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Zegona Communications plc

Results Of Placing

Zegona is pleased to announce the successful completion of the placing announced on 9 November 2023 (the "**Placing**").

A total of 174,413,535 New Zegona Shares have been placed to institutional investors at a price of 150 pence (the "**Offer Price**"), raising gross proceeds of €300 (£262) million¹.

In addition to the Placing, as previously announced, the Company has entered into the conditional subscription agreement with Newco whereby Newco will subscribe for New Zegona Shares at the Offer Price (converted to Euro at the Exchange Rate) by using the proceeds of the issue of the subscription by Vodafone Europe B.V. of preference shares in Newco (the "**Conditional Subscription**"). Newco is expected to subscribe for 523,240,603 New Zegona Shares for an aggregate amount of €900 million.

The Company also intends to raise gross proceeds of up to €8 million through a separate offering of New Zegona Shares at the Offer Price by way of a PrimaryBid Offer. The PrimaryBid Offer is expected to launch later today, following publication of the final prospectus.

The net proceeds of the Placing, Conditional Subscription and PrimaryBid Offer will be used to partially fund the Acquisition, pay fees and expenses incurred in connection with the Acquisition and Offer and for general corporate purposes.

The New Zegona Shares being issued represent approximately 99% of the Company's ordinary share capital on Admission (assuming all of the New Zegona Shares in the PrimaryBid Offer are subscribed). The Offer Price represents a 380% premium to the closing mid-market price of an existing Zegona share on 22 September 2023, the date when Zegona requested that trading in its shares was suspended by the London Stock Exchange following press speculation in relation to the Acquisition.

Deutsche Numis acted as global co-ordinator and joint bookrunner, with each of Canaccord, ING and UniCredit acting as joint bookrunners in the Placing.

The Placing Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing Zegona Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of the Zegona Shares after the Placing has closed. When admitted to trading, the New Zegona Shares will be registered with ISIN GB00BVGBY890 and SEDOL number BVGBY89 and will trade under the symbol "ZEG".

Applications will be made to the FCA for admission of the New Zegona Shares to listing on the standard listing segment of the Official List and to the London Stock Exchange for Admission. It is expected that Admission will become effective at 8.00 a.m. on 17 November 2023 or such later time and date (being not later than 8.00 a.m. on 24 November 2023) as the Global Co-ordinator and the Company may agree.

As the Acquisition is classified as a reverse takeover under the Listing Rules, upon Completion the admission of all of the Zegona Shares in issue immediately prior to Completion to the standard listing segment of the Official List will be cancelled and applications will be made to the FCA and to the London Stock Exchange, respectively, for the re-admission of Zegona Shares to the standard listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities.

The results of the Offer will be reflected in the prospectus dated on or around 13 November 2023 (the "**Prospectus**"). The Prospectus will, subject to approval by the FCA, be published on the Company's website and made available at the Company's registered office.

The General Meeting to pass the resolutions required for the Acquisition and the Offer will take place at 11 a.m. on 16 November 2023.

Capitalised terms used but not defined in this announcement have the meanings given in the announcement of 9 November 2023.

Notes to announcement:

1. Based on the Exchange Rate of £1/€1.1467.

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About Zegona

Zegona was established in 2015 with the objective of investing in businesses in the European TMT sector and improving their performance to deliver attractive shareholder returns. Zegona is led by former Virgin Media executives Eamonn O'Hare and Robert Samuelson and is admitted to the standard listing segment of the Official List and to trading on the Main Market. For more information go to www.zegona.com

IMPORTANT NOTICES

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This announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States, Canada, Australia, Japan or South Africa or any other jurisdiction in which the same would be unlawful. No public offering of the Placing Shares is being made in any such jurisdiction.

No action has been taken by the Company, Deutsche Bank AG, London Branch (which is trading for these purposes as Deutsche Numis) ("**Deutsche Bank**"), Canaccord Genuity Limited ("**Canaccord**"), ING Bank N.V. ("**ING**") or UniCredit Bank AG, Milan Branch ("**UniCredit**" and, together with Deutsche Bank, UBS, Canaccord and ING, the "**Joint Bookrunners**") or any of their respective affiliates, or any person acting on its or their behalf that would permit an offer of the Placing Shares or possession or distribution of this announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by the Company and the Joint Bookrunners to inform themselves about, and to observe, such restrictions.

