylight Time.

**2. PURPOSE OF THE OFFER.**

Many of our outstanding options, whether or not they are currently exercisable, have exercise prices that are significantly higher than the current market price of our Common Stock. By making this Offer, we strive to enhance stockholder value by creating better performance incentives for our employees.

The Compensation Committee of our Board of Directors has approved this Offer. We recommend that you obtain current market quotations for our Common Stock before deciding whether to elect to exchange your options, but we caution you that there nonetheless will be at least six months' market risk between the time you make any election to exchange Eligible Options and the date Replacement Options are granted (and their exercise price is established). WE CANNOT GUARANTEE THAT THE REPLACEMENT OPTIONS WILL HAVE A LOWER EXERCISE PRICE THAN THOSE OF THE ELIGIBLE OPTIONS. The decision to accept or reject the Offer is an individual one that should

5

---

be based on a variety of factors, and you should consult with your personal advisors if you have questions about your financial or tax situation.

### **3. PROCEDURES.**

**MAKING YOUR ELECTION.** To make your election to accept or reject this Offer, you must make your election, sign the Election Form and deliver the Election Form and any other required documents to Danielle Saunders at Primus before the expiration date. The Election Form may be sent via mail, courier, e-mail or facsimile. Danielle Saunders is located at Primus's corporate offices in McLean, Virginia, her e-mail address is *dsaunders@primustel.com*, and her fax number is (703) 902-2814. Election Forms must be physically received by Danielle Saunders before 5:00 p.m., Eastern Daylight Time, on June 18, 2002 (or a later expiration date if Primus extends the Offer). Election Forms received by e-mail or facsimile will be valid if received by the expiration date even though the originals are not yet received, but only if the originals sent by mail, courier or hand delivery are received by June 25, 2002. You do not need to return your stock option agreements for your Eligible Options to effectively elect to accept the Offer as they will be automatically cancelled if Primus accepts your Eligible Options for exchange. However, you will be required to return your stock option agreements upon Primus's request.

**DETERMINATION OF VALIDITY; REJECTION OF OPTIONS; WAIVER OF DEFECTS; NO OBLIGATION TO GIVE NOTICE OF DEFECTS.** We will determine, in our discretion, all questions as to the number of shares subject to Eligible Options and the validity, form, eligibility (including time of receipt) and acceptance of Election Forms and Notice of Change in Election Forms. Our determinations regarding these matters will be final and binding on all parties. We may reject any or all Election Forms, Notice of Change in Election Forms or exchanged options to the extent that we determine they were not properly executed or delivered or to the extent that we determine it is unlawful to accept the exchanged options. We may waive any or all of the conditions of the Offer for all Eligible Participants to the extent that any of the events described in Section 6 of the Offer to Exchange occur, but we nonetheless deem it advisable for us to proceed with the Offer. We may waive any defect or irregularity in any Election Form or Notice of Change in Election Form with respect to any particular option or any particular optionholder. No Eligible Options will be accepted for exchange until all defects or irregularities have been cured by the optionholder exchanging the Eligible Options or waived by us. Neither we nor any other person is obligated to give notice of any defects or irregularities involved in the election to exchange any options, and no one will be liable for failing to give notice of any such defects or irregularities.

**OUR ACCEPTANCE CONSTITUTES AN AGREEMENT.** If you elect to exchange your Eligible Options according to the procedures described above, you will have accepted the Offer. Our acceptance of Eligible Options that are properly submitted for exchange will form a binding agreement between us and you on the terms and subject to the conditions of this Offer.

Subject to our rights to extend, terminate and/or amend the Offer, we currently expect that we will accept promptly after the expiration date of the Offer all properly and timely made elections to exchange options that have not been validly withdrawn.

### **4. CHANGE IN ELECTION.**

You may only change your election by following the procedures described in this Section 4.

You may change your election at any time before 5:00 p.m., Eastern Daylight Time, on June 18, 2002. If we extend the Offer beyond that time, you may change your election at any time until the extended expiration of the Offer. Additionally, you may withdraw any options you elected to exchange if after forty (40) business days from the commencement of the Offer to Exchange we have not

---

accepted for exchange all options you elected to exchange. The date of the fortieth (40th) business day is July 17, 2002.

To change your election, you **MUST DELIVER** a Notice of Change in Election Form to Danielle Saunders at Primus before the Offer expires. The Notice of Change in Election Form must be signed by you, have your name on it, and must clearly indicate whether you elect to accept or reject the Offer. The Notice of Change in Election Form may be sent via mail, courier, e-mail or facsimile. Danielle Saunders is located at Primus's corporate offices in McLean, Virginia, her e-mail address is *dsaunders@primustel.com*, and her fax number is (703) 902-2814. Notice of Change in Election Forms received by e-mail or facsimile will be valid if received by the expiration date even though the originals are not yet received, but only if the originals sent by mail, courier or hand delivery are received by June 25, 2002.

Neither we nor any other person is obligated to give notice of any defects or irregularities in any Notice of Change in Election Form, and no one will be liable for failing to give notice of any defects or irregularities. We will determine, in our discretion, all questions as to the form and validity, including time of receipt, of Notice of Change in Election Forms. Our determinations regarding these matters will be final and binding.

### **5. ACCEPTANCE OF OPTIONS FOR EXCHANGE AND CANCELLATION AND ISSUANCE OF REPLACEMENT OPTIONS.**

On the terms and subject to the conditions of this Offer, promptly following the expiration date, we will (i) accept or return the Eligible Options for exchange and (ii) cancel all options properly elected for exchange and not validly withdrawn before the expiration date. The Replacement Options will be granted on December 19, 2002 (or a later date if Primus extends the Offer).

Your Replacement Option will represent the same total number of option shares of all Eligible Options that you exchange, as set forth in detail in Section 1. If you are not continuously employed by or in service with Primus through the date the Replacement Options are granted, you will not be eligible to receive a Replacement Option. In addition, no portion of a Replacement Option will be exercisable until it vests. We will give you prompt notice of our acceptance for exchange and cancellation of Eligible Options validly elected for exchange and not properly withdrawn as of the expiration date. We will notify you on or prior to June 18, 2002 (or a later expiration date if Primus extends the Offer) if we reject your election. If you are not notified of a rejection and you receive notice of our acceptance for exchange and cancellation of all Eligible Options validly elected for exchange and not properly withdrawn, you may assume that your properly executed and delivered Election Form has been accepted. After we accept Eligible Options for exchange and cancellation, we will send each optionholder who accepted the Offer a letter confirming the Replacement Option that we will grant to the optionholder.

