

Press Release

MASORANGE is born, the new leader of the Spanish telecoms market.

The new company will invest approximately €4 billion in Spain over the next three years.

- MASORANGE, the leading player in Spain by number of customers and one of the **20 largest Spanish companies by revenues**, has over 30M mobile lines, more than 7.3M broadband users, and 2.3M users of its TV services.
- The new entity aims to **be the top-ranked company in terms of customer satisfaction, talent, and positive impact** in Spain and in Europe.
- Its **new image** symbolizes the union between the two telcos, in a **project with a single and inclusive identity**.
- MASORANGE will focus on **five operational priorities: income, integration, investment, innovation, and positive impact**.
- **Its 5G coverage will increase to reach over 90% of the population**, and it will expand its **fiber optic coverage** for up to an **additional 6M households** and more than 1,700 new municipalities.
- It already supplies more than **2.1M additional services, extending beyond traditional telecommunications**, including green energy, financial services, insurance, alarm system, e-health, and other products.
- This makes MASORANGE a **stronger partner for businesses and public administrations**, capable of accelerating their growth in terms of new innovative services.

Madrid, April 3, 2024.- Orange Spain and the MASMOVIL Group today announced the **launch of MASORANGE**, the leading **company** in the Spanish telecoms market by **number of customers**. This marks a milestone in Spain, starting a **new chapter for the sector** at both a **national and European level**.

The joint venture uniting these two groups makes MASORANGE a **stronger and more sustainable operator, with an investment capacity** that will reap **considerable benefits for its Spanish customers**.

The new entity has emerged with a clear business culture and **seeks to “be the leading company in customer satisfaction, talent, and positive impact”**. It intends to **make technology accessible to everyone** whether they live and work in **urban settings** or are based in **rural areas** where MASORANGE is going to play a **significant driving role**.

The new company has presented the **values** that will govern its action in all areas of its activities: **customer first, positive attitude, pragmatism, and collaboration**.

Meinrad Spenger, CEO of MASORANGE: *“MASORANGE is a reliable partner for all our customers, as well as for companies and public administrations. We are going to invest and innovate more, so as to offer a top-quality service in a sustainable manner.”*



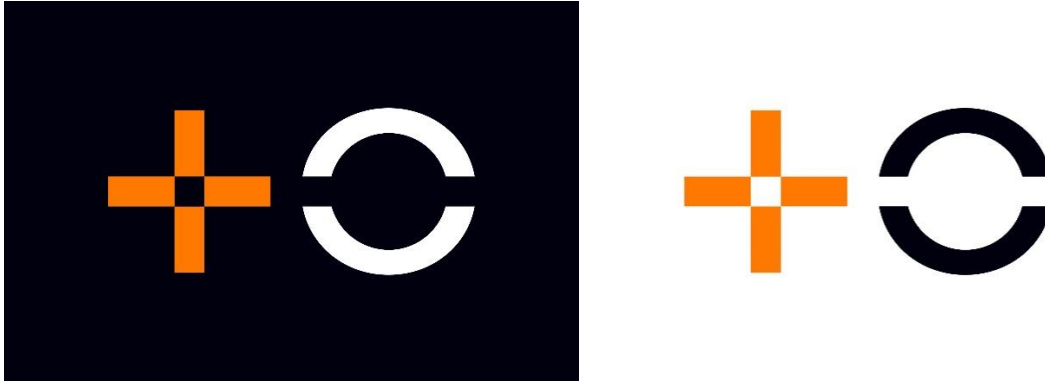
A new identity that represents the two companies united in a single project.

MASORANGE, the joint venture between Orange and MASMOVIL, also presented its new **name and corporate visual identity**. The new logo is a visual representation of the **two groups joining together to create a project with a single identity**, a symbol of innovation and trust for consumers in a leading operator.

The new image is drawn from elements from each of the two enterprises involved in the venture:

- On one hand, it features a plus sign “+” (in Spanish, “**MAS**”) to represent MASMOVIL and demonstrate **there is room for everyone, and everybody counts**.
- On the other, it has an “**O**” which represents Orange, the world, **universal coverage**, and **security**, taking the form of two parentheses linking two enterprises to create a single entity.

The new corporate identity aims to convey an inclusive, simple, innovative, credible, and reliable image. It is based on the colors of black, white, and orange to create a more modern and fresher image that draws on attributes of both Orange and MASMOVIL.



A new leader for Spain's telecoms sector, with the best assets in the market

The emergence of MASORANGE represents the **creation of a new sector leader**, a key competitor, and a **new benchmark for the market**, with the best assets to enable it to continue growing in the Spanish telecommunications market, offering **customers the best products and services**.

Specifically, MASORANGE is now the **largest operator in the Spanish market by number of customers**, with more than **37M mobile and broadband lines** (over 30M mobile services, plus 7.3M for broadband) as well as **2.3M users of its television services**, with a market share of above **40% for both fixed and mobile services**.

It is also the **Spanish operator with the most extensive fiber-to-the-home (FTTH) coverage, with more than 29M FTTH households**, as well as offering some of the best mobile coverage for 4G (98%), in addition to **5G (over 80%) in more than 2,500 Spanish municipalities**. It has the **highest customer satisfaction level, or net promoter score (NPS)**, and draws on the best talent in the market: a single team made up of over **8,500 talented professionals**, as well as more than 50,000 additional indirect jobs.