This announcement is not a prospectus but an advertisement. Neither this announcement nor anything contained in it shall form the basis of, or be relied upon in conjunction with, any offer or commitment whatsoever in any jurisdiction. Potential investors should read the Prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in the securities to be admitted to the standard listing segment of the Official List of the FCA.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold or transferred, directly or indirectly, in or into the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with the securities laws of any state or any other jurisdiction of the United States. Accordingly, the Placing Shares will be offered and sold only (i) outside of the United States in "offshore transactions" (as such term is defined in Regulation S under the US Securities Act ("**Regulation S**")) pursuant to Regulation S and otherwise in accordance with applicable laws; and (ii) in the United States to persons who are "qualified institutional buyers" (as defined in Rule 144A under the US Securities Act) ("**QIBs**") who are also qualified purchasers ("**QP**") as defined in Section 2(a)(51) of the US Investment Company Act of 1940, as amended (the "**US Investment Company Act**"), acquiring the Placing Shares for their own account or for the account of another QIB that is also a QP and who have executed and delivered to the Company and the Joint Bookrunners a US Investor Letter substantially in the form provided to it, in each case, pursuant to an exemption from, or in a transaction not subject to, registration under the US Securities Act. No public offering of the securities referred to herein will be made in the United States or elsewhere.

In addition, the Company has not been and will not be registered under the US Investment Company Act and investors will not be entitled to the benefits of the US Investment Company Act. No offer, purchase, sale or transfer of the Placing Shares may be made except under circumstances which will not result in the Company being required to register as an investment company under the US Investment Company Act.

The Placing has not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing, or the accuracy or adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States.

This announcement has not been approved by the Financial Conduct Authority (the "**FCA**") or the London Stock Exchange. Any approval of the Prospectus by the FCA should not be understood as an endorsement of the securities to be admitted to the standard listing segment of the Official List of the FCA.

This document is not a prospectus, product disclosure statement or disclosure document for the purposes of the Corporations Act 2001 (Cth) ("**Corporations Act**"). It has not been lodged with the Australian Investments and Securities Commission, or otherwise.

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or South Africa or any other jurisdiction in which such activities would be unlawful.

Certain statements contained in this announcement are forward-looking statements and are based on current expectations, estimates and projections about the expected effects of the Transaction on the Zegona Group, Vodafone Spain and the Enlarged Group, the anticipated timing and benefits of the Transaction, the Zegona Group's and Vodafone Spain's anticipated standalone or combined financial results and outlook, the industry and markets in which the Zegona Group, Vodafone Spain and, the Enlarged Group operate and the beliefs,

and assumptions made by the Directors. Words such as "expects", "should", "intends", "plans", "believes", "estimates", "projects", "may", "targets", "would", "could" and variations of such words and similar expressions are intended to identify such forward-looking statements and expectations. These statements are based on the current expectations of the management of the Company, Vodafone Spain or Vodafone Group (as the case may be) and are subject to uncertainty and changes in circumstances and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements. As such, forward-looking statements should be construed in light of such factors. Neither the Company, Vodafone Spain, nor any of their respective associates or directors, proposed directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur or that if any of the events occur, that the effect on the operations or financial condition of the Company, Vodafone Spain or the Enlarged Group will be as expressed or implied in such forward-looking statements. Forward-looking statements contained in this announcement based on past trends or activities should not be taken as a representation that such trends or activities will necessarily continue in the future. In addition, these statements are based on a number of assumptions that are subject to change. Such risks, uncertainties and assumptions include, but are not limited to: the satisfaction of the conditions to the Transaction and other risks related to Completion and actions related thereto; the Company's and Vodafone Group's ability to complete the Transaction on the anticipated terms and schedule; the tax treatment of the Transaction; risks relating to any unforeseen liabilities of the Company or Vodafone Spain; future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, losses and future prospects of the Company, Vodafone Spain and the Enlarged Group; business and management strategies and the expansion and growth of the operations of the Company, Vodafone Spain and the Enlarged Group; the ability to successfully realise expected operational improvement from the Transaction; the effects of government regulation on the businesses of the Company, Vodafone Spain or the Enlarged Group; the risk that disruptions from the Transaction will impact the Vodafone Spain business; and the Company's, Vodafone Group or Vodafone Spain plans, objectives, expectations and intentions generally, as well as other factors described in the Risk Factors set out in the Prospectus. However, it is not possible to predict or identify all such factors. Consequently, while the list of factors presented here is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. The forward-looking statements contained in this announcement speak only as of the date of this announcement. The Company, its directors, the Joint Bookrunners, their respective affiliates and any person acting on its or their behalf each expressly disclaim any obligation or undertaking to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, unless required to do so by applicable law or regulation, the FCA or the London Stock Exchange.

