



MASORANGE, S.L.

*(incorporated in Spain in accordance with the Spanish Companies Act
("Ley de Sociedades de Capital"))*

Maximum outstanding balance of €600,000,000
Commercial Paper Programme MASORANGE 2025

**INFORMATION MEMORANDUM (DOCUMENTO BASE INFORMATIVO) ON THE ADMISSION
(INCORPORACIÓN) TO TRADING OF COMMERCIAL PAPER NOTES (PAGARÉS) ON THE
ALTERNATIVE FIXED-INCOME MARKET ("MARF")**

1. GENERAL INFORMATION

MASORANGE, S.L., a private company limited (*sociedad de responsabilidad limitada*) incorporated under the laws of Spain with registered office at Paseo del Club Deportivo 1 - Parque Empresarial La Finca, Edificio 8, Pozuelo de Alarcón (Madrid), registered in the Commercial Registry of Madrid, with Tax Identification Number B-13857198 and Legal Identifier Code (LEI) number 959800D5CE1X280T7D15, will request the admission (*incorporación*) to trading of commercial paper notes (the "Commercial Paper", the "Commercial Paper Notes" or the "Notes") that will be issued under the "Commercial Paper Programme MASORANGE 2025" (the "Programme") in accordance with the provisions set out in this Information Memorandum (the "Information Memorandum") on the Alternative Fixed-Income Market (*Mercado Alternativo de Renta Fija*) (the "MARF").

Except where the context otherwise requires or where otherwise indicated, all references to "MasOrange", the "MasOrange Group", the "Group", the "Company" or the "Issuer" refer to MasOrange, S.L. and its controlled subsidiaries.

MARF is a multilateral trading facility (*sistema multilateral de negociación*) and it is not a regulated market, pursuant to the provisions of article 68 of the Securities Market and Investment Services Law (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*) (the "Spanish Securities Markets Act").

MARF has not carried out any kind of verification or testing with regard to this Information Memorandum, its schedules, or the content of the documentation and information provided by the Issuer in compliance with Circular 1/2025 from the MARF, of 16 June, on the inclusion and exclusion of securities on the Alternative Fixed Income Market (*Circular 1/2025, de 16 de junio, sobre incorporación y exclusión de valores en el Mercado Alternativo de Renta Fija*) ("Circular 1/2025").

The Information Memorandum on the admission of the Commercial Paper is the required document under Circular 1/2025.

The Commercial Paper will be represented by book entries form (*anotaciones en cuenta*), as it is defined in article 6 of the Spanish Securities Markets Act, and their accounting record (*registro contable*) will be kept by Sociedad de Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. ("Iberclear"), together with its member entities.

An investment in the Commercial Paper involves certain risks.
Read section 4 of the Information Memorandum on risk factors.

DEALERS (ENTIDADES COLABORADORAS EN LA COLOCACIÓN)

BANCO DE SABADELL, S.A.	BANCO SANTANDER, S.A.
BANCA MARCH, S.A.	CAIXABANK, S.A.
PKF ATTEST CAPITAL MARKETS, S.V., S.A.	KUTXABANK INVESTMENT, S.V., S.A.U.
BANCO BILBAO VIZCAYA ARGENTARIA, S.A.	ANDBANK ESPAÑA BANCA PRIVADA, S.A.U.
BRED BANQUE POPULAIRE, S.A.	

PAYING AGENT
BANCA MARCH, S.A.

REGISTERED ADVISOR
BANCA MARCH, S.A.

LEAD ARRANGER
BANCA MARCH, S.A.

LEGAL ADVISOR
EVERGREEN LEGAL, S.L.P.

The date of this Information Memorandum is 19 November 2025.



2. OTHER INFORMATION

The Commercial Paper Notes shall only be addressed exclusively to professional clients, eligible counterparties and/or qualified investors pursuant to the provisions set out in articles 194 and 196 of the Spanish Securities Markets Act and article 2.e) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”), or any provision which may replace or supplement it in the future.

No action has been taken in any jurisdiction to permit a public offering of the Commercial Paper Notes or permit the possession or distribution of the Information Memorandum (*Documento Base Informativo*) or any other offer material where a specific action is required for said purpose. This Information Memorandum (*Documento Base Informativo*) must not be distributed, directly or indirectly, in any jurisdiction in which such distribution represents a public offering of securities. This Information Memorandum (*Documento Base Informativo*) is not a public offering for the sale of securities nor a request for a public offering to purchase securities, and no offering of securities shall be made in any jurisdiction in which such offering or sale would be considered in breach of the applicable legislation. In particular, this Information Memorandum (*Documento Base Informativo*) does not represent a prospectus (*folleto informativo*) approved and registered with the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (the “**CNMV**”) and the subscription of the Commercial Paper issued under the programme does not represent a public offering pursuant to the provisions set out in Article 35 of the Spanish Securities Markets Act which excludes the obligation to approve, register and publish a prospectus with the CNMV.

Any potential investor should not base its investment decision on information other than (i) the information contained in this Information Memorandum and (ii) the public information of the Company and of the MasOrange Group available on the website of the MasOrange Group (<https://masorange.es/en/>), particularly, but not limited to, the section on information to Investors (<https://masorange.es/en/investors/>) and also, in respect of the corporate information of the Company, in the Commercial Registry of Madrid (<https://www.rmercantilmadrid.com/RMM/Home/Index.aspx>). None of the Dealers takes any responsibility for the contents of this Information Memorandum or of any public information. The Dealers have entered into several collaboration agreements with the Issuer to place the Commercial Paper but neither the Dealers nor any other entity has accepted any undertaking to underwrite the Commercial Paper Notes. This is without prejudice to the Dealers being able to acquire part of the Commercial Paper Notes in their own name.

There is no guarantee that the price of the Commercial Paper Notes in the MARF will be maintained. There is no assurance that the Commercial Paper Notes will be widely distributed and actively traded on the market because at this time there is no active trading market. Nor is it possible to ensure the development or liquidity of the trading markets for the Commercial Paper Notes.

FORWARD-LOOKING STATEMENTS

This Information Memorandum may include statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements include, but are not limited to, statements other than statements of historical facts contained in this Information Memorandum, including, but without limitation, those regarding the MasOrange Group’s future financial condition, results of operations and business, products, acquisitions, dispositions and finance strategies, capital expenditure priorities, regulatory or technological developments in the market, subscriber growth and retention rates, potential synergies and cost savings, competitive and economic factors, the maturity of MasOrange Group’s markets, anticipated cost increases, liquidity and credit risk. In some cases, each investor can identify these statements by terminology such as “aim,” “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “guidance,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” and “will” and similar words used in this Information Memorandum.



By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties. Many of these assumptions, risks and uncertainties are beyond the MasOrange Group's control. Accordingly, actual results may differ materially from those expressed or implied by the forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding MasOrange Group's present and future business strategies and the environment in which the Issuer and its subsidiaries operate. The Issuer cautions readers not to place undue reliance on the statements, which speak only as of the date of this Information Memorandum, and the Issuer expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in MasOrange Group's expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based.

Where, in any forward-looking statement, the Issuer expresses an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. Risks and uncertainties that could cause actual results to vary materially from those anticipated in the forward-looking statements included in this Information Memorandum include those described under "*Risk Factors*" below.

The following are some but not all of the factors that could cause actual results or events to differ materially from anticipated results or events:

- the present and future performance of the combination of business in Spain of Masmovil Ibercom, S.A.U. and its subsidiaries ("**Masmovil Ibercom**" and, including its subsidiaries, the "**Masmovil Group**") with Orange Espagne, S.A.U. and its subsidiaries ("**Orange Spain**" and, including its subsidiaries, the "**Orange Spain Group**"), following the completion of this businesses combination in March 2024, as well as the risks relating to the implementation of such combination and to the ability to achieve the synergies estimated by the joint venture resulting from such combination;
- the impact on liquidity and access to capital by the Issuer and its subsidiaries because of the severe disruptions in Spain and the global economy caused by the spread of the COVID-19 pandemic since 2020, the military conflict between Russia and Ukraine, the Gaza–Israel conflict, and other recent geopolitical and macroeconomic events described in more detail under "*Risk Factors*";
- the high level of competition in the markets in which the MasOrange Group operates;
- changes in the economic or political environment in Spain;
- the risks associated with operating a capital-intensive business;
- the MasOrange Group's ability to secure spectrum;
- the MasOrange Group's ability to successfully complete acquisitions and the risks associated with those acquisitions;
- the possibility of competition authorities delaying or preventing acquisitions;
- the MasOrange Group's reliance on demand for fixed, mobile and broadband products, as well as bundled and premium offerings;
- the increasing operating costs and inflation risks in the telecommunications industry;
- the MasOrange Group's reliance on network sharing agreements and third parties for the maintenance of its infrastructure;
- the MasOrange Group's ability to maintain existing network infrastructure or install new network infrastructure;
- the MasOrange Group's dependence on its relationship with certain key partners and providers of hardware and software;



- the potential failures in MasOrange Group's IT and network infrastructure systems;
- the MasOrange Group's ability to keep pace with technological changes and evolving industry standards;
- the potential failure to provide access to mobile phone financing;
- the risk of potential liability for the contents hosted on MasOrange Group's infrastructure;
- the MasOrange Group's participation in unfavourable contracts;
- the risks of natural disasters, fire, power outages and other catastrophic events;
- the MasOrange Group's ability to attract and retain key personnel;
- the MasOrange Group's ability to comply with applicable data protection laws and policies;
- the MasOrange Group's ability to maintain distribution and customer care channels;
- the possible health risks of antenna sites and the use of mobile telephones;
- the extent to which the business operations of the Issuer and its subsidiaries are protected by intellectual property rights;
- the MasOrange Group's potential lack of valid licenses for, or rights to use, parts of its network;
- the MasOrange Group's compliance with third-party intellectual property rights;
- the impact of legal proceedings on the businesses of the Issuer and its subsidiaries;
- the level of governmental regulation and supervision applicable to the businesses of the Issuer and its subsidiaries;
- the impact of changes to tax legislation on the businesses of the Issuer and its subsidiaries;
- other factors related to indebtedness and financial information of the MasOrange Group, the Commercial Paper Notes and the structure of the Issuer and its subsidiaries described in more detail under "*Risk Factors*."

The telecommunications industry is changing rapidly and, therefore, the forward-looking statements of expectations, plans and intent in this Information Memorandum are subject to a significant degree of risk.

The Issuer does not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this Information Memorandum.

The Issuer discloses important factors that could cause its actual results to differ materially from the Issuer's expectations in this Information Memorandum. These cautionary statements qualify all forward-looking statements attributable to the Issuer, its subsidiaries, other affiliates or persons acting on the Issuer's behalf. When the Issuer indicates that an event, condition or circumstance could or would have an adverse effect on the Issuer or on the MasOrange Group as a whole, the Issuer means to include effects upon its business, financial and other conditions, results of operations and the Issuer's ability to make payments under the Commercial Paper Notes.

This list of factors that may affect future performance and the accuracy of forward-looking statements is illustrative, but by no means exhaustive, and should be read in conjunction with other factors that are included in this Information Memorandum. See "*Risk Factors*" at section 4 below and "*Description of the Businesses of the Issuer and its subsidiaries*" at section 5.2. below for a more complete discussion of the factors that could affect MasOrange Group's future performance and the markets in which the Issuer and its subsidiaries operate. All forward-looking statements should be evaluated in light of their inherent uncertainty.