### **6. CONDITIONS OF THE OFFER.**

We will not be required to accept any Eligible Options that you elect to exchange, and we may terminate or amend the Offer, or postpone our acceptance and cancellation of any Eligible Options that you elect to exchange, in each case if at any time on or after May 20, 2002 and on or before June 18, 2002, or a later

expiration date if the Offer is extended, we determine that any event has occurred that, in our reasonable judgment, has a material effect on the Company's business, condition (financial or other), operations or prospects and makes it inadvisable for us to proceed with the Offer or to accept and cancel Eligible Options that you elect to exchange, including:

- any action or proceeding by any government agency, authority or tribunal or any other person, domestic or foreign, is threatened or pending before any court, authority, agency or tribunal that directly or indirectly challenges the making of the Offer, the acquisition of some or all of the

7

---

exchanged options, the issuance of Replacement Options, or otherwise relates to the Offer or that, in our reasonable judgment, could materially and adversely affect our business, condition (financial or other), income, operations or prospects or materially impair the benefits we believe we will receive from the Offer;

- any action is threatened, pending or taken, or any approval is withheld, by any court or any authority, agency or tribunal, which action or withholding, in our reasonable judgment, would or might directly or indirectly:
  - (a) make it illegal for us to accept some or all of the Eligible Options or to issue some or all of the Replacement Options or otherwise restrict or prohibit consummation of the Offer or otherwise relate to the Offer;
  - (b) delay or restrict our ability, or render us unable, to accept the Eligible Options for exchange and cancellation or to issue Replacement Options for some or all of the exchanged Eligible Options;
  - (c) materially impair our ability to provide Eligible Participants with compensation by decreasing the value of the Replacement Options or otherwise; or
  - (d) materially and adversely affect our business, condition (financial or other), income, operations or prospects;
- there is:
  - (a) any general suspension of trading in, or limitation on prices for, securities on any national securities exchange or in the over-the-counter market; or
  - (b) the declaration of a banking moratorium or any suspension of payments in respect of banks in the United States, whether or not mandatory;
- another person publicly makes or proposes a tender or exchange offer for some or all of our Common Stock, or an offer to merge with or acquire us, or we learn that:
  - (a) any person, entity or "group," within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934 (the "Exchange Act"), has acquired or proposed to acquire beneficial ownership of more than 5% of the outstanding shares of our Common Stock, or any new group shall have been formed that beneficially owns more than 5% of the outstanding shares of our Common Stock, other than any such person, entity or group that has filed a Schedule 13D or Schedule 13G with the SEC before May 20, 2002;
  - (b) any such person, entity or group that has filed a Schedule 13D or Schedule 13G with the SEC before May 20, 2002 has acquired or proposed to acquire beneficial ownership of an additional 2% or more of the outstanding shares of our Common Stock; or
  - (c) any person, entity or group shall have filed a Notification and Report Form under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 disclosing or made a public announcement that it intends to acquire us or any of our assets or securities; or
- any change or changes occur in our business, condition (financial or other), assets, income, operations, prospects or stock ownership that, in our reasonable judgment, is or may be material to us.

The conditions to the Offer are for our benefit. We may assert the conditions to the Offer in our discretion before the expiration date, and we may waive the conditions to the Offer in accordance with applicable law, at any time and from time to time before the expiration date, whether or not we waive any other condition to the Offer.

8

---

Our failure to exercise any of these rights is not a waiver of any of these rights. The waiver of any of these rights with respect to particular facts and circumstances is not a waiver with respect to any other facts and circumstances. Any determination we make concerning the events described in this Section 6 will be final and binding upon everyone.

We currently expect that we will accept promptly after the expiration date all Eligible Options that are properly submitted to be exchanged and have not been validly withdrawn.

## 7. PRICE RANGE OF COMMON STOCK.

There is no established trading market for the Eligible Options. The securities underlying the Eligible Options are shares of our Common Stock. Our Common Stock is presently quoted on the Nasdaq SmallCap Market under the symbol "PRTL." The following table shows, for the periods indicated, the high and low sale prices per share of our Common Stock as reported on the Nasdaq National Market (from January 1, 2000 through May 13, 2002) and on the Nasdaq SmallCap Market (from May 14, 2002 through May 17, 2002).

Quarter ended or ending	High	Low
Fiscal Year 2002		
June 30, 2002 (through May 17, 2002)	\$ 0.84	\$ 0.35
March 31, 2002	\$ 0.85	\$ 0.51
Fiscal Year 2001		
December 31, 2001	\$ 0.91	\$ 0.44
September 30, 2001	\$ 1.48	\$ 0.24
June 30, 2001	\$ 3.19	\$ 0.80
March 31, 2001	\$ 6.94	\$ 2.16
Fiscal Year 2000		
December 31, 2000	\$ 9.75	\$ 1.63
September 30, 2000	\$ 26.75	\$ 9.16
June 30, 2000	\$ 49.88	\$ 19.50
March 31, 2000	\$ 51.75	\$ 30.50

As of May 17, 2002, the last reported sale price of our Common Stock, as reported on the Nasdaq SmallCap Market, was \$0.73 per share.

We recommend that you obtain current market quotations for our Common Stock before deciding whether to elect to exchange your options, but we caution you that there nonetheless will be at least six months' market risk between the time you make any election to exchange Eligible Options and the date Replacement Options are granted (and their exercise price is established). WE CANNOT GUARANTEE THAT THE REPLACEMENT OPTIONS WILL HAVE A LOWER EXERCISE PRICE THAN THOSE OF THE ELIGIBLE OPTIONS.

## 8. SOURCE AND AMOUNT OF CONSIDERATION; TERMS OF REPLACEMENT OPTIONS.

**Consideration.** Your Replacement Option will represent the same total number of option shares subject to all Eligible Options that you exchange. The exercise price of the Replacement Options will be established by reference to the closing price of the Company's Common Stock on the date that is six months and one day after the expiration date of the Offer, or December 19, 2002, unless we extend the expiration date.

If we receive and accept exchange of all Eligible Options outstanding as of May 20, 2002, we will grant Replacement Options to purchase a total of 4,033,483 shares of our Common Stock. The

---

Common Stock issuable upon exercise of the Replacement Options would equal approximately 6% of the total shares of our Common Stock outstanding as of May 17, 2002.

**Terms of Replacement Options.** Replacement Options issued in exchange for options granted under the Plan will be issued under the Plan. Replacement Option agreements will be executed between each optionholder who accepts the Offer and Primus. The Replacement Option agreements will not permit the optionholders to exercise the Replacement Options prior to the time such options vest. The issuance of Replacement Options under this Offer will not create any contractual or other right of the recipients to receive any future grants of stock options or benefits in lieu of stock options.

The following description of the Plan and the Replacement Option agreements is a summary, and is not complete. Replacement Options will be subject to the terms and conditions of the Plan under which they will be granted and the applicable stock option agreement. Additional information about the Plan may be found in the Plan Summary Plan Description. Please contact Danielle Saunders at [dsaunders@primustel.com](mailto:dsaunders@primustel.com) to request copies of the Plan or the current form of stock option agreement. Copies will be provided promptly and at our expense. The form of stock option agreement may be changed with the approval of our Board of Directors or the Compensation Committee thereof prior to the date the Replacement Options are granted.

**General.** As of May 17, 2002, there were 8,210,988 shares of our Common Stock reserved for issuance, and options to purchase 6,037,123 shares of our Common Stock outstanding under the Plan. The Plan permits us to grant options intended to qualify as incentive options under the Internal Revenue Code as well as nonqualified stock options. Each Eligible Option is a nonqualified stock option. Each Replacement Option will be a nonqualified stock option.

**Administration.** The Compensation Committee of our Board of Directors administers the Plan and has the authority to construe, interpret and amend the Plan.

**Term.** The term of each option granted under the Plan is fixed by the Compensation Committee at the time of grant. The Replacement Options will expire ten years from the date of the grant.

**Time of Exercise.** Generally, you may exercise the vested portion of a Replacement Option at any time prior to termination of the option. If your employment or service with us terminates for any reason other than your death or permanent disability, generally your post-termination exercise period will be

ninety (90) days following your termination date. If your employment or service with us terminates as a result of your permanent disability, generally your post-termination exercise period will be one (1) year following your termination date. If your employment or service with us terminates as a result of your death, generally your estate or beneficiaries must exercise the vested portion of your Replacement Option within one (1) year following your termination date. However, under no circumstances may you exercise the Replacement Option after ten (10) years after the date of the grant.