MASORANGE also **leads the Spanish sector in the retailing of devices for homes and businesses**, with more than **4.2M units sold per year**, and is able to provide its customers with over **2.1M additional services (extending beyond its telecoms offering)**, ranging from green energy, to financial services, insurance, alarm systems and ehealth, among others.

In financial terms, MASORANGE has become **one of the 20 largest companies in Spain in terms of revenues**, with revenues of over **€7.4 billion and EBITDA** of more than **€2.6 billion**, with the new combined company being valued at €18.6 billion.



Multibrand strategy and launch of new products and services.

The newly created company **will continue to carry out the multibrand strategy** which has worked so successfully for the two business groups in the past few years, representing one of their growth drivers.

MASORANGE has **9 main national brands** (Orange, Yoigo, Jazztel, MASMOVIL, Simyo, Pepephone, Lebara, Lyca, and Llamaya) **and 5 regional brands** (Euskaltel, R, Telecable, Guuk, and Embou) in Spain, through which it is capable of meeting all the needs of residential customers, companies, and public administrations throughout the country.

Euskaltel, R, and Telecable will retain their flagship status in their respective markets, while also benefiting from investment plans, innovation, and positive impact thanks to being part of MASORANGE.

With the aim of ensuring that its product and service offering is accessible to all segments of the population, **MASORANGE** has a **wide-ranging network consisting of over 1,500 exclusive points of sale, located across Spain.**

A business plan based on five operational priorities (the "five Is")

MASORANGE has drawn up an ambitious plan that aims to multiply value for the Spanish economy. This project is a demonstration of its long-term commitment to innovation and investment, to contribute to helping Spain lead the field in digitalization and use of new technologies.



The plan also focuses on generating a **positive impact**. It will be carried out in a way that cares for the environment and fosters the use of technologies to improve people's lives in all groups of the population.

The five pillars around which the business plan is structured are:

- **Income:**
 - MASORANGE represents a **growing project** which aims to continue **expanding telco and non-telco services**.
 - Pursuit of **new opportunities to grow**: services for the business and public administration segment, as well as new services.
- **Integration:**
 - **Synergies of close to €500M per year**, more than half related to optimizing infrastructure where there are overlaps, which can be reinvested in expanding its 5G and FTTH telecommunications networks.
 - **A single, agile organization capable of fast decision making, with a single culture**, serving the needs of its customers and the market.
- **Investment:**
 - **Investments of around €4 billion** in the next three years, particularly in terms of **expanding 5G and fiber networks and offering new services**.
 - This entails the deployment of **fiber optic coverage for up to 6M additional building units**,
 - Increasing **5G coverage to reach over 90% of the population in Spain**, ensuring an ultra-fast connection by providing speeds that are **nine times faster than 4G**.

- MASORANGE will also target **investments** in other growth areas for the company, such as **new services**.
- **Innovation:**
 - Goal: being a **benchmark in internal and external technological innovation, making the latest technology available to customers, including XGSPON, FTTR, Wi-Fi 6E, and Wi-Fi 7, 5G Stand Alone, and 5G network slicing**.
 - Fostering the innovation center in Derio, to be at the forefront in terms of value creation and solutions for both **private citizens and companies**.
 - **Alliances with the best companies in the world to develop new products and services**.
 - Use of **data and artificial intelligence to improve customer experience and productivity**.
- **Positive impact:**
 - MASORANGE wants to be not only the **best company in the world** but also the **best company for the world** and an **ESG benchmark**.
 - Launch of the project to **extend B Corp certification to MASORANGE**, as well as continuing to **lead ESG ratings in Spain and in Europe**, thereby consolidating its ESG leadership status.
 - Promoting **solutions to benefit people's quality of life in conjunction with the Orange Foundation and the Euskaltel Foundation**.
 - **Increasing the positive impact generated by the two companies, accelerating its net-zero carbon target and reducing its carbon footprint**.
 - **It will contribute to the goals of the European digital agenda** through secure and sustainable digital infrastructure and digital transformation for business.

"MASORANGE's business plan demonstrates our commitment to investing in Spain in developing new telecommunications infrastructure to serve the market and Spanish consumers," stated Spenger.

About MASORANGE

MASORANGE is Spain's largest telecoms operator by number of customers, with over 37 million broadband and mobile lines. It also provides TV, insurance, energy, alarm system, consumer finance, e-health, cybersecurity, and cloud services to private and business customers.

MASORANGE has 9 main national brands (Orange, Yoigo, Jazztel, MASMOVIL, Simyo, Pepephone, Lebara, Lyca, and Llamaya) and 5 regional brands (Euskaltel, R, Telecabla, Guuk, and Embou), through which it will meet all the needs of its customers in Spain.

The number of households passed by MASORANGE's fiber optics coverage exceeds 29M households. Its 4G mobile network covers 98% of the Spanish population, while its 5G technology offers coverage to over 80% and is available in more than 2,500 municipalities around Spain.

The company aims to be the operator with the market's most satisfied customers, consolidate its position as a driving force for talent, and lead the purpose economy in Spain, while respecting people and the planet. It also works to make technology accessible for all (focusing particularly on "empty Spain") and develop products and services to improve the customer experience for all its customers.

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MASORANGE website: <https://www.masorange.com/>

Twitter: @MASORANGE_ES

Media contact:

@MASORANGE_ES



Fernando Castro
fernando.castro@masmovil.com

Telephone: (+34) 656 160 378