The Issuer and its subsidiaries operate in a competitive and rapidly changing environment. New risks, uncertainties and other factors may emerge that may cause actual results to differ materially from those contained in any



forward-looking statements. Given these risks and uncertainties, any prospective investor in the Commercial Paper Notes should not place undue reliance on forward-looking statements as a prediction of actual results. Except as required by law or the rules and regulations of any exchange on which securities issued by any entity of the MasOrange Group may be listed from time to time, including the MARF in respect of the Commercial Paper Notes being issued under the Programme, the Issuer expressly disclaims any obligation or undertakings to release publicly any updates or revisions to any forward-looking statements contained in this Information Memorandum to reflect any change in the Issuer's expectations or any change in events, conditions or circumstances on which any forward-looking statement contained in this Information Memorandum is based.

PRODUCT GOVERNANCE RULES UNDER MIFID II. THE TARGET MARKET WILL ONLY BE ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS

Exclusively for the purposes of the process of approval of the product which is to be carried out by each manufacturer, the conclusion has been reached, having assessed the target market for the Commercial Paper, that: (i) the target market for the Commercial Paper consists solely of “**professional clients**” and “**qualified investors**”, in accordance with the meaning attributed to each of these expressions in the Directive 2020/1504/EU of the European Parliament and of the Council of October 7, 2020 amending the Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014 on markets in financial instruments amending Directive 2002/92/EC and Directive 2011/61/EU (*Directiva (UE) 2020/1504 del Parlamento Europeo y del Consejo, de 7 de octubre de 2020, por la que se modifica la Directiva 2014/65/UE relativa a los mercados de instrumentos financieros y por la que se modifican la Directiva 2002/92/CE y la Directiva 2011/61/UE*) (the “**MiFID II**”), in the Directive (EU) 2016/97 of the European Parliament and of the Council, of 20 January 2016, on insurance distribution and in their respective implementing regulations (the “**Directive (EU) 2016/97**”) and in the Prospectus Regulation, as amended (in particular, in Spain, the Spanish Securities Markets Act and its implementing regulations); and that (ii) all channels for the distribution of the Commercial Paper to professional clients, eligible counterparties and qualified investors are appropriate.

Accordingly, in each issuance of Commercial Paper, the manufacturers shall identify the potential target market using the list of five categories mentioned in number 18 of the Guidelines on MiFID II Product Governance Requirements, published on 5 February 2018, by the European Securities and Markets Authority (“**ESMA**”).

Any person who, following the initial placement of the Commercial Paper, offers the Commercial Paper, sells them, makes them available in any other way or recommends them (the “**Distributor**”) shall be required to take into account the assessment of the target market made by the manufacturer. Any Distributor subject to the provisions of MiFID II shall nevertheless be responsible for making its own assessment of the target market for the Commercial Paper (whether by applying the target market assessment made by the manufacturer or by perfecting such assessment), and for determining the appropriate distribution channels.

PROHIBITION ON SELLING TO RETAIL INVESTORS

The Commercial Paper Notes are not intended for offer, sale or any other form of making available, nor should they be offered, sold to or made available to retail investors in the European Economic Area (“**EEA**”). For these purposes, “**retail investor**” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) client within the meaning of Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016, provided that they cannot be classed as a professional client based on the definition contained in point (10) of article 4(1) of MiFID II; or (iii) a retail customer as provided for in the regulations implementing MiFID in any EEA Member State (in particular in Spain as defined in Article 193 of the Spanish Securities Markets Act).

For this reason, none of the key information documents required by Regulation (EU) No. 1286/2014 of the European Parliament and of the Council of November 26, 2014 on key information documents for packaged retail and insurance-based investment products (*Reglamento (UE) nº 1286/2014 del Parlamento Europeo y del Consejo de 26 de noviembre de 2014, sobre los documentos de datos fundamentales relativos a los productos de inversión*



minorista empaquetados y los productos de inversión basados en seguros) (“**Regulation 1286/2014**”) has been prepared for the purposes of the offering or sale of the Commercial Paper, or to make it available to retail investors in the EEA, and therefore, any of such activities could be unlawful pursuant to the provisions of Regulation 1286/2014.

Accordingly, no key information document required by Regulation (EU) No. 1286/2014 of the European Parliament and the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (as amended from time to time, the “**PRIIPs Regulation**”), has been prepared for the purposes of offering or selling the Commercial Paper Notes or otherwise making the Commercial Paper Notes available to retail clients in the EEA and therefore such activities may be unlawful pursuant to the provisions of the PRIIPs Regulation.

The Commercial Paper Notes to be issued under the Programme are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of United Kingdom domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of UK MiFIR. Consequently no key information document (KID) required by the PRIIPs Regulation as it forms part of United Kingdom domestic law by virtue of the European Union Withdrawal Act (the “**UK PRIIPs Regulation**”) for offering or selling the Commercial Paper Notes or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling the Commercial Paper Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In the United Kingdom, this document and the Commercial Paper Notes would only be distributed to, and are intended for, and any investment and investment activity in the Commercial Paper Notes referred to in this document is available only to, and will be subscribed to only by, “**qualified investors**”, as defined in section 86(7) of the Financial Services and Markets Act 2000 (i) who are persons with professional experience in matters relating to investments falling within the definition of “investment professionals” in section 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); or (ii) who are high net worth entities within section 49(2)(a) to (d) of the Order (together, all such persons shall be described as “**relevant persons**”). Persons who are not relevant persons should not take any action on the basis of this communication document and should not act on or rely on it.

The Commercial Paper Notes have not been, nor will be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or under the securities laws of any state or other jurisdiction in the United States of America. The Commercial Paper Notes may not be offered, sold, exercised or otherwise transferred in the United States of America except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable securities laws of any state or other jurisdiction of the United States of America. There is no intention to register any Commercial Paper in the United States or to make an offer of any securities in the United States.



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4. RISK FACTORS

An investment in the Commercial Paper Notes involves risks. Before purchasing the Commercial Paper Notes, any prospective investor should consider investing in these Commercial Paper Notes involves substantial risks. Investors should carefully consider the risks and uncertainties described below, together with the other information contained in the Information Memorandum, before making any investment decision with respect of the Commercial Paper Notes. The risks described below may not be the only risks the Issuer and the MasOrange Group face. Only those risks that the Company as Issuer currently considers to be material are described and there may be additional risks that the Issuer does not currently consider to be material or of which the Issuer is not currently aware. Any of the following risks and uncertainties could have a material adverse effect on the MasOrange Group's business, prospects, results of operations and financial condition. Each of the risks highlighted below could adversely affect the trading or the trading price of the Commercial Paper Notes or the rights of investors thereunder and, as a result, investors could lose some or all of their investment. Prospective investors should read the entire Information Memorandum, including its Schedules.

The order in which risks are presented is not necessarily an indication of the likelihood of the risks actually materializing, of the potential significance of the risks or of the scope of any potential harm to the Issuer's and the MasOrange Group's business, prospects, results of operations and financial condition.

As a result of the activities carried out by the MasOrange Group, there are risks inherent to the sector, macroeconomic environment, regulatory framework and operations that must be identified and controlled through the risk management systems established by the MasOrange Group.

In this regard, the Risk Management and Control Policy of the MasOrange Group approved by the Board of Directors of the Issuer in June 2024 (available at <https://masorange.es/wp-content/uploads/2025/05/Risk-Management-and-Control-Policy-O-1.pdf>) provides for the principles and guidelines aimed at controlling and mitigating the risks identified at any given time. These actions are materialized through an Integrated Risk Management and Control System (IRMCS), based on the so-called "COSO" model ("Committee of Sponsoring Organizations of the Treadway Commission") and the ISO 31000 standard, covering, among others, financial, regulatory, strategic, operational, corporate governance and reputational risks.

The MasOrange Group's risk control and management model, which covers the Issuer and its subsidiaries, is based on the continuous review and updating of the MasOrange Group's risk map, which has been designed in line with the MasOrange Group's strategies. Once the risks have been identified and classified (according to their impact and probability of occurrence), the action plans necessary to mitigate these risks are formalized, also assessing the residual risk and risk tolerance levels.

Risk management is monitored by the Group's Internal Audit Department in accordance with policies approved by MasOrange Group's Board of Directors. Risk management is a major issue within the MasOrange Group, including the Issuer and its subsidiaries, and is therefore a function that forms part of the ongoing analysis and review by Board of Directors of the Issuer.

4.1. Risks relating to the Businesses of the Issuer and its subsidiaries and to the telecommunications industry

4.1.1. Macroeconomic risks arising from the current economic and political situation and their impact on the telecommunications market.

As of the date of this Information Memorandum, the businesses of the Issuer and its subsidiaries are entirely focused on the Spanish market. In this sense, it may be affected by adverse conditions in the Spanish economy,



such as an increase in the unemployment rate or a fall in per capita income, aspects which would reduce the effective disposable income of potential consumers. Likewise, business may be affected by situations of instability in international relations, the first effects of which can be seen in the volatility of financial variables. This would have a negative impact on the results, prospects or financial, economic or equity situation of the MasOrange Group and, therefore, of the Issuer.

Macroeconomic factors such as (i) international tensions arising from international politics, for example, US foreign policy and conflicts between the US and China; (ii) the financial situation and uncertainty on the international scene; (iii) geopolitical tensions that have led to Russia's military invasion of Ukraine; (iv) the conflict between Hamas and Israel in Gaza since October 2023 and its potential extension to other countries in Middle East and elsewhere; (v) the migration crisis in Europe; and (vi) terrorist and military actions carried out in Europe and other parts of the world, could negatively affect the global economic situation, the Eurozone and Spain.

Although at the date of this Information Memorandum the MasOrange Group is not active in Belarus, Ukraine, Russia or Middle East, it cannot be ruled out that the MasOrange Group and, therefore, the Issuer, may be affected by the military conflicts that started at the end of February 2022 in Ukraine and in October 2023 in the Gaza Strip, and a potential escalation of any of these conflicts, as a result of the economic impact that may arise from any of them. The effects of these conflicts are currently inestimable and have become evident in energy and other commodity prices, tensions in the financial markets, the impact on growth and inflation, among others. Despite the fact that, at present, with the scant evidence available, it is impossible to assess the impact of these conflicts from a fundamentally quantitative dimension, given their nature and dimension, it is undeniable that they will have significant negative repercussions on all sectors of economic activity, including the telecommunications sector. Consequently, the aforesaid conflicts could have a negative impact on the MasOrange Group's and the Issuer's business, results and/or financial and equity position.

An abrupt reassessment of risk due to the intensification of the aforesaid conflicts and the resulting escalation of sanctions may expose and add to some of the vulnerabilities accumulated during Covid-19, leading to a sharp decline in financial asset prices and the economy as a whole (Source: Global Financial Stability Report Update, International Monetary Fund, April 2024).

The Issuer is not capable of predicting how the economic cycle will develop in the short term or in the coming years, or if there will be a deterioration in the global or Portuguese economic situation. According to the European Central Bank ("**ECB**") macroeconomic projections as of September 2025, the real GDP is projected to grow in the EU by 1.2% in 2025, 1.0% in 2026 and 1.3% in 2027. The Bank of Spain registered a real GDP increase in 2024 for Spain of 3.2%. The forecasts as of September 2025, as published by Bank of Spain and prepared in collaboration with the Spanish National Institute for Statistics (*Instituto Nacional de Estadística*) ("**INE**"), forecast a GDP positive annual variation of 2.6% for 2025. In addition, they envisage positive annual variation of 1.8% in 2026 and a positive annual variation of the Spanish GDP of 1.7% for 2027.