---

**Exercise Price.** The Replacement Options will have an exercise price equal to the Fair Market Value reported on the last market trading day prior to the date of grant. We recommend that you obtain current market quotations for our Common Stock before deciding whether to elect to exchange your options, but we caution you that there nonetheless will be at least six months' market risk between the time you make any election to exchange Eligible Options and the date Replacement Options are granted (and their exercise price is established). **WE CANNOT GUARANTEE THAT THE REPLACEMENT OPTIONS WILL HAVE A LOWER EXERCISE PRICE THAN THOSE OF THE ELIGIBLE OPTIONS.** If any change is made in the Common Stock subject to any Replacement Option without the receipt of consideration by the Company (through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other transaction not involving the receipt of consideration by the Company), the number of shares subject to and the exercise price of the Replacement Options will be appropriately adjusted.

**Vesting.** The Compensation Committee has the authority to determine the time or times at which options granted under the Plan will vest and become exercisable. 50% of the Replacement Options granted to an eligible employee will be exercisable as of the first anniversary of the date of grant, and the remaining 50% of the Replacement Options will be exercisable as of the second anniversary of the date of the grant (assuming your continued employment or service with the Company through such dates). The Board or Compensation Committee may accelerate the vesting and exercisability of options.

**Tax Consequences.** You should refer to Section 12 of the Offer for a discussion of the United States Federal Income Tax consequences of the Replacement Options and the Eligible Options, as well as the consequences of accepting or rejecting the Replacement Options under this Offer to Exchange.

**Registration of Option Shares.** All shares of Common Stock issuable upon exercise of options under the Plan, including the shares that will be issuable upon exercise of all Replacement Options, have been registered under the Securities Act of 1933, as amended (the "Securities Act"), on a Registration Statement on Form S-8 filed with the SEC. Unless you are considered an "affiliate" of Primus, you will be able to sell your Replacement Option shares free of certain transfer restrictions under applicable securities laws.

## **9. INTERESTS OF OFFICERS REGARDING THE OFFER TO EXCHANGE; TRANSACTIONS AND ARRANGEMENTS INVOLVING THE OPTIONS.**

A list of our directors and executive officers and Eligible Options held by our executive officers is contained in Schedule A attached to this Offer to Exchange. **Directors will not be eligible to exchange their options pursuant to the Offer and none of such options shall constitute an Eligible Option.** As of May 17, 2002, our executive officers (six (6) persons) as a group held stock options to purchase a total of 2,366,461 shares of our Common Stock (collectively, the "Insider Options"). This represented approximately 39% of the shares subject to all options granted under the Plan as of that date. Schedule A lists information for each individual listed therein confirming the number of Eligible Options held by each executive officer.

The Company has not issued Eligible Options during the 60 days prior to this Offer to Exchange. There were no transactions that members of our Board of Directors, our executive officers or the affiliates of any of our directors or officers engaged in that involved Eligible Options during the 60 days prior to this Offer to Exchange.

There is no agreement, arrangement or understanding between the Company or, to the best of our knowledge, any of our directors or executive officers, and any other person for the purchase or acquisition from the Company of any of its securities, except for outstanding options to purchase an aggregate of 6,037,123 shares of our Common Stock pursuant to the Plan.

---

## **10. STATUS OF OPTIONS ACQUIRED BY US IN THE OFFER; ACCOUNTING CONSEQUENCES OF THE OFFER.**

Eligible Options that have been granted under the Plan and that we acquire in connection with the Offer will be cancelled and the shares of Common Stock that may be purchased under those options will be returned to the pool of shares available for grants of new awards or options under the Plan without further stockholder action, except as required by applicable law or the rules of the Nasdaq or any other securities quotation system or any stock exchange on which our Common Stock is then quoted or listed.

We believe that we will not incur any compensation expense solely as a result of the transactions contemplated by the Offer because:

- we will not grant any Replacement Options to Eligible Participants in the Offer until a date that is on or after the first trading day that is at least six months and one day after the date that we accept and cancel Eligible Options elected for exchange; and
- the exercise price of all Replacement Options will equal the market value of the Common Stock on the date we grant the new options.

## **11. LEGAL MATTERS; REGULATORY APPROVALS.**

We are not aware of any license or regulatory permit that appears to be material to our business that might be adversely affected by the Offer, or of any approval or other action by any government or regulatory authority or agency that is required for the acquisition or ownership of the options as described in the Offer. If any other approval or action should be required, we presently intend to seek the approval or take the action. This could require us to delay the acceptance of any Eligible Options that you elect to exchange. We cannot assure you that we would be able to obtain any required approval or take any other required action. Our failure to obtain any required approval or take any required action might result in harm to our business. Our obligation under the Offer to accept exchanged Eligible Options and to issue Replacement Options is subject to conditions, including the conditions described in Section 6 of the Offer to Exchange.

## 12. MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES.

The following is a general summary of the material United States Federal Income Tax consequences of the exchange of options under the Offer. This discussion is based on the Internal Revenue Code, its legislative history, Treasury Regulations and administrative and judicial interpretations as of the date of the Offer, all of which may change, possibly on a retroactive basis. This summary does not discuss all of the tax consequences that may be relevant to you in light of your particular circumstances, nor is it intended to apply in all respects to all categories of optionholders.

If you exchange outstanding nonqualified stock options for a Replacement Option, you will not be required to recognize income for federal income tax purposes at the time of the exchange. We believe that the exchange will be treated as a non-taxable exchange.

At the date of grant of the Replacement Option, you will not be required to recognize additional income for federal income tax purposes. The grant of options is not recognized as taxable income.

The Replacement Options will be nonqualified stock options and will not be eligible for favorable tax treatment applicable to incentive stock options.

Under current law, you will not realize taxable income upon the grant of a nonqualified stock option. However, when you exercise the option, the difference between the exercise price of the option and the fair market value of the shares subject to the option on the date of exercise will be treated as taxable compensation income to you, and you will be subject to withholding of income and employment

12

---

taxes at that time. The Company will be entitled to a deduction equal to the amount of compensation income taxable to you if we comply with applicable withholding requirements.

If you exchange shares in payment of part or all of the exercise price of a nonqualified stock option, no gain or loss will be recognized with respect to the shares exchanged, unless the shares were acquired pursuant to the exercise of an incentive stock option and the applicable holding periods summarized above were not met, and you will be treated as receiving an equivalent number of shares pursuant to the exercise of the option in a nontaxable exchange. The tax basis of the shares exchanged will be treated as the substituted tax basis for an equivalent number of shares received, and the new shares will be treated as having been held for the same holding period as the holding period that expired with respect to the transferred shares. The difference between the aggregate exercise price and the aggregate fair market value of the shares received pursuant to the exercise of the option will be taxed as ordinary income, just as if you had paid the exercise price in cash.

The subsequent sale of the shares acquired pursuant to the exercise of a nonqualified stock option generally will give rise to capital gain or loss equal to the difference between the sale price and the sum of the exercise price paid for the shares plus the ordinary income recognized with respect to the shares, and this capital gain or loss will be treated as long term capital gain or loss if you held the shares for more than one year following exercise of the option.

We recommend that you consult your tax advisor with respect to the federal, state, local and foreign tax consequences of participating in the Offer.

## 13. EXTENSION OF OFFER; TERMINATION; AMENDMENT.

We may at any time, and from time to time, extend the period of time during which the Offer is open and delay accepting any options surrendered or exchanged by announcing the extension and giving oral or written notice of the extension to the Eligible Participants.

