



## COMMUNICATION OF OTHER RELEVANT INFORMATION

### MASMOVIL GROUP

July 2<sup>nd</sup>, 2020

In accordance with article 227 of the Securities Market Act passed by Legislative Royal Decree 4/2015 of October 23 and concordance rules, we inform the market about the following Other Relevant Information referred to MASMOVIL IBERCOM, S.A. ("**MASMOVIL**" or the "**Company**" o the "**Group**").

#### **Qualitative information on the FY20 and FY21 guidance**

After the Privileged Information communications to the CNMV on the operational agreements recently made public (communications with reference numbers 279, 280 and 290), whose impact in the Company's profitability will be felt in 2021, as was mentioned in such announcements, and taking into account current and expected macroeconomic conditions in Spain, MASMOVIL reiterates its Adjusted EBITDA objectives:

- 570-600M€ (Adjusted EBITDA margin of 30-32%) for 2020
- 670-700M€ (Adjusted EBITDA margin of 32-34%) for 2021

The maintenance of such profitability targets is based on the combination of i) an expected negative impact from the macro performance in Spain in 2020 and 2021, which implies that probably the Adjusted EBITDA for 2020 will sit in the lower end of the today reiterated guidance range, and ii) the positive contribution of the recent operational agreements above mentioned. Thus, the Company feels comfortable with the upper end of the Adjusted EBITDA guidance range for 2021.

As it was mentioned in the initial 2020-2021 Adjusted EBITDA guidance announcement (communication with reference number 62) as well as in the reiteration of such guidance of May 14<sup>th</sup> 2020 (communication with reference number 240), the guidance does not include any potential contribution from the acquisition of Lyca Mobile, which was announced on June 12<sup>th</sup> 2020 (communication with reference number 2747)



Finally, the Company reiterates as well its initial expectation of Net Capex for 2020 of 295M€, to which the positive non-recurring impact (less Net Capex) of the offer for the purchase of FTTH network (communication with reference number 290) could be added. This impact could be similar to the positive net cash flow mentioned in the announcement of the agreement resulting in an expected Net Capex for 2020 of 170M€. For year 2021, MASMOVIL reiterates its objective of 255M€ Net Capex, expecting that the potential sale of part of the FTTH network might have a positive impact, reducing the Net Capex figure, depending how the roll-out and sale of network calendar is executed.

Madrid, July 2<sup>nd</sup>, 2020

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