During the last few months, the European inflation rate has begun to stabilize. In any case, European inflation is expected to decline in the coming months and is expected to stay at 2,1% ECB objective over the medium term until the end of 2025 or beginning of 2026. According to the ECB macroeconomic projections as of September 2025, inflation will stay at 2.1% during 2025, before declining to 1.7% in 2026. For Spain, the forecasts as of September 2025, as published by Bank of Spain and prepared in collaboration with the INE, are projected to decrease from an average of 2.5% in 2025 to 1.7% in 2026 and afterwards increase to 2.4% in 2027.

Inflation can adversely affect the Group in the future by increasing the costs of land, materials and labour. Inflation on certain materials critical for homebuilding could affect the Group's operations. In addition, significant inflation is often accompanied by higher interest rates, which have a negative impact on demand for the Group's homes. In an inflationary environment, it could be difficult for the Group to raise home prices enough to keep up with the



rate of inflation. Any of the foregoing could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The current economic environment and the uncertainty surrounding its evolution pose challenges to the Issuer, as this may adversely affect its business, prospects, financial condition, and operational results, the value and liquidity of the Commercial Paper, and the Issuer's ability to meet its obligations under the Commercial Paper and, in general, its financial obligations.

In addition, the terms of future debt agreements could include more restrictive covenants or require incremental collateral, which may restrict the MasOrange Group's business operations or make such debt unavailable due to covenant restrictions then in effect. There is no guarantee that debt financings will be available in the future to fund MasOrange Group's obligations, or that they will be available on terms consistent with the expectations of the Issuer and other companies of the MasOrange Group.

The MasOrange Group depends upon its operations to generate strong cash flows to support its operating activities, supply capital to finance its operations and growth, make capital expenditure and manage its debt levels. The continuing economic disruption caused by the aforesaid macro political and economic risk events could adversely affect the ability of the MasOrange Group to generate sufficient cash flows from operations and could adversely affect the ability of the Issuer and its subsidiaries to make payments of future interest and other payments with respect to the indebtedness and other obligations owed by the MasOrange Group, including payments by the Issuer on the Commercial Paper Notes and to fund capital expenditure, which could negatively impact the quality of the MasOrange Group's service, competitiveness and customer satisfaction, which could in turn have a negative impact on the Issuer's revenue, operating profit and cash flows.

4.1.2. The MasOrange Group faces significant competition in each of the business segments in which the MasOrange Group operates and competitive pressures and shifting customer preferences could have a material adverse impact on the MasOrange Group's business.

The Issuer and its subsidiaries operate in highly competitive markets and the MasOrange Group faces significant competition from both market incumbents and new competitors in the telecommunications industry, which has resulted in generally declining average revenue per user ("**ARPU**") across this industry.

In Spain, the telecommunications sector is dominated by legacy operators. Telefónica, S.A. and its affiliates ("**Telefónica**") in particular hold a dominant market share in certain regions. The Spanish National Commission of Markets and Competition (the "**CNMC**") has favoured the growth of alternative operators, but legacy operators may seek to leverage their market position to compete in new territories or service areas.

For the MasOrange Group's fixed line and mobile services, competitors include, but are not limited to, Telefónica, Vodafone España, S.A.U. (including its affiliates, "**Vodafone Spain**") and Digi Communications N.V. (including its affiliates in Spain, "**Digi Spain**").

In addition, the mobile services offered by the MasOrange Group face competition from providers of VoIP and mobile virtual network operators ("**MVNOs**"). For wholesale services, key competitors include, but are not limited to, wholesale providers of voice, data and fibre services.

The MasOrange Group may also face increased competition in any of these business segments as a result of new market entrants. Competition from such companies as well as from new entrants and new technologies could create downward pressure on prices across all the business lines, which could result in a further decrease in ARPU, a loss of customers or revenue generation units and a decrease in revenue and profitability. In addition, technological developments are increasing cross-competition in certain markets, such as that between mobile and fixed-line telephony.



In some instances, competitors of the MasOrange Group may have easier access to financing, more comprehensive product ranges, lower financial leverage, greater financial, technical, marketing and personnel resources, larger subscriber bases, wider geographical coverage for their fixed or mobile networks, greater brand name recognition and experience or longer established relationships with regulatory authorities, suppliers and customers. Some of these competitors may have fewer regulatory burdens with which they are required to comply because, among other reasons, they use different technologies to provide their services or are not subject to obligations applicable to operators with significant market power.

Traditional telecommunications operators, owing to their falling market share in recent years, may develop an expansion policy with their main or second-tier brands based on large price discounts that generally affect all operators in the market. This could be used to undercut competing businesses, including the Issuer and its subsidiaries, or to invest in infrastructure or other assets that would enable traditional competitors to become more competitive in the market. The launch of such value-conscious telecommunications services has triggered generally declining ARPU across the industry and has resulted in a shift to converged services, where margins are higher.

As a consequence of the telecommunications and mobile markets reaching saturation in certain of the most populated regions in Spain, there are a limited number of new subscribers entering the market in these regions. In order to increase the MasOrange Group's subscriber base and market share in those regions, the Issuer and its subsidiaries are dependent on attracting existing subscribers from other TMT operators, which intensifies the competitive pressures that the Issuer and its subsidiaries are subject to. The Issuer cannot guarantee that the MasOrange Group's historical positive portability numbers and leading position in customer satisfaction rankings (as confirmed by data published by the CNMC and by the consultancy firms GFK and nPerf) will continue in the future.

There has been a trend towards consolidation and convergent offerings among telecommunications operators in the Spanish and broader European market. Competitors could gain competitive advantages over the MasOrange Group through mergers, joint ventures and alliances among franchises, wireless or private cable operators, satellite providers, local exchange carriers and other telecommunications service providers in Spain that could give them increased access to financing, resources, efficiencies of scale or the ability to provide multiple services in direct competition with the Issuer and its subsidiaries. Public-private joint ventures may also increase competition.

Moreover, the competitive landscape in Spain is generally characterized by increasing competition, tiered offerings that include lower priced entry-level products and a focus on bundled offerings, including special promotions and discounts for customers who subscribe for bundled services and, more recently, offerings for access to services under 5G networks. The Issuer expects additional competitive pressure from a range of players that seek to offer packages of fixed based and mobile voice, internet and video broadcast services, including from new regional broadband services, new brand launches from existing competitors and new market entrants. As a result of the increasing competition in the telecom market, ARPU has declined over time.

The success of the business model of the MasOrange Group is based on the service quality and the products currently offered in the market as well as on continual renewal and updating of products and service range in accordance with the requirements and changes that arise in a highly competitive market. Any delay or absence in introducing a product or service range that is at least similar to what is being offered by main competitors could lead the MasOrange Group to lose its competitive position in the market and, consequently, to a decrease of its current market share, which would have a negative impact on the Issuer's revenue, operating profit and cash flows. In addition, maintaining and developing the infrastructure and the range and quality of the services to remain competitive in the market requires significant capital expenditure on an ongoing basis, which could



negatively impact the profitability of the Issuer and its subsidiaries in future periods. Any potential inability, for any reason, to fund capital expenditure in the future could negatively impact the quality of service, competitiveness and customer satisfaction, which could have a negative impact on the Issuer's revenue, operating profit and cash flows.

As regards the capacity of the Masorange Group as reseller, the Issuer and its subsidiaries face high levels of competition from other resellers and MVNOs, which have been increasing their share of the Spanish mobile telecommunications market in past years, following an international trend towards increasing diversification in the telecommunications markets. This has increased competition and pricing pressure in the telecommunication markets, primarily in the prepaid market but also increasingly in the post-paid market. The Issuer's subsidiaries that are mobile network operators, such as Xfera Móviles, S.A.U. ("**Xfera Móviles**"), Euskaltel, S.A.U. ("**Euskaltel**"), R Cable y Telecable Telecomunicaciones, S.A.U, and Orange Espagne, S.A.U. ("**Orange Espagne**") have arrangements with resellers of two types: MVNOs, who rely on national roaming agreements in place for the MasOrange Group for their own customers, and cable operators, who commercialize the mobile services of the MasOrange Group. These arrangements generally provide less revenue and lower margins than other services, and as a result, a potential increase in market share of resellers and MVNOs may reduce margins and revenue if the MasOrange Group fails to increase its own market share in the resale market. In addition, aggressive pricing from resellers or MVNOs and pressure from resellers and MVNOs using the MasOrange's network for contract terms that are more favourable to them could also increase the competitive pressure and cause the results of operations of the Issuer and its subsidiaries to decline. If the Issuer and its subsidiaries are unable to compete effectively with resellers and MVNOs, business, financial condition and results of operations of the Issuer and its subsidiaries may be materially and adversely affected.

The Issuer and its subsidiaries are also facing increasing competition from non-traditional mobile voice and data services based on new mobile VoIP, in particular OTT services such as Facebook Messenger, FaceTime, Google Talk, Skype, Snapchat, Viber and WhatsApp. These OTT services are often free of charge, accessible via smartphones and allow their users to have access to potentially unlimited messaging and voice services over the internet, thus bypassing more expensive traditional voice and messaging services (SMS/MMS) provided by mobile network operators ("**MNOs**"), who are only able to charge the internet data usage for such services. With the growing share of smartphone users in the Spanish mobile subscriber base, there are an increasing number of customers using OTT services. All MNOs such as the Issuer and its subsidiaries are currently competing with OTT services providers who leverage existing infrastructures and are often not required to implement capital-intensive business models associated with traditional mobile network operators. OTT service providers have in recent years become more sophisticated and technological developments have led to a significant improvement in the quality of service, particularly in speech quality. In addition, players with strong brand capability and financial strength, such as Apple Inc. ("**Apple**"), Google Inc. ("**Google**"), Facebook and Microsoft Corporation, have turned their attention to the provision of OTT services. In the long-term, if non-traditional mobile voice and data services or similar services continue to increase in popularity and if the Issuer and its subsidiaries, or more generally all the MNOs, are not able to address this competition, this could cause declines in subscriber base and profitability across all of the products and services of the Issuer and its subsidiaries, among other material adverse effects. In addition, the Issuer and its subsidiaries may face increasing competition from a large-scale roll-out of public Wi-Fi networks by local governments and utilities, transportation service providers, new and existing Wi-Fi telecommunications operators and others, which particularly benefits OTT services. Enhanced fixed service infrastructure access and mobile services provided by competing operators may be more appealing to customers, and new technologies may enable competitors to offer not only new or technologically superior services, but to also offer existing standard services at lower prices. For example, Digi Spain, through an aggressive pricing strategy and increasing fibre footprint deployment, has continued to grow its market share for fixed-mobile convergence



("FMC") services. The telecommunications services industry has undergone significant technological development over time and these changes continue to affect the telecommunications business. Such changes have had, and will continue to have, a profound impact on consumer expectations and behaviour. The products and services of the Issuer and its subsidiaries are also subject to increasing competition from alternative new technologies or improvements in existing technologies. The Issuer and its subsidiaries may not be able to fund the capital expenditures necessary to keep pace with technological developments. In this regard, please also see the risk factor "*Potential failure to successfully adopt new technologies or services, or to respond to technological developments, may adversely affect the Issuer's business and the ability to recover the cost of investments*" in section 4.1.15. below.