'Deutsche Numis' is a trading name used by certain investment banking businesses of Deutsche Bank AG, Numis Securities Limited and Numis Europe Limited in the United Kingdom and Ireland, Numis Securities Limited and Numis Europe Limited are members of the group of companies controlled by Deutsche Bank AG. Deutsche Bank AG is a stock corporation (Aktiengesellschaft) incorporated under the laws of the Federal Republic of Germany, with its principal office in Frankfurt. It is registered with the district court (Amtsgericht) in Frankfurt am Main under No HRB 30 000 and licensed to carry on banking business and to provide financial services. The London branch of Deutsche Bank AG is registered in the register of companies for England and Wales (registration number BR000005) with its registered address and principal place of business at Winchester House, 1 Great Winchester Street, London EC2N 2DB. Deutsche Bank AG subject to supervision by the European Central Bank (ECB), Sonnemannstrasse 22, 60314, Frankfurt am Main, Germany, and the German Federal Financial Supervisory Authority Bundesanstalt für Finanzdienstleistungsaufsicht or BaFin), Graurheindorfer Strasse 108, 53117 Bonn and Marie-Curie-Strasse 24-28, 60439 Frankfurt am Main, Germany. With respect to activities undertaken in the United Kingdom, Deutsche Bank AG is authorised by the Prudential Regulatory Authority (the "**PRA**"). It is subject to regulation by the FCA and limited regulation by the PRA. Details about the extent of Deutsche Bank AG's authorisation and regulation by the PRA are available from Deutsche Bank AG on request. Numis Securities Limited is authorised and regulated by the FCA in the United Kingdom. Numis Europe Limited trading as Numis is regulated by the Central Bank of Ireland. Canaccord Genuity Limited is authorised and regulated by the FCA in the United Kingdom. ING Bank N.V. is supervised by the European Central Bank (ECB), The Dutch Central Bank (De Nederlandsche Bank) and the Netherlands Authority for the Financial Markets (AFM). UniCredit Bank AG is a universal bank with its registered office and principal place of business in Arabellastrasse 12, Munich, Germany. It is entered under HRB 42148 in the B section of the Commercial Register Maintained by Munich Local Court. UniCredit Bank AG is an affiliate of UniCredit S.p.A., Milan, Italy (ultimate parent company). UniCredit Bank AG is subject to regulation by the European Central Bank and Federal Financial Supervisory Authority (BaFin). UniCredit Bank AG, Milan Branch is regulated by Banca d'Italia, the Commissione Nazionale per le Società e la Borsa (CONSOB) and the Federal Financial Supervisory Authority (BaFin). Details about the extent of UniCredit Bank AG's regulation are available on request.

Each Joint Bookrunner is acting exclusively for the Company and no one else in connection with the Placing, the Acquisition, the contents of this announcement or any other matters described in this announcement. No Joint Bookrunner will regard any other person as its client in relation to the Placing, the Acquisition, the content of this announcement or any other matters described in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice to any other person in relation to the Placing, the Acquisition, the content of this announcement or any other matters referred to in this announcement.

This announcement has been issued by and is the sole responsibility of the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by any Joint Bookrunner or by any of its affiliates or any person acting on its or their behalf as to, or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

This announcement does not constitute a recommendation concerning any investor's investment decision with respect to the Placing. Any indication in this announcement of the price at which ordinary shares have been bought or sold in the past cannot be relied upon as a guide to future performance. The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance. This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the securities of the Company. The contents of this announcement are not to be construed as legal, business, financial or tax advice. Each investor or prospective investor should consult their or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

No statement in this announcement is intended to be a profit forecast or profit estimate for any period, and no statement in this announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Company for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Company.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this announcement should seek appropriate advice before taking any action.

