

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. Shareholders should read the whole of this document and not rely solely on the summarised financial information contained in this Part XVI (*Unaudited Pro-Forma Financial Information of the Enlarged Group*).

KPMG's report on the Unaudited Pro Forma Financial Information is set out in Section A of this Part XVI (*Unaudited Pro-Forma Financial Information of the Enlarged Group*).

Pro Forma Balance Sheet

€000	Zegona As at 30 June 2023 Note 1	Vodafone Spain As at 30 June 2023 Note 2	Adjustments			Unaudited pro forma enlarged group
			Net proceeds of the Offer Note 3	Debt financing adjustments Note 4	Acquisition adjustments 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.

As described in Section 7.2 of Part VIII. (*Information about the Transaction*), 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 recognise 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		1,192,489
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.