Any inability or unwillingness to respond effectively to such competitive pressures could have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, on the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price.

4.1.3. The business of the Issuer and its subsidiaries is concentrated in Spain and may be adversely affected by negative economic, legal or political developments in Spain.

The Issuer and its subsidiaries operate entirely in Spain and most of their revenue is generated in Spain (a small amount of revenues being generated abroad because of international roaming services rendered by the Issuer's subsidiaries that are mobile operators, particularly Xfera Móviles an Orange Espagne). Accordingly, the results of the Issuer and its subsidiaries may be adversely impacted by negative economic, legal or political developments in Spain, or by failing to anticipate the needs and preferences of Spanish consumers in terms of marketing, service portfolio and strategic investments.

Any adverse developments, or even uncertainties, in this regard, including sovereign risk fluctuations, may adversely affect the business, financial position, cash flows and results of operations of the Issuer and its subsidiaries. A deterioration in economic conditions in Spain or a regional or global recession could reduce or limit the growth of consumers' disposable income.

All these factors may have a negative impact on the sales of new services and hardware and lead some customers to default on their telephone, broadband and/or television bills, thus negatively impacting the revenue of the Issuer and its subsidiaries. There is also a risk that financing conditions will tighten for both private and public sectors in Europe, or in Spain in particular, as a result of renewed uncertainty surrounding the sustainability of public finances in certain European countries, high inflation, recession or other macroeconomic developments, which could increase the cost of financing or limit access to financing in the future, which could limit the ability of the Issuer and its subsidiaries to pursue new acquisitions, improve and expand infrastructure or otherwise implement the MasOrange Group's business plan.

4.1.4. Acquisitions and other strategic transactions present many risks, including the risk of not being able to integrate newly acquired operations into the business of the MasOrange Group, which may prevent the Issuer and its subsidiaries from realizing the strategic and financial goals contemplated at the time of any such transaction and thus adversely affect the businesses of the Issuer and its subsidiaries.

Historically, businesses of Masmovil Ibercom (current subsidiary of the Issuer) and its subsidiaries grew, in part, through a significant number of selective acquisitions, joint ventures and network sharing agreements that have enabled the former Masmovil Group to take advantage of existing networks, service offerings and management expertise, while businesses of Orange Spain were based more in organic growth.

As explained in section 1.7.3 of Schedule 1 hereto, MasOrange and Vodafone agreed to create NetCo, a new joint venture to own and operate fibre-to-the-home (FTTH) and related broadband assets in Spain. As part of the



transaction, both partners contributed their respective FTTH businesses, and a financial investor will acquire preferred participations of 24.48% of NetCo's share capital. The structure includes a Luxembourg holding chain to optimise financing and governance.

Total financing of approximately €5.1 billion will fund equity distributions, IRU settlements and other commitments, refinancing and transaction costs.

Following completion, MasOrange will have a co-control position holding ordinary participations of 58.63%, Vodafone ordinary participations of 16.89%, and the Investor preferred participations of 24.48% of NetCo. The transaction is expected to strengthen MasOrange's capital structure and create an independent fibre infrastructure business in Spain.

The MasOrange Group may undertake further acquisitions, disposals, joint ventures or other synergistic transactions in the future, in addition to pursuing organic growth through increased customer numbers and increased penetration of services and products of the MasOrange Group.

Any acquisition, disposal or other strategic transaction that the Issuer (directly or indirectly through its subsidiaries or any special purpose company that may be incorporated for such purposes) may undertake in the future could result in the Issuer incurring additional debt or contingent liabilities, in addition to post-completion liabilities, increased interest expenses and/or amortization expenses related to goodwill and other intangible assets. In particular, any target that the Issuer eventually acquires may have liabilities that the Issuer failed or were unable to discover in the course of performing the relevant due diligence investigations. The Issuer may learn of additional information about the target companies that adversely affects the Issuer and its subsidiaries, such as unknown or contingent liabilities and issues relating to compliance with applicable laws and regulations. For example, the Issuer could become liable for overdue payables to suppliers and employees that are not known to the Issuer at the time of the acquisition, or the Issuer and its subsidiaries could become subject to tax or pension liabilities in respect of historical periods that the Issuer is not aware of or the amount of which the Issuer underestimated. In conducting due diligence, the Issuer relies on resources available to the Issuer, its subsidiaries and its shareholders, including public information and information provided by the sellers and third-party advisers. In addition, due diligence of any target usually provides for materiality thresholds, a limited scope and a restricted perimeter. There can be no assurance that such due diligence works reveal or highlight all relevant facts necessary or helpful in evaluating future acquisitions. Furthermore, there can be no assurance as to the adequacy or accuracy of information provided during the due diligence exercise. The due diligence process is inherently subjective. If the due diligence investigation failed to identify material information regarding the target(s), the Issuer and its subsidiaries may later be forced to write down or write off certain assets, significantly modify the business plan or incur impairment or other charges. Similarly, the materialization of certain risks, which may or may not have been identified during due diligence, may lead to a loss of property, loss of value and, potentially, subsequent contractual and statutory liability to various parties.

Any of these events, individually or in the aggregate, could have a material adverse effect on the business of the target entity, or on the financial condition and results of operations of the Issuer and its ability to fulfil its obligations under the Commercial Paper Notes. Furthermore, the acquisitions of certain companies may constitute a change of control under agreements entered into by such companies and may entitle these third-parties to terminate their agreements or, in some cases, request adjustments and financing arrangements of the terms of the agreements. The Issuer cannot exclude the possibility that some of these third parties may exercise their termination, adjustment or other rights, which could have a material adverse effect on the business, results of operations and financial position of the Issuer and its subsidiaries following any such acquisition. In addition, some of the third parties may use their termination or adjustment rights to renegotiate the terms of the



agreements and may benefit from stronger bargaining power, as a result of which the acquired company may only be able to secure replacement contracts on less favourable terms or at all.

In addition, it cannot be guaranteed that the Issuer and its subsidiaries will have sufficient resources to fund any acquisitions in the future, which would limit the growth of the MasOrange Group through bolt-on acquisitions. The Issuer and its subsidiaries may use available cash on hand to finance any such acquisitions. The Issuer may experience difficulties in integrating the businesses being acquired into the business of the MasOrange Group, incur higher than expected costs or fail to realize all of the anticipated benefits or synergies of such acquisitions, or fail to retain key customers, employees and management personnel of the relevant targets. These transactions may also disrupt the relationships with current and new employees, customers and suppliers. In addition, the attention of the MasOrange Group's managers may be distracted from existing operations by such acquisition processes and the integration of the acquired businesses. Thus, if the Issuer and its subsidiaries consummate any further acquisitions or fail to integrate previous acquisitions or other synergistic transactions, there could be a material adverse effect on the business, financial condition and results of operations of the Issuer and its subsidiaries. There can be no assurance that the Issuer and its subsidiaries will be successful in completing business acquisitions or combinations, integrating previously acquired companies. In addition, debt burden may increase if the Issuer and its subsidiaries borrow funds to finance any future transactions, which could have a negative impact on the Issuer's cash flows and on the ability of the Issuer to finance its overall operations.

Acquisitions or disposals of additional telecommunications companies may require the approval of governmental authorities (either domestically or at the EU level), which can block, impose conditions (such as the so-called "remedies") on, or delay the process which could result in a failure to proceed with announced transactions on a timely basis or at all, thus hampering the opportunities of the MasOrange Group for growth. In the event conditions are imposed and the Issuer or the relevant subsidiary fails to meet them in a timely manner, the relevant governmental authority may impose fines and, if in connection with a merger transaction, may require restorative measures, such as mandatory disposition of assets or divestiture of operations, which could have an adverse impact on the business, financial condition and results of operations of the Issuer.

Although the Issuer and its subsidiaries analyse and conduct due diligence on acquisition targets, any assessments are subject to a number of assumptions concerning profitability, growth, interest rates and company valuations and inquiries being made by the Issuer and its subsidiaries may fail to uncover relevant information. There can be no assurance that such assessments or due diligence of and assumptions regarding acquisition targets will prove to be correct, and actual developments may differ significantly from the expectations of the Issuer and its subsidiaries. Moreover, any plans to acquire additional businesses in the future are subject to the availability of suitable opportunities. Competitors of the Issuer may also follow similar acquisition strategies and may have greater financial resources available for investments or may be willing to accept less favourable terms than the Issuer can accept, which may prevent the Issuer (directly or indirectly) from acquiring businesses to the benefit of competitors. The operating complexity of the businesses carried out by the MasOrange Group as well as the responsibilities of management have increased significantly as a result of the growth of MasOrange Group's business through acquisitions, which may place significant strain on managerial and operational resources. The Issuer may be unable to allocate sufficient managerial and operational resources to meet needs as the MasOrange Group's businesses have grown, and the Issuer's current operational and financial systems and managerial controls and procedures might become inadequate.

Although the Issuer considers the operational and financial systems and managerial controls and procedures that the Issuer currently has in place to be adequate for the businesses of the Issuer and its subsidiaries, the Issuer recognizes that the effectiveness of these systems, controls and procedures needs to be kept under regular review. The Issuer will have to maintain close coordination among the logistical, technical, accounting, finance, marketing and sales teams. Management of growth will also require, among others, continued development of



financial and management controls and information technology systems. The Issuer, as current member of the MasOrange Group, may be unable to hire managers with the relevant expertise or the hiring process may require significant time and resources, all of which could result in a disruption in the Issuer's management, growth, operational and financial systems, managerial controls and procedures and, accordingly, have a material adverse impact on the business, financial condition, results of operations of the Issuer and its subsidiaries and, therefore, on the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price.

4.1.5. Telecommunication businesses are capital intensive and capital expenditures may not generate a positive return.

The telecommunication businesses of the Issuer and its subsidiaries are capital intensive and requires significant levels of investment. Like other companies in the fixed line, mobile and internet services sector, the Issuer and its subsidiaries must continually invest in order to develop, expand and maintain network infrastructure. Though the Issuer maintains cost-effective national roaming agreements and network sharing agreements with incumbent telecommunications services providers, the businesses of the Issuer and its subsidiaries demands significant capital expenditures to add customers to the MasOrange Group's networks and improve the scope and quality of service, including expenditures relating to equipment and labour. In particular, the Issuer and its subsidiaries incur significant capital expenses for the deployment of new technologies, for the purchase of frequencies and the deployment of network infrastructure for mobile operations and fibre-optic infrastructure and for fixed line operations. The Issuer and its subsidiaries may also need to make investments to provide business continuity and to meet requirements for information security and disaster recovery, all of which could require significant capital expenditures which could be further increased by applicable regulations requiring increased levels of the technical protection of telecommunications networks.

In addition, costs associated with the licenses and spectrums that the Issuer and its subsidiaries need to operate the existing networks and technologies and those that the Issuer and its subsidiaries may acquire or develop in the future, as well as costs and rental expenses related to their deployment, could be significant. The amount and timing of any future capital requirements may differ materially from the Issuer's current estimates due to various factors, many of which are beyond the Issuer's control.

