

Euskaltel signs an agreement giving it access to Adamo's fibre optic network nationwide

- The agreement gives the Euskaltel Group access to Adamo's entire fibre optic network, which includes over 1 million homes across Spain.
- The agreement will be in force for 5 years, renewable by mutual agreement, and can be extended to the 500,000 additional homes that Adamo expects to roll out to this year.
- This will enable the Euskaltel Group to continue achieving network management efficiencies.

Bilbao, 8 September 2020. The Euskaltel Group has today announced the signing of an agreement with the fibre optic operator Adamo, giving Euskaltel access to its entire fibre optic network across Spain. This wholesale agreement will give Euskaltel and all its brands access to over 1 million homes nationwide, extendible to 500,000 additional homes that Adamo hopes to roll out to this year.

The agreement will be in force for 5 years, renewable by mutual agreement. It will allow Euskaltel to access Adamo's network in bitstream mode, as well as all the equipment and technical systems needed to ensure that the Euskaltel Group's business activity on Adamo's network at a national level is entirely satisfactory and efficient.

This agreement greatly benefits the Euskaltel Group, which began to operate throughout Spain with the Virgin telco brand on 20 May. As reported in the Q2 2020 results on 23 July, this launch has been a huge success, exceeding internal expectations and leading to record customer growth for the Group. At 30 June 2020, Virgin telco had 6,500 customers.

Furthermore, the agreement announced today means that the Euskaltel Group will be able to continue achieving network management efficiencies. The Group operates nationally via agreements signed with Orange and Telefónica. The agreement signed with Adamo will increase flexibility and efficiency in national network usage, positively impacting on the company's forecasts.

In their Q2 2020 results, the Euskaltel Group reported that approximately Euros 40 million worth of annual synergies has been achieved since the new strategic roadmap was implemented. These synergies have given rise to record profitability levels for the Group. The Group also announced additional long-term initiatives for the sales, customer service

processes, systems and network departments. This agreement marks yet another step in the implementation of these efficiencies.

José Miguel García, the Euskaltel Group's CEO, stated: *"The agreement signed today is a significant step in the Group's strategy, as it enables us to continue deploying and efficiently managing the network, both in terms of in-house deployment and also access to new homes via network sharing agreements like the one signed with Adamo. Our goal is to reach all towns and villages, even the most remote ones, and to help eliminate the digital divide in our society by offering the most advanced telecommunications services".*

Martin Czermin, Adamo's CEO has said that he *"is very pleased with the agreement signed"* because *"we are gaining an important partner, but above all, a partner who is interested in offering state-of-the-art telecommunications services to Spain's rural areas. It is here where we have become the face of the Internet in rural Spain"*. He adds: *"Adamo's growth is achieved not only through its own customers; its wholesale customer numbers are also growing. The Adamo network has been open to other operators from the start and we have many wholesale agreements all over Spain"*.

Adamo has its own network coverage in Catalonia, Madrid, the region of Valencia, Cantabria, Navarre, Castilla La Mancha, Castilla y León, Extremadura, La Rioja, Galicia and Andalusia. In each region, Adamo works with an expert local partner to quickly expand its network: the company can connect 30,000 new homes in rural areas a month.

About the Euskaltel Group

The Euskaltel Group is one of Spain's main telecommunications companies providing a comprehensive response to the communication needs of individuals, institutions and companies. The Euskaltel Group, with its Euskaltel, R and Telecable brands in the Basque Country, Galicia and Asturias, respectively, is the leading company in all markets it operates in, with strong local involvement and positioned at the head of fibre optic and convergent telecommunications services.

Furthermore, the Group has launched its expansion strategy through the Virgin telco brand to reach the entire Spanish market and offer high-speed broadband, mobile telecommunications with ample data allowances and a solid TV offering to 18.4 million homes.

The company provides ICT solutions to cover its residential and business customers' full communication cycle with a wide range of technological services including Internet, fixed-line and mobile phones, digital TV and broadband, digital transformation processes, IoT (the Internet of Things) solutions, technology for Smart Cities and Industry 4.0.

About Adamo

Adamo, based in Barcelona, is a national operator with a regional and local business focus. It has been operating on the Spanish market since 2007 and the company gives priority to new high-density urban areas and rural regions, providing the market's fastest optic fibre (1,000 Mbps). EQT, which represents 80% of Adamo, backs its current expansion plan with recent support of Euros 250 million. Thanks to its own infrastructure, Adamo not only provides Internet, but also offers landline and mobile services, as well as products for the business and wholesale market.

For more information, go to www.adamo.es and Twitter [@adamo_es](https://twitter.com/adamo_es).

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