This announcement has been prepared for the purposes of complying with applicable law and regulation in the United Kingdom and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside the United Kingdom.

Glossary

The following definitions apply throughout this announcement, unless the context requires otherwise:

"Acquisition"	the proposed acquisition of Vodafone Spain by Zegona Bidco, S.L.U pursuant to the Acquisition Agreement;
"Acquisition Agreement"	the acquisition agreement dated 31 October 2023 and made between the Company, Zegona Bidco, S.L.U and Vodafone Europe B.V. in relation to the Acquisition;
"Admission"	the admission of the New Zegona Shares to the standard listing segment of the Official List and to trading on the Main Market;
"Canaccord"	Canaccord Genuity Limited;
"Company" or "Zegona"	Zegona Communications plc, a public limited company incorporated in England and Wales with registration number 09395163;
"Completion"	completion of the Acquisition;
"Conditional Subscription"	the conditional subscription for New Zegona Shares by Newco pursuant to a conditional subscription and relationship agreement dated 31 October 2023 between the Company, Newco and EJLSHM Holdings Limited;
"Corporations Act"	Corporations Act 2001 (Cth);
"Deutsche Bank"	Deutsche Bank AG, acting through its London branch (which is trading for these purposes as Deutsche Numis)
"Deutsche Numis"	Deutsche Bank AG, acting through its London branch (which is trading for these purposes as Deutsche Numis);
"Directors"	the board of directors of the Company as at the date of this announcement;
"Enlarged Group"	the Zegona Group, as at and from Completion, as enlarged by Vodafone Spain;
"Exchange Rate"	the pound sterling/Euro exchange rate as published by the Bank of England (or as otherwise agreed) on the date immediately prior to the closing of the bookbuild for the Placing or, if the Placing does not complete, such rate on the date prior to Completion;
"Existing Zegona Shares"	the existing Zegona shares of 1 penny each in issue as at the date of this announcement;
"FCA"	the Financial Conduct Authority of the United Kingdom or any successor body;
"Global Co-ordinator"	the lead coordinator who is given the responsibility to oversee a public offering that is issued on a worldwide basis;
"ING"	ING Bank N.V.;
"Joint Bookrunners"	Deutsche Numis, Canaccord, ING and UniCredit;
"Listing Rules"	the listing rules of the FCA made in accordance with section 73A of FSMA as amended from time to time;
"London Stock Exchange"	London Stock Exchange plc;
"Main Market"	the Main Market of the London Stock Exchange;
"New Zegona Shares"	the new Zegona Shares to be issued in connection with the Offer and the PrimaryBid Offer;
"Newco"	EJLSHM Funding Limited, a new company incorporated in England and Wales with company number 15228873;

"Offer"	the offer of New Zegona Shares pursuant to the Placing and the Conditional Subscription;
"Offer Price"	150 pence per New Zegona Share;
"Official List"	the Official List of the FCA;
"Placing"	the institutional placing of New Zegona Shares;
"Placing Shares"	the New Zegona Shares being offered pursuant to the Placing;
"PRA"	the Prudential Regulation Authority;
"PrimaryBid"	PrimaryBid Limited;
"PrimaryBid Offer"	the offer of up to €8 million of New Zegona Shares at the Offer Price to be made via PrimaryBid;
"Prospectus"	has the meaning given to it in Annex 1 to this Announcement;
"QIBs"	qualified institutional buyers as defined in Rule 144A;
"QP"	a qualified purchaser as defined in section 2(a)(51) of the U.S. Investment Company Act;
"Re-Admission"	the re-admission upon Completion of all the Zegona Shares in issue immediately prior to Completion, including the New Zegona Shares, to the standard listing segment of the Official List and to trading on the Main Market;
"Regulation S"	Regulation S under the U.S. Securities Act;
"Transaction"	the Acquisition and related transactions, including the Offer, the PrimaryBid Offer, Admission and Re-Admission;
"UniCredit"	UniCredit Bank AG, Milan Branch;
"United States" or "U.S."	the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;
"U.S. Investment Company Act"	the U.S. Investment Company Act of 1940, as amended, and related rules;
"U.S. Investor Letter"	the form of U.S. qualified purchaser's letter;
"U.S. Securities Act"	the U.S. Securities Act of 1933, as amended;
Vodafone Europe B.V.	Vodafone Europe B.V., a company incorporated in the Netherlands with company number 27166573, being the seller under the Acquisition Agreement;
"Vodafone Group"	Vodafone Group Plc and its subsidiaries but excluding, from Completion, Vodafone Spain;
"Vodafone Spain"	Vodafone España, S.A.U.;
"Zegona Group"	the Company and its subsidiaries from time to time; and
"Zegona Shares"	the Existing Zegona Shares together with the New Zegona Shares.