Furthermore, new technologies and the use of multiple applications increasing customers' bandwidth requirements could lead to saturation of the networks and require telecommunications operators to make additional investments to increase the capacity of their infrastructures. It cannot be guaranteed that the Issuer and its subsidiaries will continue to have sufficient resources to maintain the quality of network and other products and services offered by the Issuer and its subsidiaries, or to expand network coverage, which are key elements for the Issuer's strategy and growth over the long-term. Unforeseen investment expenses, an inability for the Issuer and its subsidiaries to generate sufficient cash flows and/or finance capital expenditure needs at an acceptable cost or an inability to make profitable investments could have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, on the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price.

4.1.6. The Issuer may not generate sufficient cash flow to fund capital expenditures, ongoing operations and debt obligations.

The ability to service debt and to finance the capital expenditure needs and operations in progress of the Issuer and its subsidiaries will depend on their ability to generate cash flows. The Issuer cannot provide any assurance that businesses of the Issuer and its subsidiaries will generate sufficient cash flow from operations or that future debt or equity financing will be available in an amount sufficient to enable the Issuer and its subsidiaries to pay their debt obligations when due, sustain their operations or meet other capital requirements. The ability of the



Issuer and its subsidiaries to generate cash flow and to finance capital expenditures, current operations and debt service obligations depends on numerous factors, including:

- future operating performance by the Issuer and its subsidiaries within the MasOrange Group;
- the demand and price levels for current and projected products and services;
- the ability of the Issuer and its subsidiaries to maintain the level of technical capacity required on networks and the subscriber equipment and other pertinent equipment connected to networks;
- the ability of the Issuer and its subsidiaries to successfully introduce new products and services;
- the ability of the Issuer and its subsidiaries to limit customer churn;
- the general economic conditions and other circumstances affecting consumer spending;
- competition;
- sufficient distributable reserves, in accordance with applicable law, as well as covenants to allow for permitted distributions under the existing financing agreements to which the Issuer and its subsidiaries are party; and
- legal, tax and regulatory developments affecting businesses of the Issuer and its subsidiaries.

Some of these factors are beyond the Issuer's control. If the Issuer and its subsidiaries are not able to generate sufficient cash flows, the Issuer and its subsidiaries might not be able to repay debt, expand business, respond to competitive challenges or finance cash and capital requirements, including capital expenditures. If the Issuer and its subsidiaries are not able to meet debt service obligations, the Issuer and its subsidiaries might have to sell off assets, attempt to restructure or refinance existing debt or seek additional financing in the form of debt or equity. The Issuer and its subsidiaries may not be able to do so in a satisfactory manner, or at all, which would have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, on the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price.

4.1.7. Existing services future network capacity growth may be constrained by the frequency spectrum available to the Issuer and its subsidiaries as members of the MasOrange Group.

Mobile network capacity is to a certain extent limited by the amount of frequency spectrum available for its use. Since the Spanish government controls the allocation of frequency spectrum to telecommunications operators in Spain, the capacity of the mobile network of the Issuer and its subsidiaries is limited by the amount of spectrum that the MasOrange Group is able to procure via public auction or private sale. The Issuer cannot assure that the MasOrange Group will be able to procure more spectrum, renew spectrum upon the expiry of the existing spectrum licenses or otherwise maintain the existing spectrum licenses available to the Issuer and its subsidiaries as companies of the MasOrange Group, including as a result of non-compliance with any commitments pursuant to concession agreements. See also the risk factor "*Any failure to comply with license conditions may jeopardize the licenses that are required to operate the businesses and networks of the Issuer and its subsidiaries*" under section 4.2.1 below.

As spectrum auctions are infrequent and the MasOrange Group may need additional spectrum in the future, the MasOrange Group may participate in future spectrum auctions even if, at the time of the auction, no additional spectrum capacity is required. Such participation would require significant capital expenditures, as acquiring spectrum is expensive, due in part to the fact that spectrum availability is limited and the process for obtaining it is complex.



The Issuer believes that the current spectrum allocation available to the Issuer and its subsidiaries as members of the MasOrange Group nowadays is sufficient for anticipated customer growth in the near term and provision of 5G services. However, additional spectrum may be needed to accommodate future customer growth or to further develop 4G and 5G services offered by the Issuer and its subsidiaries, and the quality of spectrum available may affect the competitive position of the Issuer and its subsidiaries as members of the MasOrange Group. The Issuer cannot assure that the MasOrange Group will be able to obtain additional spectrum that would meet expectations or business needs on a timely basis. The network expansion or upgrade plans of the Issuer and its subsidiaries may be affected if the MasOrange Group are unable to obtain additional spectrum. This could in turn constrain future network capacity growth and market share, which would in turn materially and adversely affect the business and prospects as well as the financial condition and results of operations of the Issuer and its subsidiaries.

4.1.8. Growth prospects depend on continued demand for fixed line, mobile and broadband products and services and increased demand for bundled and premium offerings.

The use of the internet, television and fixed line telephony and mobile services in certain of the regions in which the Issuer and its subsidiaries operate has increased in recent years. The Issuer and its subsidiaries have benefited from this growth in the past and future growth and profitability depend, in part, on continued demand for these services in the coming years. The Issuer and its subsidiaries rely in part on their ability to market mobile, TV and broadband services, as well as a combination of these services through bundled offerings to attract new customers and to migrate existing customers to such services. If demand for such products and services does not increase as expected, this could have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries. Conversely, if the use of telecommunication services increases more than expected, the increase in traffic would require prompt action to expand the network's capacity of the Issuer and its subsidiaries so as to ensure connectivity and be able to successfully meet the increased demand for services. If the Issuer and its subsidiaries are unable to meet such increasing demand, the Issuer and its subsidiaries may lose existing or potential customers to competitors.

In addition, there is a risk that new technologies may undermine demand for the services currently offered by the Issuer and its subsidiaries. For example, new wireless internet services being developed by Amazon, SpaceX or other providers could reduce demand for fixed line broadband and telephony in the future. New providers of mobile data and telephony services may enter the market and may benefit from more effective or lower cost technologies that give them a competitive advantage in these markets. Furthermore, the products and services the Issuer and its subsidiaries offer may be more successful than the Issuer anticipates, and the Issuer and its subsidiaries may be unable to meet the demand for product offerings. The Issuer and its subsidiaries are also affected by shifts in consumer preferences, which continue to evolve rapidly to respond to the challenges posed since 2020 due to the COVID-19 pandemic. In particular, the self-isolation measures imposed in 2020 and 2021 by the Spanish government in order to combat COVID-19 resulted in a considerable increase in internet traffic and a correlated decrease in mobile services usage, as customers rely on VoIP and OTT services as a substitute for traditional voice and messaging services while gatherings are prohibited and residents were advised to stay at home. If these consumer trends continue, the growing demand for such services could threaten the competitive advantage of the Issuer and its subsidiaries and have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, on the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price.

The main competitors of the Issuer and its subsidiaries offer integrated products over their fixed line and/or cable networks, including fixed mobile services bundles comprising mobile, fixed voice and broadband internet products, as well as "quadruple-play" offerings that combine these three products with television services. Bundled services are expected to become increasingly important and customers that have such services are less likely to switch to a different operator for all or part of the bundled services.



4.1.9. Dependence on network sharing agreements to provide commercially viable services across Spain and dependence upon other third parties to access and maintain certain parts of our infrastructure.

The Issuer and its subsidiaries depend on various third parties to provide commercially viable services in certain regions.

For example, among other agreements, we rely certain agreements since 2017 with Telefónica relating to the new broadband ethernet service (“NEBA”) for both residential and enterprise units and FTTH network bitstream wholesale access, as well as a national roaming agreement executed between Telefónica and Xfera Móviles in 2016, as amended; and certain agreements executed in 2018 with Vodafone Spain for sharing FTTH infrastructure.

In 2024, the Issuer executed a new agreement with Ericsson, expanding the range of 5G technology products and services that the Issuer offers. Also, in 2024, new agreements for the consolidation of the networks of the Issuer’s Group of companies have been signed with Nokia, Huawei, ZTE and Ericsson.

Regarding 5G mobile networks, in 2019 the Group reached an agreement with Orange for the joint deployment of 5G in the main cities of the country, which is the largest NRA that the Issuer’s Group has executed to date, also providing for an expanded FTTH network, with a scheduled duration up to December 31, 2028, and including protection schemes in case of deviation from traffic estimations.

4.1.10. Businesses may be adversely affected by restrictions on the ability to maintain existing network infrastructure or install new network infrastructure.

The coverage of the network available to the Issuer and its subsidiaries as current members of the MasOrange Group depends in part on the ability to maintain existing antennas and to build up new antennas for such network. The antennas of this network are generally built on land owned by third-parties, the use of which is secured by way of lease agreements. There can be no guarantee that these lease agreements will be extended or renegotiated on commercially favourable terms upon the expiration of their respective terms, or that they will be extended at all. If the MasOrange Group might not be able to renew its current lease agreements for antenna sites and/or to enter into new lease agreements for suitable alternate antenna sites, this could have a negative impact on the coverage of the network available to the Issuer and its subsidiaries. Additionally, some of the equipment used in this network is installed on customer premises. Disputes with these customers or legal proceedings involving their property may subject this equipment to encumbrances or cause it to be inaccessible, which could adversely affect the ability of the Issuer and its subsidiaries to operate their network. Further, any potential inability to successfully and timely resolve such disputes could negatively affect the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, affect the ability of the Issuer to make payments on the Commercial Paper Notes as well as the trading price of the Commercial Paper Notes.

Furthermore, certain regulatory approvals, such as new build permits, may be required to operate antenna sites with other frequencies/frequency bands, in particular where the shift is made from a higher frequency band (e.g. 2100 MHz) to a lower frequency band (e.g. 1800 MHz) and technologies such as 5G and adaptive antennas. To the extent that the MasOrange Group seeks to operate antenna sites with other frequencies/frequency bands and technologies, failure to obtain such regulatory approvals could have a negative impact on the coverage of the network available to the Issuer and its subsidiaries. Current initiatives from certain activist groups against 5G deployment (“stop 5G” networks) and the construction of more antennas with higher frequency emissions, and the reaction of some politicians and authorities on a national and regional level may result in more effort and costs and a resulting delay for the roll-out of MasOrange Group’s network. This concerns not only new sites and 5G, but also impacts upgrades on existing sites and former technologies as 3G and 4G. Any such negative impact on the coverage of MasOrange Group’s network could materially and adversely affect the business, financial



condition and results of operations of the Issuer and its subsidiaries and, therefore, affect the ability of the Issuer to make payments on the Commercial Paper Notes as well as the trading price of the Commercial Paper Notes.

4.1.11. Telecommunication industry is subject to increasing operating costs and inflation risks which may adversely affect earnings.

While the Issuer and its subsidiaries generally attempt to reflect increases in operating costs in customers' subscription rates, there is no assurance that the Issuer and its subsidiaries will be able to do so due to competitive pressure and other factors. Therefore, operating costs may rise faster than associated revenue, resulting in a material negative impact on the cash flow and results of operations of the Issuer and its subsidiaries.