Prior to the expiration date, in order to terminate or amend the Offer, we may postpone accepting for cancellation any Eligible Options if any of the conditions specified in Section 6 of the Offer to Exchange occur. In order to postpone the accepting for cancellation of any Eligible Option, we must announce the postponement and give oral or written notice of the postponement to the Eligible Participants. Our right to delay accepting and canceling Eligible Options may be limited by Rule 13e-4(f)(5) under the Exchange Act, which requires that we pay the consideration offered or return the surrendered options promptly after we terminate or withdraw the Offer.

As long as we comply with any applicable laws, we may amend the Offer in any way, including decreasing or increasing the consideration offered in the Offer to Eligible Participants or by decreasing or increasing the number of Eligible Options to be exchanged or surrendered in the Offer.

We may amend the Offer at any time prior to the expiration of the Offer by announcing the amendment. If we extend the length of time during which the Offer is open, the amendment must be issued no later than 6:00 a.m., Eastern Daylight Time, on the next business day after the last previously scheduled or announced expiration date. Any announcement relating to the Offer will be sent promptly to optionholders in a manner reasonably designed to inform optionholders of the change.

If we materially change the terms of the Offer or the information about the Offer, or if we waive a material condition of the Offer, we may extend the Offer to the extent required by Rules 13e-4(d)(2) and 13e-4(e)(3) under the Exchange Act. Under these rules, the minimum period an Offer must remain open following material changes in the terms of the Offer or information about the Offer, other than a change in price or a change in percentage of securities sought, will depend on the facts and circumstances. We will publish a notice if we decide to take any of the following actions:

- increase or decrease what we will give you in exchange for your Eligible Options; or

13

- 
- increase or decrease the number of Eligible Options to be exchanged in the Offer.

If the Offer is scheduled to expire within ten (10) business days from the date we notify you of such an increase or decrease, we intend to extend the Offer until ten (10) business days after the date the notice is published.

## 14. FEES AND EXPENSES.

We will not pay any fees or commissions to any broker, dealer or other person asking holders of Eligible Options to exchange such options pursuant to this Offer.

## 15. INFORMATION ABOUT PRIMUS.

Our principal executive offices are located at 1700 Old Meadow Road, Suite 300, McLean, Virginia 22102, and our telephone number is (703) 902-2800. Information regarding our directors and executive officers is contained in Schedule A attached to this Offer to Exchange and incorporated herein by reference. Our web site address is [www.primustel.com](http://www.primustel.com). The information on our web site is not a part of this Offer.

Primus Telecommunications Group, Incorporated is a global facilities-based Total Service Provider offering bundled voice, data, Internet, digital subscriber line (DSL), Web hosting, enhanced application, virtual private network (VPN), and other value-added services. The Company owns and operates an extensive global backbone network of owned and leased transmission facilities, including over 300 IP points-of-presence (POPs) throughout the world, ownership interests in over 23 undersea fiber optic cable systems, 21 international gateway and domestic switches, a satellite earth station and a variety of operating relationships that allow the Company to deliver traffic worldwide. The Company has been expanding its e-commerce and Internet capabilities with the deployment of a global state-of-the-art broadband fiber optic ATM+IP network. Founded in 1994 and based in McLean, VA, the company serves corporate, small- and medium-sized businesses, residential and data, ISP and telecommunication carrier customers primarily located in the North America, Europe and Asia-Pacific regions of the world. News and information are available at the Company's Web site at [www.primustel.com](http://www.primustel.com).

Information concerning our business, including our background, strategy, products and services, sales and marketing, customers, competition and employees, our financial information, and compensation and governance related information is included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2001, and in the Proxy Statement for our 2002 Annual Meeting of Stockholders, and such filings are incorporated by reference herein. These documents may be inspected at, and copies may be obtained from, the same places and in the same manner as set forth under Section 17—"Additional Information."

Set forth below is a selected summary of our financial information. The selected historical consolidated balance sheets at March 31, 2002, December 31, 2001 and December 31, 2000 and the selected consolidated statements of operations data for the quarters ended March 31, 2002 and March 31, 2001, and years ended December 31, 2001, December 31, 2000 and December 31, 1999 have been derived from our Quarterly Report on Form 10-Q for the period ended March 31, 2002 filed with the SEC on May 14, 2002, and our Annual Report on Form 10-K for the fiscal year ended December 31, 2001, filed with the SEC on April 16, 2002, and should be read together with the consolidated financial statements and related notes included in such reports. The consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2001 have been audited by Deloitte & Touche LLP, our independent auditors. The selected historical consolidated balance sheet at March 31, 2002 and the selected consolidated statements of operations data for the quarters ended March 31, 2002 and March 31, 2001 have been derived from our Quarterly Report on Form 10-Q for the quarter ended March 31, 2002, filed with the SEC on May 14, 2002.

### PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

#### CONDENSED BALANCE SHEETS (IN THOUSANDS)

	MARCH 31, 2002	DECEMBER 31, 2001	DECEMBER 31, 2000
Current assets	\$ 314,291	\$ 313,915	\$ 674,553
Noncurrent assets	493,379	502,299	1,073,573
<b>Total assets</b>	<b>\$ 807,670</b>	<b>\$ 816,214</b>	<b>\$ 1,748,126</b>
Current liabilities	\$ 379,025	\$ 371,544	\$ 414,051
Noncurrent liabilities	575,837	623,154	1,250,380
Stockholders' equity (deficit)	(147,192)	(178,484)	83,695
<b>Total liabilities and stockholders' equity (deficit)</b>	<b>\$ 807,670</b>	<b>\$ 816,214</b>	<b>\$ 1,748,126</b>

#### CONDENSED STATEMENTS OF OPERATIONS (IN THOUSANDS)

	THREE MONTHS ENDED March 31,		YEAR ENDED December 31,	
	2002	2001	2001	2000
Net revenue	\$ 244,667	\$ 280,005	\$ 1,082,475	\$ 1,199,422
Cost of revenue	\$ 161,558	\$ 208,362	\$ 767,841	\$ 861,181
Net income (loss)	\$ 28,767	\$ 13,698	\$ (306,176)	\$ (174,664)
Basic and diluted net income (loss) per share	\$ 0.45	\$ 0.27	\$ (5.73)	\$ (4.40)

Our book value per share was \$(2.27) as of March 31, 2002.

The financial information included in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2002 and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2001 is incorporated by reference herein and may be inspected at, and copies may be obtained from, the same places and in the same manner as set forth under Section 17—"Additional Information."



## 16. RISK FACTORS.

Information concerning Company risk factors included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2001 is incorporated by reference herein. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations. If any of the risks actually occur, our business could be harmed. In addition, there are risks concerning the Offer that include risks associated with participating in the Offer, as well as risks associated with the failure to participate in the Offer. For instance, if an eligible employee participates in the Offer, participants will be subject to market risk, since the exercise price will be set for a Replacement Option on the date that is six months and one day from the expiration date, and it is therefore possible that (1) the exercise price for the Replacement Option could be higher than the exercise price of an existing Eligible Option, (2) the exercise price for the Replacement Option could be higher than the exercise price the participant envisioned at the time of tender or as of the expiration date, and/or (3) a participant may ultimately realize in the future a lesser amount of gain, if any, upon exercise, when comparing the exercise price, and the lesser number of shares that may be purchased

15

---

upon exercise, of the Replacement Option to the exercise price and number of shares that may be purchased pursuant to Eligible Options. Conversely, there are risks associated with a failure to participate in the Offer, including the possibility that (1) the exercise price for a Replacement Option could turn out to be lower than the exercise price of an existing Eligible Option, (2) the exercise price for a Replacement Option could turn out to be lower than the exercise price the eligible employee envisioned when considering whether to (or not to) tender as of, or prior to, the expiration date, and/or (3) an eligible employee may ultimately realize in the future a lesser amount of gain, or no gain, upon exercise or termination of an Eligible Option, when comparing the exercise price and number of shares that (but for the failure to tender otherwise) could have been purchased upon exercise of what could have been a Replacement Option to the exercise price and number of shares that may be purchased pursuant to the Eligible Option that was not tendered. Because these circumstances involve a great deal of market and other risk, we ask you to consider carefully and consult your personal advisors concerning the Offer.