ANNEX I

Pricing Information

The Company intends to reflect the following information related to the Offer in the final prospectus dated 13 November 2023 (the “**Prospectus**”).

The latest practicable date in the Prospectus is 10 November 2023. Unless otherwise noted below, the relevant information as at that date in the Prospectus remains unchanged from what was included in the preliminary prospectus dated 31 October 2023.

Pricing Information:

Number of Zegona Shares in issue as at 10 November 2023	6,172,424
Offer Price (per New Zegona Share)	150 pence
Number of New Zegona Shares to be issued in connection with the Offer	697,654,138
Number of New Zegona Shares to be issued in connection with the Placing	174,413,535
Number of New Zegona Shares to be issued in connection with the Conditional Subscription ⁽¹⁾	523,240,603
Number of New Zegona Shares to be issued in connection with the PrimaryBid Offer	Up to 4,651,027
Number of Zegona Shares to be in issue immediately following Admission and Re-Admission (with no New Zegona Shares held in treasury) ⁽²⁾	Up to 708,477,589
Gross proceeds of the Offer ⁽¹⁾	£1,046 million
Gross proceeds of the Placing	£262 million
Gross proceeds of the Conditional Subscription ⁽¹⁾	£785 million
Gross proceeds of the PrimaryBid Offer	Up to €8 million
Estimated expenses of the Offer ⁽³⁾	£11 million
Estimated net proceeds of the Offer and the PrimaryBid Offer receivable by the Company	Up to £1,042 million
Market capitalisation of the Company at the Offer Price following Admission ⁽⁴⁾	Up to £1,063 million

The total number of New Zegona Shares to be issued pursuant to the PrimaryBid Offer is not known as at the date of this announcement but will be notified via an RIS announcement prior to Admission.

Notes:

- (1) Based on the Exchange Rate of £1/€1.1467. Assuming the Placing completes, the amount of the Vodafone Preference Shares will be €900 million.
- (2) On the assumption that the Company does not issue any Zegona Shares other than in connection with the Offer and the PrimaryBid Offer.
- (3) All expenses are exclusive of VAT. No commissions, fees or expenses will be charged to subscribers for New Zegona Shares by the Company or PrimaryBid (in respect of the PrimaryBid Offer).
- (4) The market capitalisation of the Company at any given time will depend on the market price of the Zegona Shares at that time. There can be no assurance that the market price of a Zegona Share will equal or exceed the Offer Price.

Timetable of events:

Publication of the Prospectus	13 November 2023
Announcement of the PrimaryBid Offer	13 November 2023
Latest time and date for receipt of proxy appointments	11 a.m. on 14 November 2023
Announcement of the results of the PrimaryBid Offer	15 November 2023
General Meeting	11 a.m. on 16 November 2023
Announcement of the results of the General Meeting	16 November 2023
Expected date of Admission and commencement of dealings on the London Stock Exchange	8 a.m. on 17 November 2023
New Zegona Shares expected to be issued and credited to CREST accounts	17 November 2023

All references are to London times unless otherwise stated. The dates and times given are indicative only and are based on the Company's current expectations and may be subject to change. If any of the times and/or dates above change in any material respect, the revised times and/or dates will be notified to Shareholders by announcement through a regulatory information service.

Dilution:

Assuming the maximum number of New Zegona Shares are subscribed in the PrimaryBid Offer, the issue of 702,305,165 New Zegona Shares at Admission will result in Zegona's issued ordinary share capital increasing to 708,477,589, with the subscribers for the New Zegona Shares holding approximately 99% of Zegona's issued ordinary share capital (in each case, assuming Zegona does not issue any further Zegona Shares or buy back any Zegona Shares from the date of the Prospectus until Admission). As a result, the voting rights of Existing Zegona Shareholders would be diluted, such that an Existing Zegona Shareholder would, immediately following Admission, hold voting rights of approximately 1% of the total voting rights that they had held immediately prior to Admission.