For example, the operating costs of the Issuer and its subsidiaries could increase as a result of higher employee costs at call centres, higher payments to providers of TV services or in the event of the review and increase of the fees paid to Spanish authorities for spectrum licenses. The Issuer and its subsidiaries may also be affected by inflationary increases in payment obligations under supply contracts or in salaries, wages, benefits and other administrative costs which the Issuer and its subsidiaries may not be in a position to pass on to their customers, which in turn could have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, on the ability of the Issuer to make payments on the Commercial Paper Notes and on the trading price of the Commercial Paper Notes.

4.1.12. The Issuer and its subsidiaries depend on certain key partners and other third parties for the provision of hardware, software and other providers of outsourced services, who may discontinue their services or products, seek to charge prices that are not competitive or choose not to renew contracts.

The Issuer and its subsidiaries, as members of the MasOrange Group, have important relationships with several suppliers of hardware, software and related services that the Issuer and its subsidiaries use to operate their broadband internet, fixed line, mobile and internet services businesses. Any future shortages may involve significant delays in seeking alternative supplies, may constrain the ability of the Issuer and its subsidiaries to meet customer demand and may result in increased customer churn. Furthermore, in the event that hardware or software products or related services are defective, it may be difficult or impossible to enforce recourse claims against suppliers, especially if warranties included in contracts with suppliers have expired or are exceeded by those agreed in the contracts executed by the Issuer and its subsidiaries with their subscribers in individual cases, or if the suppliers are insolvent, in whole or in part. In addition, there can be no assurances that the Issuer and its subsidiaries will be able to obtain the hardware, software and services that the Issuer and its subsidiaries need for the operation of businesses in a timely manner, at competitive terms and in adequate amounts.

The Issuer and its subsidiaries also outsource some of their support services, including parts of their subscriber services, information technology support, technical services and maintenance operations. Should any of these arrangements be terminated by either contract party, this could result in delays or disruptions to the operations of the Issuer and its subsidiaries, thus potentially harming the reputation the Issuer and its subsidiaries, and could result in the Issuer and its subsidiaries incurring additional costs, including if the outsourcing counterparty increases pricing or if the Issuer and its subsidiaries are required to locate alternative service providers or in-source previously outsourced services.

A cessation or interruption in the supply of the products and/or services may harm the ability of the Issuer and its subsidiaries to provide for mobile services to the customers of the Issuer and its subsidiaries. In particular, in the context of MasOrange Group's 5G network deployment, it is possible that the Issuer and its subsidiaries could face a lack of supply of 5G chipsets, which could negatively impact the businesses of the Issuer and its subsidiaries. In addition, a potential resurgence of the COVID-19 pandemic or military conflicts such as those in Ukraine and the Gaza Strip may result in supply chain delays and travel restrictions on employees, contractors or suppliers,



potentially for an extended period of time, which could negatively impact the ability of the Issuer and its subsidiaries to source equipment or services in a timely and cost-effective manner.

Furthermore, either directly or through Medbuying as central purchasing company, the Issuer and its subsidiaries have relationships with a number of key sourcing partners for mobile network equipment, network roll-out, fixed access and software, handsets, routers and other retail equipment such as Samsung, Huawei, Xiaomi, ZTE and Sagecom.

The ability to both maintain and renew the existing contracts of the Issuer and its subsidiaries with key partners and suppliers of products or services or enter into new contractual relationships with these or other suppliers upon the expiration of existing agreements, either on commercially attractive terms, or at all, depends on a range of commercial and operational factors and events which may be beyond the control of the Issuer and its subsidiaries. The occurrence of any of these risks or a significant disruption in the supply of equipment and services from key sourcing partners could create technical problems, damage the reputation of the Issuer and its subsidiaries, result in the loss of customer relationships and have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, on the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price.

4.1.13. The Issuer and its subsidiaries depend on third-parties to provide premium programming for the pay TV service and conditional access systems.

The Issuer and its subsidiaries, as current members of the MasOrange Group, do not produce the majority of the television contents offered by the Issuer and its subsidiaries in their legal condition of Aggregators and, therefore, the ability of the Issuer and its subsidiaries to compete in the pay TV market depends, in part, on the ability to obtain attractive programming from third parties at reasonable prices. A relatively small number of third-party companies produce and control access to programming in Spain. If the Issuer and its subsidiaries, either directly or indirectly as members of the MasOrange Group resulting from the combination of businesses in March 2024, are unable to purchase content at commercially reasonable prices, or at all, the ability of the Issuer and its subsidiaries to retain and grow their customer base could be adversely affected.

4.1.14. The continuity of the services of the Issuer and its subsidiaries strongly depends on the proper functioning of IT and network infrastructures and any failure of any infrastructure could have a material adverse effect on businesses.

The reliability and quality (both in terms of service as well as availability) of the information systems and networks available to the Issuer and its subsidiaries as members of the MasOrange Group, particularly for mobile and fixed line businesses, are key components of the business activities of the Issuer and its subsidiaries, the continuity of their services and the confidence of customers. More specifically, the unavailability or failure of information systems that the Issuer and its subsidiaries use, the network available to them, the production of “electronic” communications services and television, the website of the MasOrange Group and the customer service functions, could significantly disrupt the businesses of the Issuer and its subsidiaries.

A flood, fire, other natural disaster, war, act of terrorism, power failure, cyber-attack, computer virus or other catastrophe affecting a portion of the network available to the Issuer and its subsidiaries could have a material adverse impact on the businesses of the Issuer and its subsidiaries and their relations with customers. Measures with the aim of remedying such disasters, safety and security measures, or measures for protecting service continuity that the Issuer and its subsidiaries, or the MasOrange Group as a whole, undertake or may undertake in the future, as well as the effects thereof on the performance of the network available to the Issuer and its subsidiaries, could be insufficient to avoid losses. Any disaster or other damage affecting such network could result in significant uninsured losses. The network available to the Issuer and its subsidiaries may be subject to



disruptions and to significant technological problems, and such difficulties could escalate over time. The occurrence of any such event could cause interruptions in service or reduce capacity for customers, either of which could reduce the revenue, cause the Issuer and its subsidiaries to incur additional expenses or lose customers.

Further, the Issuer and its subsidiaries may incur costs and revenue losses associated with the unauthorized use of the networks available to the Issuer and its subsidiaries, including administrative and capital costs associated with the unpaid use of such networks as well as with detecting, monitoring and reducing the incidences of fraud. Fraud could also impact interconnection costs, capacity costs, administrative costs and payments to other carriers for unbillable fraudulent roaming charges.

While the Issuer and its subsidiaries have backup systems, the risk that these systems may not be sufficient to handle a spike in activity cannot be ruled out, which could lead to a slowdown or unavailability of IT systems for a period of time. Moreover, the Issuer and its subsidiaries may incur legal penalties and reputational damages to the extent that any accident or security breach results in a loss of or damage to customers' data or applications or the inappropriate disclosure of confidential information.

Furthermore, the development of the resources used by consumers (for example, videoconferencing, telepresence, and cloud computing for business customers), of the "internet of things," and of new terminals (such as smartphones and tablets) may result in a risk to the networks of saturation due to the large volumes of data generated by such resources.

Should all or some of these risks materialize, this could have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore on the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price. See also risk factor *"Telecommunication businesses are subject to risks of natural disasters, fire, power outages and other catastrophic events that can be further intensified due to the developing threat of climate change"* under section 4.1.21. below.

4.1.15. Potential failure to successfully adopt new technologies or services, or to respond to technological developments, may adversely affect the Issuer's business and the ability to recover the cost of investments.

Telecommunication businesses are characterized by rapid technological change and the introduction of new products and services to meet customer demand at competitive prices, and it is difficult to forecast the impact such technological innovations will have on the business of the Issuer and its subsidiaries.

If any new or enhanced technologies, products or services that the Issuer and its subsidiaries, as current members of the MasOrange Group, introduce fail to achieve broad market acceptance or experience technical difficulties, the revenue growth, margins and cash flows of the Issuer and its subsidiaries may be adversely affected. As a result, the Issuer and its subsidiaries may not recover investments that the Issuer and its subsidiaries make in order to deploy these technologies and services. Enhanced fixed service infrastructure access and mobile services provided by competing operators may be more appealing to customers, and new technologies may enable competitors to offer not only new or technologically superior services, but to also offer existing standard services at lower prices. The Issuer and its subsidiaries may not be able to fund the capital expenditures necessary to keep pace with technological developments. It is possible that alternative technologies that are more advanced than those the Issuer and its subsidiaries currently provide may be developed. The Issuer and its subsidiaries may not obtain the expected benefits of their investments if more advanced technologies are adopted by the market. Technological developments may also shorten product life cycles and facilitate convergence of various segments in the telecommunications industry. Even if the Issuer and its subsidiaries adopt new technologies in a timely manner, the cost of such technologies may exceed their benefits.



The Issuer and its subsidiaries must continue to increase and improve the functionality, availability, and characteristics of the network available to the Issuer and its subsidiaries as members of the MasOrange Group, particularly by improving its bandwidth capacity and its 4G coverage to meet the growing demand for the services that require very-high-speed telephony and internet services as the telecommunications industry. The Issuer believes the scope of 4G coverage by the MasOrange Group is sufficient, and the Issuer does not expect considerable network capital expenditure on 4G investments.

Regarding 5G mobile networks, the Issuer and its subsidiaries as members of the MasOrange Group since March 2024 offer top their customers all 5G-technology products and services previously owned and developed by Orange Spain.

In addition, the Issuer and its subsidiaries may not receive the necessary licenses to provide services based on these new technologies in the markets the Issuer and its subsidiaries operate in or may be negatively impacted by unfavourable regulation regarding the usage of these technologies. If the Issuer and its subsidiaries are unable to effectively anticipate, react to or access technological changes in the telecommunications market or to otherwise compete effectively, the Issuer and its subsidiaries could lose subscribers, fail to attract new subscribers or incur substantial costs and investments to maintain the subscriber base, all of which could have a material adverse effect on the business, financial condition and results of operations of the Issuer and its subsidiaries.

The Issuer and its subsidiaries may also be required to incur additional marketing and customer service costs in order to retain existing customers and attract them to any upgraded products and services the Issuer and its subsidiaries offer, as well as to respond to competitors' advertising pressure, and potentially more extensive marketing campaigns, which may adversely affect the margins obtained from time to time by the Issuer and its subsidiaries. Any of the above occurrences could have a material adverse impact on the business, financial condition and results of operations the Issuer and its subsidiaries and, therefore, on the ability to make payments on the Commercial Paper Notes and on their trading price.

4.1.16. Failure to protect image, reputation and brands of the Issuer and its subsidiaries could have a material adverse effect on business.

The brands under which the Issuer and its subsidiaries sell their products and services, including Yoigo, Pepephone, MásMóvil, Euskaltel, R, Telecable, Virgin Media and Lyca, are well recognized brands in Spain, along with the Orange's brands. The Issuer and its subsidiaries developed such brands through extensive marketing campaigns, website promotions, customer referrals, and the use of a dedicated sales force and dealer networks.

The success of the Issuer and its subsidiaries depends on the ability to maintain and enhance the image and reputation of these existing brands, products and services and to develop a favourable image and reputation for any new brands, products and services, together with those brands previously developed by Orange Spain.