## 17. ADDITIONAL INFORMATION.

We recommend that you review the following documents, which are incorporated herein by reference before making a decision on whether to exchange your options:

- our Annual Report on Form 10-K for our fiscal year ended December 31, 2001 that we have filed with the SEC on April 16, 2002;
- our Proxy Statement for our 2002 Annual Meeting of Stockholders that we have filed with the SEC on April 23, 2002; and
- our Quarterly Report on Form 10-Q for our quarter ended March 31, 2002, that we have filed with the SEC on May 14, 2002.

The SEC file number for this filing is 0-29092. This filing, our other annual and quarterly reports and our other SEC filings may be examined, and copies may be obtained, at the following SEC public reference rooms:

450 Fifth Street, N.W.  
Room 1024  
Washington, D.C. 20549

500 West Madison Street  
Suite 1400  
Chicago, Illinois 60661

You may obtain information on the operation of the public reference rooms by calling the SEC at 1-800-SEC-0330.

Our SEC filings are also available to the public on the SEC's Internet site at <http://www.sec.gov>.

Our Common Stock is quoted on the Nasdaq SmallCap Market under the symbol "PRTL," and our SEC filings can be read at the following Nasdaq address:

Nasdaq Operations  
1735 K Street, N.W.  
Washington, D.C. 20006

16

---

We will also provide without charge to each person to whom we deliver a copy of this Offer to Exchange, upon his or her written or oral request, a copy of any or all of the documents to which we have referred you, other than exhibits to these documents (unless the exhibits are specifically incorporated by reference into the documents). Requests should be directed to:

Corporate Secretary  
Primus Telecommunications Group, Incorporated  
1700 Old Meadow Road, Suite 300  
McLean, Virginia 22102

or by telephoning us at (703) 902-2800 between the hours of 9:00 a.m. and 5:00 p.m., Eastern Time.

As you read the documents listed in this Section 17, you may find some inconsistencies in information from one document to another. Should you find inconsistencies between the documents, or between a document and this Offer to Exchange, you should rely on the statements made in the most recent document.

The information contained in this Offer to Exchange about Primus should be read together with the information contained in the documents to which we have referred you.

## 18. FORWARD-LOOKING STATEMENTS; MISCELLANEOUS.

This Offer to Exchange may include forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. However, the safe harbors of Section 27A of the Securities Act and 21E of the Exchange Act do not apply to statements made in this Offer. These forward-looking statements involve risks and uncertainties that include, among others, those set forth in Section 16 of this document. More information about factors that potentially could affect our financial results is included in our filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2001, our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2002, and our proxy materials for our 2002 Annual Meeting of Stockholders.

If at any time we become aware of any jurisdiction where the making of this Offer violates the law, we will make a good faith effort to comply with the law. If we cannot comply with the law, the Offer will not be made to, nor will exchanges be accepted from or on behalf of, the optionholders residing in that jurisdiction.

The decision to accept or reject this Offer is an individual one that should be based on a variety of factors and you should consult your personal advisors if you have questions about your financial or tax situation. The information about this Offer from Primus is limited to this document.

Primus Telecommunications Group, Incorporated

May 20, 2002

17

## SCHEDULE A

### INFORMATION ABOUT THE DIRECTORS AND EXECUTIVE OFFICERS OF PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED

The directors and executive officers of Primus Telecommunications Group, Incorporated, their positions and offices and number of Eligible Options they hold as of May 17, 2002, are set forth in the following table:

NAME	POSITION(S) HELD WITH THE COMPANY	NUMBER OF ELIGIBLE OPTIONS
K. Paul Singh	Chairman of the Board of Directors, President, and Chief Executive Officer	505,000
Neil L. Hazard	Executive Vice President, Chief Operating Officer and Chief Financial Officer	205,000
John F. DePodesta	Executive Vice President and Director	430,000
John Melick	Senior Vice President of International Business Development	135,000
Jay Rosenblatt	Senior Vice President, Global Carrier Service	160,000
Danielle Saunders	Vice President, General Counsel and Corporate Development	80,000

The address of each director and executive officer is c/o Primus Telecommunications Group, Incorporated, 1700 Old Meadow Road, Suite 300, McLean, Virginia 22102, and the telephone number is (703) 902-2800.

The biographies for our executive officers and directors included in our definitive Proxy Statement for our 2002 Annual Meeting of Stockholders, filed with the SEC, are incorporated by reference herein.

18

## QuickLinks

[EXHIBIT 99.\(a\)\(1\)\(A\)](#)

[TABLE OF CONTENTS](#)

[SUMMARY OF TERMS](#)

[THE OFFER](#)

[CONDENSED BALANCE SHEETS](#)

[CONDENSED STATEMENTS OF OPERATIONS \(IN THOUSANDS\)](#)

[SCHEDULE A INFORMATION ABOUT THE DIRECTORS AND EXECUTIVE OFFICERS OF PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED](#)

[QuickLinks](#) -- Click here to rapidly navigate through this document

**EXHIBIT 99.(a)(1)(B)**

Dear Employee:

We are offering to exchange all outstanding stock options with exercise prices per share greater than \$2.00 granted under the Primus Telecommunications Group, Incorporated Stock Option Plan that are held by employees (including officers) of the Company. The details of the option exchange program are set forth in the attached documents, which include the Offer to Exchange Outstanding Options to Purchase Common Stock. Please review the enclosed carefully and direct questions and completed forms to Danielle Saunders (by e-mail at [dsaunders@primustel.com](mailto:dsaunders@primustel.com), by telephone at (703) 902-2800 or by fax at (703) 902-2814).

K. Paul Singh

---

QuickLinks

[EXHIBIT 99.\(a\)\(1\)\(B\)](#)

**SUMMARY OF TERMS OF OPTION EXCHANGE**

**RESPONSE DUE BEFORE 5:00 P.M., EASTERN DAYLIGHT TIME, ON, JUNE 18, 2002**

You must check your election, sign and date the Election Form and return the Election Form to Danielle Saunders BEFORE 5:00 p.m., Eastern Daylight Time, on June 18, 2002 (or a later expiration date if Primus Telecommunications Group, Incorporated (the "Company" or "Primus") extends the Offer). If you have any questions regarding the process for returning the Election Form, please contact Danielle Saunders via e-mail at [dsaunders@primustel.com](mailto:dsaunders@primustel.com) or by telephone at (703) 748-8016.

The following summarizes the principal terms and conditions of the Offer to Exchange outstanding stock options. Please also read the enclosed Offer to Exchange in its entirety, because the information in this summary is not complete and does not contain all of the information relevant to your decision to participate in the Offer. Capitalized terms that are not defined in this Summary shall have the same meaning given to such terms in the Offer to Exchange.

**WHY ARE WE MAKING THE OFFER?** A key element of our future success is highly dependent upon the motivation of our employees. Accordingly, since many of our outstanding options have exercise prices that are significantly higher than the current market price of our Common Stock, we felt it appropriate to offer an exchange program. (See Section 2 of the Offer to Exchange.)