Lock-up:

Other than the issue of New Zegona Shares in connection with the Offer and the PrimaryBid Offer, the Company has undertaken to the Joint Bookrunners that, subject to certain customary carve-outs, until the date which is 180 calendar days after Re-Admission, it will not, without the prior written consent of the Global Co-ordinator (acting solely in its capacity as global co-ordinator in connection with the Placing and such consent not to be unreasonably withheld or delayed), enter into certain transactions involving or relating to the Zegona Shares, including the issue of further Zegona Shares during that period.

By participating in the Placing, Placees agree that the exercise by the Global Co-ordinator of any power to grant consent to waive the aforementioned undertaking by the Company shall be within the absolute discretion of the Global Co-ordinator and that it need not make any reference to, or consult with, Placees and that it shall have no liability to Placees whatsoever in connection with any such exercise of the power to grant consent.

Directors and Senior Managers interests:

As at Admission and Re-Admission, the aggregate interests (all of which are beneficial) of the Directors, senior managers and persons closely associated with them in the share capital of the Company, and expected to be:

Interests immediately following Admission and Re-Admission⁽¹⁾		
Director/senior manager	Number of Zegona Shares	Percentage of issued share capital
Eamonn O'Hare ⁽²⁾	1,067,462	0.15%
Robert Samuelson ⁽²⁾	525,561	0.07%
Richard Williams	27,819	0.00%
Ashley Martin	13,545	0.00%
Suzi Williams	—	—
Menno Kremer	100,013	0.01%

Notes:

- (1) Assuming the maximum number of New Zegona Shares are subscribed in the PrimaryBid Offer (and none of the above persons participates in the PrimaryBid Offer (other than Richard Williams and Ashley Martin, and assuming they receive their full allocation in the PrimaryBid Offer) or acquires or disposes of any Zegona Shares prior to Re-Admission) and the Company does not issue, or undertake any buybacks of, Zegona Shares prior to Re-Admission.
- (2) Eamonn O'Hare and Robert Samuelson also have interests in Management Shares, details of which will be set out in the Prospectus.

Richard Williams has confirmed his intention to subscribe for approximately £40,000 of New Zegona Shares in the PrimaryBid Offer and Ashley Martin has confirmed his intention to subscribe for approximately £20,000 of New Zegona Shares in the PrimaryBid Offer.

Significant Shareholders:

The Company is only aware of the following persons who, immediately following Admission and Re-Admission, will represent an interest (within the meaning of DTR Chapter 5) directly or indirectly, jointly or severally in 3% or more of the Company's share capital or could exercise control over the Company:

Shareholder	Interests as at 10 November 2023		Interests immediately following Admission and Re-Admission ⁽¹⁾	
	Number of Existing Zegona Shares	Percentage of issued share capital	Number of Zegona Shares	Percentage of issued share capital
Zegona board and management ⁽²⁾	1,694,401	27.45%	1,734,400	0.24%
Marwyn Investment Management LLP	774,321	12.54%	6,004,321	0.85%
Artemis Investment Management	586,691	9.51%	586,691	0.08%
Fidelity Management & Research	403,107	6.53%	24,563,907	3.47%
Fidelity Investments Limited	392,349	6.36%	392,349	0.06%
Aberforth Partners LLP	243,744	3.95%	10,909,744	1.54%
Credit Suisse	234,469	3.80%	234,469	0.03%
Winterflood Securities	205,014	3.32%	205,014	0.03%
Petrus Advisers	200,661	3.25%	200,661	0.03%
EJLSHM Funding Limited ⁽³⁾	-	-	523,240,603	73.85%
Thornburg Investment Management	-	-	32,576,000	4.60%
Alken Asset Management	-	-	29,068,000	4.10%
Total	4,734,757	76.71%	629,716,159	88.88%

Notes:

