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ZEGONA COMMUNICATIONS PLC ("Zegona")

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Euskaltel completes Board restructuring

Following the Euskaltel EGM last Week, Zegona is pleased to highlight the successful restructuring of the Euskaltel Board and executive team over the past year. Zegona is confident that this restructuring will result in a more effective and efficient implementation of the company's 2020-2025 growth strategy outlined by Euskaltel senior management in March this year.

Zegona recognised the potential to improve Euskaltel's performance and increased its investment to become the lead shareholder in 2019. Since then we have driven significant changes to the Euskaltel Board and management. The first key milestone was the appointment of José Miguel García (formerly CEO of Jazztel) as CEO of Euskaltel by shareholders in July 2019. Ángel Olabuenaga Burón, a highly experienced executive with previous roles at Telefonica, Electrolux and Vestas, was subsequently appointed as CFO earlier this year. With Zegona's increased shareholding in Euskaltel, Zegona's CEO, Eamonn O'Hare, also joined Robert Samuelson, Zegona's COO, on the Euskaltel Board.

As announced last week, Euskaltel has now further strengthened its Board with two new 'high-quality independent Board directors. Ms Beatriz Mato Otero and Ms Ana García Fau. They join Xabier Iturbe Otaegi, who was appointed the Chairman of the Board in October 2019 and José Ortiz Martínez who was appointed Company Secretary in November 2019. The new Board directors will make a significant contribution to the development of the business with their strong industry and governance credentials. At the same time, the Euskaltel Board size has been reduced to 10 members, which will help accelerate decision making and ensure greater dynamism within the business.

Eamonn O'Hare, Zegona's Chairman and Chief Executive Officer, commented: "Zegona has been instrumental in driving Euskaltel's new growth strategy, including increased operating efficiencies and launching the business nationally under the "Virgin telco" brand. A key inflection point was reached earlier this year when Euskaltel returned to growth, with significantly improved operating KPIs and strong financial performance. I am confident the recent changes to the Euskaltel Board will help drive further improvements to the company's performance, enhance corporate governance and accelerate strategic decision making".

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About Zegona

Zegona was established in 2015 with the objective of investing in businesses in the European Telecommunications, Media and Technology sector and improving their performance to deliver attractive shareholder returns. Zegona holds an equity stake of over 21% in Euskaltel and is led by former Virgin Media executives Eamonn O'Hare and Robert Samuelson.

About Euskaltel

Euskaltel S.A. ("Euskaltel") is the leading converged telecommunications provider in the North of Spain and has recently expanded to offer services nationally. It provides high speed broadband, data rich mobile, advanced TV and fixed communications services to residential and business customers under the Euskaltel, R Cable, Telecable and Virgin telco brands. Euskaltel is a public company traded on the stock markets of Bilbao, Madrid, Barcelona and Valencia.