**WHAT SECURITIES ARE WE OFFERING TO EXCHANGE?** We are offering to exchange all outstanding stock options with exercise prices per share greater than \$2.00 granted under the Plan ("Eligible Options") that are held by employees (including officers) of the Company ("Eligible Participants").

**WHO CAN PARTICIPATE IN THE EXCHANGE?** You can elect to surrender for cancellation any Eligible Options if you are an Eligible Participant on December 19, 2002. Termination of your employment or service with the Company on or before December 19, 2002, will automatically revoke any election that you make to participate in this program.

**HOW MANY OPTION SHARES WILL I RECEIVE IN EXCHANGE FOR THE OPTION SHARES I ELECT TO EXCHANGE?** For those Eligible Participants who elect to participate in the Offer, on December 19, 2002, (or a later date if Primus extends the Offer), the Company will grant you a Replacement Option to purchase a number of shares of Common Stock equal to the number of shares subject to your Eligible Options that were cancelled, as applicable, (so long as your employment or service with the Company continues through that date). Replacement Options issued in exchange for options granted under the Plan will be issued under the Plan. (See Section 8 of the Offer to Exchange.)

**WHEN WILL I RECEIVE MY REPLACEMENT OPTION?** The Replacement Options will be granted on December 19, 2002 (or a later date if Primus extends the Offer). We expect the stock option agreements to be distributed within two weeks from the date of grant. (See Section 5 of the Offer to Exchange.)

**WHAT WILL BE THE EXERCISE PRICE OF THE REPLACEMENT OPTIONS?** The Replacement Options will have an exercise price equal to the closing price of the Company's Common Stock as reported on the trading market where the Company's Common Stock is traded at such time (i.e., either the Nasdaq SmallCap Market or the Over the Counter Bulletin Board or other market in which Primus Common Stock trades) (the "Fair Market Value") on the last market trading day prior to the date of grant, which we expect to be December 18, 2002, unless we extend the Expiration Date of the Offer. We cannot guarantee that the Replacement Options will have a lower exercise price than those of the Eligible Options. We recommend that you obtain current market quotations for our

---

Common Stock before deciding whether to elect to exchange your options, but we caution you that there nonetheless will be at least six months' market risk between the time you make any election to exchange Eligible Options and the date Replacement Options are granted (and their exercise price is established). (See Section 7 of the Offer to Exchange.)

**WHAT WILL BE THE VESTING PERIOD OF THE REPLACEMENT OPTIONS?** 50% of the Replacement Options granted to an eligible employee will be exercisable as of the first anniversary of the Replacement Option grant date and the remaining 50% of the Replacement Options will be exercisable as of the second anniversary of such date of the grant (assuming your continued employment or service with the Company through such dates).

**WHEN WILL THE REPLACEMENT OPTIONS EXPIRE?** The Replacement Options will expire ten (10) years from the date the Replacement Options are granted (so long as you remain employed by or continue service with the Company).

**WILL I HAVE TO WAIT LONGER TO PURCHASE COMMON STOCK UNDER MY REPLACEMENT OPTION THAN I WOULD UNDER THE OPTIONS I EXCHANGE?** You may be exchanging some vested options for unvested Replacement Options. You WILL NOT be able to exercise or sell any portion of the shares subject to the Replacement Options until they vest.

**IF I ELECT TO EXCHANGE ELIGIBLE OPTIONS, WILL MY ELECTION AFFECT OTHER COMPONENTS OF MY COMPENSATION?** You may elect to exchange some but not all Eligible Options that you own if you satisfy the following requirements: (1) you must exchange all shares and options underlying a particular option agreement or grant letter; and (2) if you have multiple option agreements or grant letters, you can elect to exchange all shares and options underlying one or more particular option agreements or grant letters even if they constitute less than all of your Eligible Options as long as you satisfy the requirements described in clause (1) above.

**IF I ELECT TO EXCHANGE ELIGIBLE OPTIONS, DO I HAVE TO EXCHANGE ALL OF MY ELIGIBLE OPTIONS OR CAN I JUST EXCHANGE SOME OF THEM?** You must exchange all option shares subject to a particular Eligible Option. However, if you have more than one Eligible Option, then you may exchange some, but less than all, Eligible Options.

**CAN I CANCEL THE REMAINING PORTION OF AN ELIGIBLE OPTION THAT I HAVE ALREADY PARTIALLY EXERCISED?** Yes, the remaining outstanding, unexercised portion of an Eligible Option can be cancelled.

**DOES THE COMPANY HAVE A RECOMMENDATION WITH RESPECT TO THE OFFER?** While the Company's Compensation Committee of its Board of Directors has approved the Offer, each individual holding Eligible Options will need to arrive at his or her own decision whether or not to participate in the Offer based on individual circumstances. The Company cannot guarantee that the Replacement Options will have a lower exercise price than those of the Eligible Options. The decision to accept is an individual one that should be based on a variety of factors, and you should consult with your personal advisors if you have questions about your financial or tax situation.

**WHAT HAPPENS TO MY ELIGIBLE OPTIONS IF I ACCEPT THE OFFER?** If you accept the Offer, the Eligible Options that you choose to exchange will be cancelled, and you will have no further right or interest in them, whether vested or unvested.

**WHAT IS THE UNITED STATES TAX TREATMENT OF THE REPLACEMENT OPTIONS?** Each Replacement Option will be a nonqualified stock option and, under United States tax laws, WILL NOT be eligible for the favorable tax treatment that applies to incentive stock options. You should consult with your tax advisor with respect to all tax matters.

2

---

**WILL I HAVE TO PAY TAXES IF I EXCHANGE MY OPTIONS IN THE OFFER?** If you accept the Offer, you will not recognize income for United States Federal Income Tax purposes at the time of the exchange or at the time we grant Replacement Options to you.

**WHAT HAPPENS TO MY OPTIONS IF I DO NOT ACCEPT THE OFFER?** Nothing. If you do not accept the Offer, you will keep all of your current options, and no changes will be made to your current options. Furthermore, if you do not accept the Offer, you will not receive Replacement Options.

**UNDER WHAT CIRCUMSTANCES WOULD THE COMPANY NOT ACCEPT MY OPTIONS?** The Company currently expects that it will accept promptly after the expiration date all Eligible Options that are properly submitted to be exchanged and for which the election has not been validly withdrawn. The Company may, however, reject any or all Election Forms, Notice of Change in Election Forms or exchanged options to the extent that the Company determines they were not properly executed or delivered, to the extent that the Company determines it is unlawful to accept the exchanged options or to the extent certain conditions exist which in the Company's reasonable judgment make it inadvisable to proceed with the Offer (see Sections 3, 5 and 6 in the Offer to Exchange).

**CAN I CHANGE MY MIND?** Yes. After you turn in the Election Form, you can change your election at any time on or prior to the June 18, 2002 deadline by delivering a signed Change in Election Form to Danielle Saunders before 5:00 p.m., Eastern Daylight Time, on June 18, 2002 (unless Primus extends the deadline). Danielle Saunders can provide you with a form for a change in election. The form has also been included in the information e-mailed to you.