- (1) Assuming the maximum number of New Zegona Shares are subscribed for in the PrimaryBid Offer (and none of the above persons participates in the PrimaryBid Offer (other than Richard Williams or Ashley Martin, and assuming they receive their full allocation in the PrimaryBid Offer) or acquires or disposes of any Zegona Shares prior to Re-Admission) and the Company does not issue, or undertake any buybacks of, Zegona Shares prior to Re-Admission.
- (2) Richard Williams has confirmed his intention to subscribe for approximately £40,000 of New Zegona Shares in the PrimaryBid Offer and Ashley Martin has confirmed his intention to subscribe for approximately £20,000 of New Zegona Shares in the PrimaryBid Offer.
- (3) EJLSHM Funding Limited has irrevocably undertaken to Zegona and the Preference Shareholder not to vote the Zegona Shares it holds (other than in connection with a takeover where the consideration is cash).

Placing Agreement:

The Placing is conditional on, amongst other things, (i) the lifting of the current suspension of the Zegona Shares to trading on the Main Market by not later than Admission; (ii) Admission having occurred not later than 8.00 a.m. on 17 November 2023 (or such later time or date as the Global Co-ordinator may agree with the Company, being not later than 24 November 2023); (iii) the Placing Agreement having become unconditional in all respects and not having been terminated prior to Admission; and (iv) the passing of the resolutions (without amendment) at the General Meeting. If any of the conditions are not satisfied or, if applicable, waived, then the Placing will not take place and any monies received in respect of the Placing will be returned to applicants without interest.

Financing:

Senior debt outstanding to FY23 Business EBITDAaL of the Enlarged Group as at Completion will be up to approximately 3.0x (based on an amount of New Facilities of €3.9 billion at Completion, which amount may reduce depending on the net proceeds of the PrimaryBid Offer).

Transaction-related costs payable to advisers in connection with the Offer are estimated to be £11 million. Zegona estimates that aggregate fees and expenses incurred in respect of the Transaction will be approximately €100 million.

Pro Forma Statement of Net Assets:

The unaudited pro forma statement of net assets set out below has been prepared to illustrate the effect of the Acquisition on the net assets of Zegona as at 30 June 2023 as if the Acquisition had taken place on 30 June 2023 (the Unaudited Pro Forma Financial Information).

The Unaudited Pro Forma Financial Information has been prepared on a consistent basis with the accounting policies and presentation adopted by Zegona in relation to the audited consolidated financial information for the year ended 31 December 2022 on the basis of notes set out below.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and, therefore, does not represent the Enlarged Group's actual financial position.

The Unaudited Pro Forma Financial Information does not purport to represent what Zegona's or the Enlarged Group's financial position would have been if the Acquisition had actually taken place on the date indicated nor does it purport to represent Zegona's or the Enlarged Group's financial position at any future date.

The Unaudited Pro Forma Financial Information does not constitute financial statements within the meaning of section 434 of the Companies Act.

Pro Forma Balance Sheet

€000	Zegona As at 30 June 2023	Vodafone Spain As at 30 June 2023	Adjustments			Unaudited pro forma enlarged group
			Net proceeds of the Offer	Debt financing adjustments	Acquisition adjustments	
	Note 1	Note 2	Note 3	Note 4	Note 5	
Assets						
Non-current assets						
Other intangible assets	-	1,199,241	-	-	1,192,489	2,391,730
Property, plant and equipment	7	4,561,125	-	-	-	4,561,132
Other investments		2,320	-	-	-	2,320
Trade and other receivables	5,121	164,127	-	-	-	169,248
	5,128	5,926,813	-	-	1,192,489	7,124,430
Current assets						
Inventory	-	51,159	-	-	-	51,159
Taxation recoverable	-	287	-	-	-	287
Trade and other receivables	49	761,519	-	-	(81,433)	680,135
Cash and cash equivalents	4,307	5,131	1,187,822	3,826,000	(5,005,131)	18,129
	4,356	818,096	1,187,822	3,826,000	(5,086,564)	749,710
Total assets	9,484	6,744,909	1,187,822	3,826,000	(3,894,075)	7,874,140
Liabilities						
Current liabilities						
Borrowings	-	426,832	-	-	-	426,832
Provisions	-	24,795	-	-	-	24,795
Trade and other payables	327	1,147,240	-	-	13,386	1,160,953
	327	1,598,867	-	-	13,386	1,612,580
Non-current liabilities						
Borrowings	-	4,247,340	-	3,826,000	(3,201,421)	4,871,919
Other non-current financial liabilities	-	-	900,000	-	-	900,000
Deferred tax liabilities	-	3,240	-	-	-	3,240
Provisions	-	156,669	-	-	-	156,669
Trade and other payables	-	46,139	-	-	-	46,139
	-	4,453,388	900,000	3,826,000	(3,201,421)	5,977,967
Net assets	9,157	692,654	287,822	-	(706,040)	283,593