The image and reputation of these brands, products and services may be adversely affected by several factors, including if concerns arise about (i) the quality, reliability and benefit/cost balance of products and services of the MasOrange Group, (ii) the quality of customer service and support, or (iii) the ability of the Issuer and its subsidiaries, as well as of the MasOrange Group as a whole, to deliver the level of service advertised, including in relation to connectivity and network speeds. An event or series of events that threatens the reputation of one or more of these brands, or one or more of the products offered by the Issuer and its subsidiaries, could have an adverse effect on the value of such brands or products and subsequent revenue therefrom. Restoring the image and reputation of the products and services of the Issuer and its subsidiaries, or of the MasOrange Group as a whole, may be costly and not always possible.



4.1.17. Reputation of the Issuer and its subsidiaries and business could be materially harmed as a result of, and the Issuer and its subsidiaries could be held liable, including criminally liable, for, data loss, data theft, unauthorized access or successful hacking.

The operations of the Issuer and its subsidiaries depend on the secure and reliable performance of the information technology systems available to the Issuer and its subsidiaries as members of the MasOrange Group, as the nature of telecommunication businesses involves the receipt and storage of information relating to customers and employees.

The techniques used to obtain unauthorized access, disable or degrade service or sabotage systems change frequently and are often not recognized until launched against a target. In addition, the hardware, software or applications developed by the MasOrange Group or procure from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. The Issuer and its subsidiaries may be unable to anticipate these techniques or detect these defects, or to implement effective and efficient countermeasures in a timely manner.

The Issuer and its subsidiaries operate in an environment increasingly prone to cybersecurity risks. Cybersecurity threats may include gaining unauthorized access to MasOrange Group's systems or inserting computer viruses or malicious software in MasOrange Group's systems to misappropriate consumer data and other sensitive information, corrupt data or disrupt operations of the Issuer and its subsidiaries or otherwise use such systems and devices to carry out any other illegal activities. Unauthorized access may also be gained through traditional means such as the theft of laptop computers, data devices and mobile phones and intelligence gathering by employees with access. Further, MasOrange Group's employees or other persons may have unauthorized or authorized access to these systems or take actions that affect the networks available to the Issuer and its subsidiaries in an inconsistent manner with the policies of the Issuer and its subsidiaries or otherwise adversely affect the ability of the Issuer and its subsidiaries to adequately process internal information. As a result, the Issuer and its subsidiaries and, generally, the MasOrange Group as a whole, need to continue to advance the capacity to identify and detect technical threats and vulnerabilities and improve the ability to react to incidents. This includes the need to strengthen security controls in the supply chain as well as to place increased focus on security measures adopted by key partners of the MasOrange Group and other third parties.

In order to prevent, detect or react in a timely and efficient manner to these or similar threats, several levels of security are implemented, such as the deployment and maintenance of top security technologies, a security operations centre monitoring a 24x7 critical vulnerabilities remediation plan, awareness training for all employees and an incident response plan. Despite all these security measures, however, new and sophisticated malware is constantly being developed and it is possible that systems available to the Issuer and its subsidiaries as members of the MasOrange Group are not updated on time.

If unauthorized third-parties manage to gain access to any of these information technology systems, or if such systems are brought down, unauthorized third parties may be able to misappropriate confidential information, cause interruptions in the operations of the Issuer and its subsidiaries, access the services offered by the Issuer and its subsidiaries without paying, damage the hardware used by the Issuer and its subsidiaries, or otherwise damage the reputation and business of the Issuer and its subsidiaries.

Multi-factor authentication is deployed for all authorized third parties and an identity and access management project is taking place to make sure that no unauthorized party gains access to the information technology systems used by the Issuer and its subsidiaries. Intentional or unintentional (accidental employee) misuse of authorized access can occur and the MasOrange Group has different countermeasures in place to stop or minimize the exfiltration of confidential data, including data loss prevention, database encryption or privilege access management systems and policies.



While the Issuer and its subsidiaries, as well as the MasOrange Group as a whole, continue to invest in measures to protect the networks available to the Issuer and its subsidiaries, as well as in procedures to allow the Issuer and its subsidiaries to respond properly to potential security breaches, any such unauthorized access to the systems being used by the Issuer and its subsidiaries could result in a loss of revenue and in certain consequences under the agreements of the MasOrange Group with content providers, all of which could have a material adverse effect on the business, financial condition and results of operations of the Issuer and its subsidiaries. Furthermore, as electronic communications services providers, the Issuer and some of its subsidiaries may be held liable for the loss, release or inappropriate modification or storage conditions of customer or other data which are carried by MasOrange Group's network or stored on the infrastructure owned by the MasOrange Group. In such circumstances, the Issuer and its subsidiaries could be held liable or be subject to litigation, penalties (including the payment of damages and interest) or adverse publicity that could have a material adverse impact on the reputation, business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, on the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price.

4.1.18. The Issuer and its subsidiaries are subject to regulatory requirements with respect to the protection of personal data and data security.

In the ordinary course of business, the Issuer and its subsidiaries collect and process personal data. In the EU, the Issuer and its subsidiaries are subject to stringent regulations relating to the processing, transfer and storage of the personal data of natural persons, including, in particular, the General Data Protection Regulation (the "GDPR") and, in Spain, Organic Law 3/2018 on Protection of Personal Data and Guarantee of Digital Rights, which deals with the domestic implications of GDPR in Spain. The GDPR has been directly applicable in all Member States since May 25, 2018, replacing Directive 95/46/EC and current national data protection legislation in Member States, and was implemented in the EEA countries with effect from the same date. The GDPR significantly changes the EU/EEA data protection landscape, including strengthening of individuals' rights, stricter requirements on companies processing personal data and stricter sanctions with substantial administrative fines up to 4% of total worldwide annual turnover for the preceding financial year. The GDPR also offers data subjects the option to let a privacy organization litigate on their behalf, including with respect to the collection of potential damages.

The European Commission has proposed enhanced regulations concerning privacy and electronic communications (the "e-Privacy Regulation", a summary of which can be found at <https://www.european-privacy-regulation.com/>), which would entail additional and stricter rules than those established under the GDPR in respect of the use of personal data from electronic communications. The e-Privacy Regulation would establish fines similar to those included in GDPR. These regulations may affect the development of innovative services that would draw on consumer data, potentially creating a competitive disadvantage for undertakings subject to both the GDPR and the e-Privacy Regulation.

Regardless of the measures the Issuer and its subsidiaries, as well as the MasOrange Group as a whole, adopt to protect the confidentiality and security of data, the risk of possible attacks or breaches of data processing systems remains, which could harm the reputation of the Issuer and its subsidiaries and give rise to penalties, fines and damages. In addition, the Issuer and its subsidiaries could be compelled to incur additional costs in order to protect against these risks or to mitigate the consequences thereof, which could in turn have a material adverse impact on the business, financial position and results of operations of the Issuer and its subsidiaries. Furthermore, any loss of confidence on a part of the customers of the Issuer and its subsidiaries as a result of such events could lead to a significant decline in sales and have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries.



4.1.19. The mobile operator businesses may be negatively impacted by restrictions on customer access to mobile phone financing.

Like the other operators in the telecommunications industry, the Issuer and its subsidiaries base part of their strategy for attracting and retaining customers on mobile phone financing offered to subscribers of the Issuer and its subsidiaries by different financial institutions.

Should consumers' access to mobile phone financing be more limited, or become more costly, in the future for example as a result of adverse financial market conditions, consumers may be unable or unwilling to finance the purchase of handsets and other hardware from the Issuer and its subsidiaries and so may delay their purchase of products or services offered by the Issuer and its subsidiaries, negatively impacting the sales, growth capacity and the generation of cash of the Issuer and its subsidiaries to cover financial obligations.

In addition, as a result of the recent economic slowdown in Spain, the general tightening of global financial market conditions and the volatility of the reference interest rates such as EURIBOR, the Issuer and its subsidiaries may be restricted in their ability to finance consumer purchases at attractive rates of interest, or at all, through the joint venture arrangement between the Issuer and BNP Paribas Group, and may be exposed to costs related to increased rates of default under existing consumer financing through this joint venture.

4.1.20. The Issuer and its subsidiaries may be held liable for the contents hosted on infrastructure systems.

The networks owned by the MasOrange Group and that are used by the Issuer and its subsidiaries carry and store large volumes of confidential, personal and business data, through both voice and data traffic. The MasOrange Group stores increasing quantities and types of customer data in both business and residential segments. Despite the best efforts of the MasOrange Group, including the Issuer, to prevent it, the Issuer and its subsidiaries may be found liable for any loss, transfer, or inappropriate modification of the customer data or general public data stored on the servers or transmitted through the networks or for any illegal or unlawful use of the internet, any of which could involve many people and have an impact on the reputation of the Issuer and its subsidiaries, as well as of the MasOrange Group as a whole, or lead to legal claims and liabilities that are difficult to measure in advance.

Accordingly, in the capacity as internet and mobile service providers and hosts, the Issuer and its subsidiaries could be held liable for claims resulting from the contents hosted on the infrastructure systems being used by the Issuer and its subsidiaries (specifically in connection with infringements by the press, invasion of privacy and breach of copyright) and thus face significant defence costs, even if liability for such claims was not established. The existence of such claims could also harm the reputation of the Issuer and its subsidiaries, as well as of the MasOrange Group as a whole, which could have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price.

4.1.21. Telecommunication businesses are subject to risks of natural disasters, fire, power outages and other catastrophic events that can be further intensified due to the developing threat of climate change.

The networks available to the Issuer and its subsidiaries as members of the MasOrange Group as well as the operations of any of the companies of the Issuer's Group may be subject to interruptions by natural disasters, including, but not limited to fire, floods, windstorms, earthquakes and other natural disasters, power outages terrorist acts, equipment and system failures, human errors and intentional wrongdoings, including breaches of network and information technology security, all of which are events beyond the Issuer's control.

As the Issuer and its subsidiaries operate in certain regions in which existing infrastructure and telecommunications equipment (such as cables and mobile towers) may not be able to withstand a major natural disaster and/or in which emergency response time may be significant, prolonged recovery time could be required



to resume operations. Moreover, certain regions in which the Issuer and its subsidiaries operate are exposed to the developing threat of climate change and they may be affected by the environmental impact thereof, such as rising sea and air temperatures or extreme weather conditions which, in turn, could have an effect on the habitability of such territories and the costs and feasibility of providing telecommunications services. The effects of environmental disruption or other catastrophic events on the network infrastructure and equipment available to the Issuer and its subsidiaries and on the economies of the regions in which the Issuer and its subsidiaries operate may have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price.

Furthermore, unanticipated problems at the facilities of the Issuer and its subsidiaries, network or system failures or the occurrence of such unanticipated problems at the facilities, networks or systems of third-party local and long-distance networks on which the Issuer and its subsidiaries rely could result in reduced user traffic and revenue, regulatory penalties and/or sanctions or damages or require unanticipated capital expenditures. The occurrence of network or system failure could also harm the reputation of the Issuer and its subsidiaries or impair the ability of the Issuer and its subsidiaries to retain current subscribers or attract new subscribers, which could have a material adverse effect on the business, financial condition and results of operations of the Issuer and its subsidiaries. In addition, the businesses of the Issuer and its subsidiaries is dependent on certain sophisticated critical systems, including exchanges, switches and other key network elements and MasOrange Group's billing and customer service systems. The hardware supporting those systems is housed in a relatively small number of locations and if damage were to occur to any of these locations, or if those systems develop other problems, such events could have a material adverse effect on the business, reputation, financial condition and results of operations of the Issuer and its subsidiaries.

