



Pursuant to article 228 of the rewritten text of the Spanish Securities Market Act, approved by Royal Legislative Decree 4/2015 of 23 October, Euskaltel, S.A. (hereinafter "**Euskaltel**" or the "**Company**"), hereby communicates the following

INSIDE INFORMATION

In relation to the announcement of a public voluntary takeover bid (the takeover bid) for all the shares of Euskaltel published yesterday, March 28, 2021, by Kaixo Telecom, SAU, wholly owned by MASMOVIL Ibercom, SAU, Euskaltel's Board of Directors received on March 15, 2021 a non-binding offer letter subject to certain pre-conditions, among which was the performance of a confirmatory due diligence.

Subject to certain conditions and after signing a confidentiality agreement, Euskaltel's Board of Directors agreed to open the aforementioned confirmatory due diligence process with effect March 18, 2021 and for a maximum period of ten calendar days.

Euskaltel's Board of Directors also approved the appointment of Citigroup Global Markets Europe AG as financial advisor and Uría Menéndez as legal advisor.

In addition, Euskaltel's Board of Directors agreed to negotiate in good faith a collaboration agreement by which Euskaltel would be obliged to provide the offeror with the reasonably necessary support, within the limitations provided by law, to carry out the procedures related to the tender offer process and to prepare the documentation to be submitted by the bidder to the regulatory and competition authorities. This agreement was signed on March 28, 2021.

Likewise, in view of the signing of irrevocable commitments to accept the takeover bid by the shareholders represented in the Board of Directors referred to in the announcement of the takeover bid, Euskaltel plans to submit for approval of its Board of Directors the constitution of a committee to monitor the takeover bid formed by directors who are not in a conflict of interest situation.

Notwithstanding the foregoing, the members Euskaltel's Board of Directors will decide on the takeover bid within the deadlines established by the applicable regulations, once the CNMV authorizes the takeover bid and the Board of Directors receives the necessary financial reports and legal advice.

Derio, 29 March 2021.

EUSKALTEL, S.A.
Mr José Ortiz Martínez
Non-Executive Secretary of the Board of Directors