**AFTER I AM GRANTED REPLACEMENT OPTIONS, WHAT HAPPENS IF THOSE REPLACEMENT OPTIONS END UP UNDERWATER?** The Company is conducting this Offer only at this time. Therefore, this Offer is considered a one-time offer and is not expected to be repeated again in the future. As the Replacement Options are valid for up to ten years from the Replacement Option grant date, subject to continued service with the Company, the price of the Company's Common Stock may appreciate over this period even if your Replacement Option is underwater for some period of time after the grant date of the Replacement Options. HOWEVER, THE COMPANY CAN PROVIDE NO ASSURANCE AS TO THE PRICE OF ITS COMMON STOCK AT ANY TIME IN THE FUTURE, AND NOTHING CONTAINED IN THIS DOCUMENT OR THE OTHER DOCUMENTS YOU RECEIVE RELATING TO THIS OFFER SHOULD BE INTERPRETED IN ANY WAY AS A CLAIM RELATING TO THE FUTURE PROSPECTS OF THE PRICE OF THE COMPANY'S COMMON STOCK, NOR SHOULD ANY INFERENCE ABOUT SUCH FUTURE PROSPECTS BE DRAWN FROM ANYTHING CONTAINED HEREIN OR THEREIN.

**WHAT DO I NEED TO DO?** Whether or not you accept the Offer, you need to make your election, sign the Election Form and deliver the Election Form to Danielle Saunders at Primus before 5:00 p.m., Eastern Daylight Time, on June 18, 2002 (or a later expiration date if Primus extends the Offer). The Election Form may be sent via mail, courier, e-mail or facsimile. Danielle Saunders is located at Primus's corporate headquarters in McLean, Virginia, her direct facsimile number is (703) 902-2814, and her e-mail address is [dsaunders@primustel.com](mailto:dsaunders@primustel.com). Election Forms must be physically received by Danielle Saunders before 5:00 p.m., Eastern Daylight Time, on June 18, 2002 (or a later expiration date if Primus extends the Offer). If Election Forms are sent by e-mail or facsimile, originals should be promptly sent by mail, courier or hand delivery and must be received by June 25, 2002.

3

---

QuickLinks

[EXHIBIT 99\(a\)\(1\)\(C\)](#)

ELECTION FORM

Primus Telecommunications Group, Incorporated  
1700 Old Meadow Road, Suite 300  
McLean, VA 22102

I have received Primus Telecommunications Group, Incorporated's Offer to Exchange dated May 20, 2002, as amended (the "Offer"), sent to certain employees holding options to purchase Common Stock of Primus Telecommunications Group, Incorporated (the "Company" or "Primus") granted under its Plan (the "Offer to Exchange"). Defined terms not explicitly defined herein but defined in the Offer to Exchange shall have the same definitions as in the Offer to Exchange.

Pursuant to the terms of the Offer, I elect to have one or more Eligible Options held by me, as specified in the attached, cancelled in exchange for a right to receive a Replacement Option, as that term is defined in the Offer to Exchange in accordance with the terms of that Offer. If I have elected to cancel less than all Eligible Options listed by the Company for my convenience in the table attached, I have indicated such election by crossing through any such Eligible Option(s) that I do not wish to have cancelled. I hereby agree that, unless I revoke my election before 5:00 p.m. Eastern Daylight Time on June 18, 2002 (or a later expiration date if Primus extends the Offer), my election will be irrevocable, and if accepted by Primus, such surrendered Eligible Options will be cancelled in their entirety on June 18, 2002 (or a later date if Primus extends the Offer). I understand that, subject to my continuous employment through the grant date of the Replacement Option, I will have the right to receive a Replacement Option, to be granted on December 19, 2002 (or a later date if Primus extends the Offer).

I HEREBY ELECT TO CANCEL, upon the terms and conditions stated in the Offer, the attached Eligible Option(s) outstanding with exercise prices greater than \$2.00 per share.

I agree to deliver to Primus the original stock option grant form(s) for such options, upon request. I acknowledge that I will have no right to exercise all or any part of the cancelled Eligible Option(s) after the date of this election (unless I revoke this election), and that such options will be cancelled as of June 18, 2002 (or a later expiration date if Primus extends the Offer).

I further acknowledge and agree that neither the ability to participate in the Offer nor actual participation in the Offer shall be construed as a right to continued employment with Primus (except on an at-will basis). I agree that Primus has made no representations or warranties to me regarding this Offer or the future pricing of Primus stock, and that my participation in this Offer is at my own discretion.

**I AGREE THAT PRIMUS SHALL NOT BE LIABLE FOR ANY COSTS, TAXES, LOSS OR DAMAGE THAT I MAY INCUR THROUGH MY ELECTION TO PARTICIPATE IN THIS OFFER; PROVIDED, THIS WAIVER SHALL NOT CONSTITUTE A WAIVER OF PRIMUS' OBLIGATION TO COMPLY WITH THE FEDERAL SECURITIES LAWS IN CONNECTION WITH THE OFFER.**

I DO NOT accept the Offer to exchange options.

\_\_\_\_\_ Date: \_\_\_\_\_  
Optionee Signature  
Name: \_\_\_\_\_  
(Please print)

---

**PRIMUS HEREBY AGREES AND ACCEPTS THIS ELECTION FORM, AND SUCH ACCEPTANCE SHALL BE BINDING ON PRIMUS'S SUCCESSORS, ASSIGNS AND LEGAL REPRESENTATIVES:**

**PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Title: \_\_\_\_\_

**NOTICE OF CHANGE IN ELECTION FROM ACCEPT TO REJECT**

If you previously elected to accept Primus Telecommunications Group, Incorporated's ("Primus") Offer to Exchange dated May 20, 2002, as amended (the "Offer"), and you would like to change your election and reject the Offer, you must sign this Notice and return it to Danielle Saunders before 5:00 p.m., Eastern Daylight Time, on June 18, 2002, unless the Offer is extended. This Notice of Change in Election may be sent via mail or courier to Danielle Saunders at Primus's corporate offices in McLean, Virginia, facsimile to (703) 902-2814, or e-mail to [dsaunders@primustel.com](mailto:dsaunders@primustel.com). Notices returned via e-mail or facsimile will be accepted, provided originals are received by June 25, 2002. If you have questions regarding the process for returning this Notice, please contact Danielle Saunders via e-mail at [dsaunders@primustel.com](mailto:dsaunders@primustel.com) or by telephone at (703) 748-8016.

To Primus:

I previously received a copy of the Offer to Exchange (dated May 20, 2002), the Summary of Terms and an Election Form. I signed and returned the Election Form, in which I elected to accept Primus's Offer to Exchange. I now wish to change that election, and reject Primus's Offer to Exchange. I understand that by signing this Notice and delivering it to Danielle Saunders, I will be able to withdraw my acceptance of the Offer and reject the Offer instead. I understand that in order to reject the Offer, I must sign and deliver this Notice to Danielle Saunders before 5:00 p.m., Eastern Daylight Time, on June 18, 2002, or if Primus extends the deadline to exchange options, before the extended expiration of the Offer.

By rejecting the Offer to Exchange, I understand that I will not receive any Replacement Options, and I will keep my Eligible Options. These options will continue to be governed by the equity incentive plan under which these options were granted and the existing option agreements between Primus and me.

I have completed and signed the following exactly as my name appears on my original Election Form. By executing this form, I hereby bind my successors, assigns and legal representatives.

- o I DO NOT accept the Offer to exchange options.