Notes

- (1) The net assets of Zegona as at 30 June 2023 have been extracted, without material adjustment, from the Zegona unaudited interim financial statements for the six months ended 30 June 2023 incorporated by reference into this document.
- (2) The net assets of Vodafone Spain as at 30 June 2023 have been extracted, without material adjustment from the historical financial information of Vodafone Spain as at 30 June 2023, as set out in Part A of Part XIII (Historical Financial Information) of this document.
- (3) The Company has raised £262 million (€300 million at the Exchange Rate on 9 November 2023) in gross proceeds through the issue of New Zegona Shares pursuant to the Placing at a price per New Zegona Share of 150 pence, which is subject to commissions and other estimated fees and expenses of £11 million (€13 million at the Exchange Rate on 9 November 2023), resulting in total net proceeds for the Company from the Placing of £251 million (€288 million at the Exchange Rate on 9 November 2023). The net proceeds will be used to partially fund the Acquisition, fees and expenses incurred in connection with the Transaction and for general corporate purposes.

EJLSHM Funding Limited has agreed, pursuant to the Conditional Subscription and Relationship Agreement, to subscribe for €900 million of New Zegona Shares at the Offer Price in the Conditional Subscription which forms part of the Offer. Assuming the Placing completes, the amount of the gross proceeds of the Conditional Subscription will be €900 million.

Zegona expects to recognize the gross proceeds of the Conditional Subscription as a financial liability in the Enlarged Group financial statements.

The Company also intends to raise gross proceeds of up to €8 million through a separate offering of New Zegona Shares at the Offer Price via the PrimaryBid Offer. The proceeds of the PrimaryBid Offer have not been reflected in the pro forma financial information.

- (4) This adjustment relates to the drawdown of an aggregate of €3.9 billion from two facilities, being €3.4 billion from the Corporate Bridge Facility and €500 million from the Term Loan A Facility. The increase in Borrowings represents the drawdown of €3.8 billion net of arrangement fees of €74 million. The arrangement fees have been included as a deduction from Borrowings and will be amortised over the life of the facilities.
- (5) The acquisition adjustments reflect the following:

The Unaudited Pro Forma Financial Information has been prepared on the basis that the Acquisition of Vodafone Spain by Zegona will be treated as a business combination in accordance with IFRS 3 Business Combinations. Zegona expects to undertake a fair value exercise following completion of the Acquisition and no account has been taken of any fair value adjustments to the acquired assets and liabilities of Vodafone Spain in the Unaudited Pro Forma Financial Information or any fair value adjustment to the amount raised in the Conditional Subscription. For the purposes of the Unaudited Pro Forma Financial Information the excess of the purchase consideration over the carrying amount of net assets acquired has been attributed to goodwill. The calculation of the total consideration and adjustment to goodwill is set out below.

	€000	€000
Purchase price	5,000,000	
Vodafone Spain cash balance	5,131	
Settlement of borrowings owed to related parties	(3,201,421)	
Settlement of receivables from related parties	81,433	
Adjustment for net working capital ^A	-	
Total consideration		1,885,143
Less carrying value of net assets acquired as at 30 June 2023:		
Vodafone Spain net assets	692,654	
Pro forma net assets acquired		
Goodwill on acquisition		1,192,489

Footnotes:

^A An adjustment for net working capital at the completion date compared to the target net working capital in the Acquisition Agreement will only be quantified when completion accounts have been prepared. For the purposes of the pro forma statement of net assets it has been assumed that the actual net working capital at Completion is the same as the target working capital.

Other transaction costs and expenses related to the Acquisition are estimated to be €14 million (not including arrangement fees relating to the debt financing – see Note 4 above).

- (6) In preparing the unaudited pro forma statement of net assets of the Enlarged Group, no account has been taken of the trading activity or other transactions of Zegona or Vodafone Spain since 30 June 2023.