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ZEGONA COMMUNICATIONS PLC ("Zegona")

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20 MAY 2020

EUSKALTEL LAUNCHES VIRGIN NATIONALLY ACROSS SPAIN

National Expansion: Euskaltel today announced that it is launching services nationally across Spain under the "Virgin telco" brand, reaching the 85% of the Spanish market where Euskaltel is not present today. This will enable Euskaltel to offer services to over 18 million homes.

Full Quad-Play Service: Virgin telco offers a full quad-play range of telecommunications services including high quality high speed FTTH broadband, data-rich mobile, landline and 4K premium TV.

Value Focused, Innovative Offer: Virgin telco allows customers to select exactly the services they want in order to design their own product bundle, rather than having to take inflexible packages defined by the operator. The result is much better value for customers as they don't have to pay for services they don't really want.

Significant Growth Expected: Euskaltel has announced that under its 2020-25 Business Plan it is aiming to nearly double its revenues by 2025 from €685 million to €1.3 billion, with over €500 million coming from the new Virgin telco service.

Further details on the Virgin telco service launch can be found on the Euskaltel website at: www.euskaltel.com/CanalOnline/investors.

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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 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, with its network covering 2.3 million households. It provides high speed broadband, data-rich mobile, advanced TV and fixed communications services to residential and business customers under the Euskaltel, R Cable and Telecable brands. During 2020, Euskaltel is expanding its addressable footprint to over 18m households through its national expansion plan using the "Virgin telco" brand. Euskaltel is a public company traded on the stock markets of Bilbao, Madrid, Barcelona and Valencia.