\_\_\_\_\_ Date: \_\_\_\_\_  
Optionee Signature  
Name: \_\_\_\_\_  
(Please print)

**PRIMUS HEREBY AGREES AND ACCEPTS THIS NOTICE OF CHANGE IN ELECTION FROM ACCEPT TO REJECT, AND SUCH ACCEPTANCE SHALL BE BINDING ON PRIMUS'S SUCCESSORS, ASSIGNS AND LEGAL REPRESENTATIVES:**

**PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Title: \_\_\_\_\_

---

QuickLinks

[EXHIBIT 99\(a\)\(1\)\(F\)](#)

**NOTICE OF CHANGE IN ELECTION FROM REJECT TO ACCEPT**

If you previously elected to reject Primus Telecommunications Group, Incorporated's ("Primus") Offer to Exchange dated May 20, 2002, as amended (the "Offer"), and you would like to change your election and accept the Offer, you must sign this Notice AND a new Election Form and return both to Danielle Saunders before 5:00 p.m., Eastern Daylight Time, on June 18, 2002, unless the Offer is extended. This Notice of Change in Election may be sent via mail or courier to Danielle Saunders at Primus' corporate offices in McLean, Virginia, by facsimile at (703) 902-2814, or e-mail at [dsaunders@primustel.com](mailto:dsaunders@primustel.com). Notices returned via e-mail or facsimile will be accepted, provided the originals are received by June 25, 2002. If you have questions regarding the process for returning this Notice, please contact Danielle Saunders via e-mail at [dsaunders@primustel.com](mailto:dsaunders@primustel.com) or by telephone at (703) 748-8016.

To Primus:

I previously received a copy of the Offer to Exchange (dated May 20, 2002, as amended), the Summary of Terms and an Election Form. I signed and returned the Election Form, in which I elected to reject Primus's Offer to Exchange. I now wish to change that election, and accept Primus's Offer to Exchange. I understand that by signing this Notice and a new Election Form and delivering both to Danielle Saunders, I will be able to withdraw my rejection of the Offer and accept the Offer instead. I understand that in order to accept the Offer, I must sign and deliver this Notice and a new Election Form to Danielle Saunders before 5:00 p.m., Eastern Daylight Time, on June 18, 2002, or if Primus extends the deadline to exchange options, before the extended expiration of the Offer.

I have completed and signed the following exactly as my name appears on my original Election Form. By executing this form, I hereby bind my successors, assigns and legal representatives.

I accept the offer to exchange options as indicated in the Election Form completed as of the date hereof.

\_\_\_\_\_ Date: \_\_\_\_\_  
Optionee Signature  
Name: \_\_\_\_\_  
(Please print)

**PRIMUS HEREBY AGREES AND ACCEPTS THIS NOTICE OF CHANGE IN ELECTION FROM REJECT TO ACCEPT, AND SUCH ACCEPTANCE SHALL BE BINDING ON PRIMUS'S SUCCESSORS, ASSIGNS AND LEGAL REPRESENTATIVES:**

**PRIMUS TELECOMMUNICATIONS GROUP, INCORPORATED**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Title: \_\_\_\_\_

---

QuickLinks

[EXHIBIT 99\(a\)\(1\)\(G\)](#)



[QuickLinks](#) -- Click here to rapidly navigate through this document

**EXHIBIT 99.(a)(1)(H)**

To: [Employee Name]

From: Danielle Saunders

Date: , 2002

Re: Confirmation of Participation in the Offer to Exchange

Thank you for your participation in Primus Telecommunications Group, Incorporated's 2002 Stock Option Exchange Program. Defined terms not explicitly defined herein but defined in the Offer to Exchange shall have the same definitions as used in the Offer to Exchange. The stock option(s) held by you that have been cancelled effective June 18, 2002 are identified on the following page entitled "Personnel Option Status" under the column heading "Cancelled."

The number of shares subject to the Replacement Option you will have the right to receive in accordance with the Offer is equal to the number of shares subject to Eligible Options that you have tendered, and the exercise price of any such Replacement Option granted will be equal to the closing price of the Company's Common Stock as reported on Nasdaq SmallCap Market (or the OTC Bulletin Board or other market in which Primus Common Stock trades) on the last market trading day prior to the date of grant.

You can view a summary of your stock option grant(s) by sending a request to Danielle Saunders via e-mail at [dsaunders@primustel.com](mailto:dsaunders@primustel.com). If you have any other questions regarding the above, please contact Danielle Saunders via e-mail or by telephone at (703) 748-8016.

PRIMUS TELECOMMUNICATIONS GROUP,  
INCORPORATED

---

QuickLinks

[EXHIBIT 99.\(a\)\(1\)\(H\)](#)

[QuickLinks](#) -- Click here to rapidly navigate through this document

**EXHIBIT 99.(a)(1)(I)**

Dear Employee:

**REMINDER—OFFER TO EXCHANGE CANCELLATION DATE APPROACHING**

Whether you accept the Offer to Exchange or not, you need to make your election, sign the Election Form and deliver the Election Form to Danielle Saunders for receipt NO LATER THAN 5:00 P.M. EASTERN DAYLIGHT TIME ON JUNE 18, 2002.

If you have any questions, please do not hesitate to contact Danielle Saunders via e-mail at [dsaunders@primustel.com](mailto:dsaunders@primustel.com) or by telephone at (703) 748-8016.

---

QuickLinks

[EXHIBIT 99.\(a\)\(1\)\(I\)](#)

FOR IMMEDIATE RELEASE

Contact: Jordan Darrow, VP, Investor Relations  
Primus Telecommunications Group,  
Incorporated  
(212) 703-0116  
[jdarrow@primustel.com](mailto:jdarrow@primustel.com)

DRAFT

**Primus Announces Voluntary Stock Option Exchange Program**

McLean, Va.,—May XX, 2002—Primus Telecommunications Group, Incorporated (Nasdaq: PRTL), a global facilities-based Total Service Provider, today announced that the compensation committee of its board of directors has approved a voluntary stock option exchange program for its employees.

This program will offer Primus eligible employees who hold options with an exercise price per share of more than \$2.00 the opportunity to cancel those options in exchange for an identical number of options to be granted at a future date. The new options would be issued no earlier than six months and one day after the cancellation date, which is currently expected to be December 19, 2002. The exercise price of the new options would be based on the trading price of the Primus common stock at the time of the new option grants. Primus directors who are not also employees of Primus are not eligible to participate in this voluntary stock option exchange program.

**[Additional quote regarding intended benefits of program]**

As of May 17, 2002, Primus had outstanding options to purchase 6,037,123 shares. Of these outstanding options, 4,033,483 options have an exercise price of more than \$2.00 and are eligible for this program.

The exchange program is being structured to comply with FASB Interpretation No. 44 "Accounting for Certain Transactions Involving Stock Compensation." Primus expects that there will be no variable compensation charges to the company as a result of this stock option exchange program. Terms and conditions of this exchange offer are contained in a Tender Offer Statement on Schedule TO that Primus filed today with the Securities and Exchange Commission.

**About Primus™**

Primus Telecommunications Group, Incorporated is a global facilities-based Total Service Provider offering bundled voice, data, Internet, digital subscriber line (DSL), Web hosting, enhanced application, virtual private network (VPN), and other value-added services. The Company owns and operates an extensive global backbone network of owned and leased transmission facilities, including over 300 IP points-of-presence (POPs) throughout the world, ownership interests in over 23 undersea fiber optic cable systems, 21 international gateway and domestic switches, a satellite earth station and a variety of operating relationships that allow the Company to deliver traffic worldwide. The Company has been expanding its e-commerce and Internet capabilities with the deployment of a global state-of-the-art broadband fiber optic ATM+IP network. Founded in 1994 and based in McLean, VA, the company serves corporate, small- and medium-sized businesses, residential and data, ISP and telecommunication carrier customers primarily located in the North America, Europe and Asia-Pacific regions of the world. News and information are available at the Company's Web site at [www.primustel.com](http://www.primustel.com).

###

---

QuickLinks

[EXHIBIT 99.\(a\)\(1\)\(J\)](#)