4.1.22. The loss of certain key executives and other personnel, failure to apply the necessary managerial and operational resources to businesses or failure to sustain a good working relationship with employee representatives, including workers' unions, could harm the businesses of the Issuer and its subsidiaries.

The Issuer and its subsidiaries depend on the continued contributions of the senior management and other key personnel at the MasOrange Group. There can be no assurance that the MasOrange Group will be successful in retaining their services or that the MasOrange Group would be successful in attracting, hiring and training suitable replacements without undue costs or delays.

Competition for qualified managers and personnel in the telecommunications industry is intense and there is limited availability of persons with the requisite knowledge of the telecommunications industry and relevant experience in Spain and other countries where the Issuer and its subsidiaries can operate in the future. As a result, the loss of the support of key executives and employees could cause disruptions in the business operations of the Issuer and its subsidiaries, which could materially adversely affect the business, financial condition and results of operations of the Issuer and its subsidiaries. In addition, any failure to apply the necessary managerial and operational resources to the businesses of the MasOrange Group and any weaknesses in the operational and financial systems or managerial controls and procedures may impact the ability of the Issuer and its subsidiaries, as well as of the MasOrange Group as a whole, to produce reliable financial statements and may adversely affect the business, financial condition and results of operations of the Issuer and its subsidiaries.

The Issuer and its subsidiaries, as well as other companies of the MasOrange Group, are exposed to the risks of strikes, work stoppages and other industrial actions, also considering the voluntary redundancy plans (EREs) that the MasOrange Group, including the Issuer and its subsidiaries, initiated in September 2024 to employees' unions. An agreement was reached with the local union representatives on 18 October 2024, which specified the number of staff involved and the voluntary redundancy compensation package offered by the Group, as well as amounts



payable to those made redundant. As of 31 December 2024, there is an ongoing dispute with one of the local trade unions. The Board of Directors, based on the relevant legal advice, do not expect significant negative impacts of this dispute.

In addition, the Issuer and its subsidiaries face the risk of strikes called by employees of the MasOrange's key suppliers of materials or services as well as employees of the installation providers, which could result in interruptions in the performance of the services by the Issuer and its subsidiaries. The Issuer cannot predict the extent to which future labour disputes or disturbance could disrupt the operations of the Issuer and its subsidiaries, cause reputational or financial harm or make it more difficult to operate businesses of the Issuer and its subsidiaries, and could have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price.

On 31 October 2025, MasOrange unanimously agreed with the legal representation of its employees on its first collective bargaining agreement for all the companies within the Group, which includes very attractive conditions aimed at making it the leading company in employee care (Source: [Notas de prensa 2025 – MASORANGE](#)).

4.1.23. The Issuer and its subsidiaries depend on third parties to market, sell and provide a significant portion of their mobile and fixed line products and services. If the Issuer and its subsidiaries fail to maintain or further develop the distribution and customer care channels, the ability of the Issuer and its subsidiaries to sustain and further grow their subscriber base could be materially adversely affected.

Although the Issuer and its subsidiaries have a broad retail network of exclusive stores, including the network of stores of the MasOrange Group since March 2024, the mobile products and services of the Issuer and its subsidiaries are also sold through third-party distributors including public retail outlets, most of which also distribute or sell products of competitors of the MasOrange Group. The distributors, retailers and sales agencies that the MasOrange Group, including the Issuer and its subsidiaries, rely upon are not under the Issuer's control and may stop distributing or selling the products and services of the Issuer and its subsidiaries at any time, for example as a result of financial difficulties or otherwise. Should this occur with particularly important distributors, retailers or agencies, the Issuer and its subsidiaries may face difficulty in finding new distributors, retailers or sales agencies that can generate the same level of revenue. In addition, distributors, retailers and sales agencies that also distribute or sell competing products and services may more actively promote the products and services of competitors than those products and services of the Issuer and its subsidiaries.

In addition, some of the call centres used by the Issuer and its subsidiaries are outsourced to third parties that serve the subscribers of the Issuer and its subsidiaries and there can be no assurance that such third parties will always provide the customers of the Issuer and its subsidiaries with the care that the Issuer and its subsidiaries would provide them with. Further, if these contracts were terminated, the Issuer and its subsidiaries would have to find replacement services elsewhere, and the quality of such replacements could diminish the quality of services to customers of the Issuer and its subsidiaries.

The Issuer and its subsidiaries, and generally the MasOrange Group, intend to opportunistically develop the distribution channels, particularly in the small office/home office ("SOHO") and small and mid-size enterprises ("SME") segments, which may require significant capital expenditures. If the Issuer and its subsidiaries fail to maintain or expand their direct and indirect distribution presence, the ability of the MasOrange Group to retain or further grow its market share could be adversely affected, which in turn could have a material adverse effect on the business, financial condition and results of operations of the Issuer and its subsidiaries.



4.1.24. The businesses of the Issuer and its subsidiaries may be adversely affected by actual or perceived health risks and other environmental requirements relating to mobile telecommunications transmission equipment and devices, including the location of antennas.

Various reports have alleged that there may be health risks associated with the effects of electromagnetic signals from antenna sites, mobile handsets and other mobile and wireless telecommunications devices. The Issuer cannot assure that further medical research and studies will not establish a link between electromagnetic signals or radio frequency emissions and these health concerns. The actual or perceived risk of mobile and wireless telecommunications devices, press reports about risks or consumer litigation relating to such risks could adversely affect the size or growth rate of the subscriber base of the Issuer and its subsidiaries and result in decreased mobile usage or increased litigation costs.

These health concerns may cause authorities in Spain to impose stricter regulations on the construction of base stations or other telecommunications network infrastructure. In particular, public concern over actual or perceived health effects related to electromagnetic radiation may result in increased costs related to networks available to the Issuer and its subsidiaries, which may hinder the completion or increase the cost of network deployment, reduce the coverage of the network available to the Issuer and its subsidiaries and hinder the commercial availability of new services. Current initiatives from certain activists groups against 5G deployment and the construction of more antennas with higher frequency emissions and the reaction of some politicians and authorities on a regional and communal level may have a negative impact on the network and the customer base of the Issuer and its subsidiaries. If actual or perceived health risks were to result in decreased mobile usage, increased consumer litigation or stricter regulation, the business, financial condition and results of operations of the Issuer and its subsidiaries could be materially and adversely affected.

The Issuer and its subsidiaries are also subject to a variety of laws and regulations relating to land use and the protection of the environment, including those governing the storage, management and disposal of hazardous materials and the clean-up of contaminated sites. The Issuer and its subsidiaries could incur substantial costs, including clean-up costs, fines, sanctions and third-party claims for property damage or personal injury, as a result of violations of, or liabilities under, such laws and regulations, which could have a negative impact on future operations and could materially and adversely affect the business, financial condition and results of operations of the Issuer and its subsidiaries.

4.1.25. Claims of third parties regarding potential infringement of intellectual property rights could harm the financial condition of the Issuer and its subsidiaries, and defending intellectual property claims may be expensive and could divert valuable company resources.

The Issuer and its subsidiaries operate in an industry characterized by frequent disputes over intellectual property. As the number of convergent product offerings and overlapping product functions increase, the possibility of intellectual property infringement claims against the Issuer and its subsidiaries may correspondingly increase. Any such claims or lawsuits, whether with or without merit, could be expensive and time consuming to defend, could cause the Issuer and its subsidiaries to cease offering their licensing services and products that incorporate the challenged intellectual property, or could require the Issuer and its subsidiaries to develop non-infringing products or services, if feasible, which could divert the attention and resources of technical and management personnel. In addition, the Issuer and its subsidiaries cannot assure that they would prevail in any litigation related to infringement claims against the Issuer or any of its subsidiaries. A successful claim of infringement against the Issuer or any of its subsidiaries could result in a requirement to pay significant damages, cease the development or sale of certain products and services that incorporate the challenged intellectual property, obtain licenses from the holders of such intellectual property, which may not be available on commercially reasonable terms, or otherwise redesign those products to avoid infringing upon others' intellectual property rights.



Moreover, the Issuer considers certain of the registered trademarks and trade names of the MasOrange Group, including “Orange”, “Jazztel”, “Simyo”, “Masmovil,” “Pepephone”, “Yoigo”, “Euskaltel” and “R” to be material to the businesses of the Issuer and its subsidiaries, the infringement of which could harm the reputation of the Issuer and its subsidiaries and lead to decreased subscribers and revenue, which could have a material adverse effect on the business, financial condition and results of operations of the Issuer and its subsidiaries.

4.2. Risks relating to Legislative and Regulatory Matters

4.2.1. Any failure to comply with license conditions may jeopardize the licenses that are required to operate the businesses and networks of the Issuer and its subsidiaries.

The MasOrange Group, including the Issuer and its subsidiaries, holds a number of licenses required to operate mobile and other services in Spain, including spectrum access licenses in the 700 MHz, 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2600 MHz and 3500MHz. The detail of the Group’s principal licenses by frequency band is shown below:

(in thousands of euros)	Frequency band	Cost	Accumulated amortisation	Net book value
Validity				
2061	700 MHz	541,874	(10,777)	531,097
2041	800 MHz	416,939	(18,294)	398,645
2040	900 MHz	132,275	(5,913)	126,362
2038 – 2040	1800 MHz	59,159	(2,996)	56,163
2040	2100 MHz	64,721	(3,020)	61,701
2040 – 2043	2600 MHz	109,770	(4,787)	104,983
2040 – 2048	3500 MHz	613,008	(24,296)	588,712
		1,937,746	(70,083)	1,867,663

In August 2024, the Group entered into an agreement with other operator to divest 20Mhz of 3.5 MHz frequency band.

These licenses are subject to certain conditions, including the payment of an annual spectrum fee for each license, and are also subject to periodic renewal and review procedures. Any failure to meet license conditions may jeopardize the licenses used by the Issuer and its subsidiaries. If the relevant companies of the MasOrange Group cannot meet license conditions, there can be no assurance that the licenses will not be withdrawn. Furthermore, in the event of failure to pay annual spectrum fees or non-compliance with other license conditions, fines of up to €2 million may be imposed on the Issuer and its subsidiaries. In addition, the MasOrange Group may not be able to renew all the licenses being used by the Issuer and its subsidiaries when these licenses expire on commercially favourable terms or at all, which could limit the ability of the Issuer and its subsidiaries to provide mobile or other services in certain regions or for certain periods or at all, and materially adversely affect the business, financial condition and results of operations of the Issuer and its subsidiaries.

4.2.2. The Issuer and its subsidiaries are subject to significant government regulation and supervision, which could require the Issuer and its subsidiaries to make additional expenditures or limit the Issuer’s revenues and otherwise adversely affect the businesses of the Issuer and its subsidiaries, and further regulatory changes could also adversely affect the businesses of the Issuer and its subsidiaries.

The activities of the Issuer and its subsidiaries as fixed line, mobile operators and internet services operators are subject to regulation and supervision by various regulatory bodies, including local and national authorities. Such regulation and supervision, as well as future changes in laws or regulations or in their interpretation or



enforcement that affect the companies of the MasOrange Group (including the Issuer and its subsidiaries), competitors or the telecommunications industry as a whole, strongly influence how the Issuer and its subsidiaries operate their business. Complying with existing and future laws and regulations may increase the operating and administrative expenses of the Issuer and its subsidiaries, restrict the ability the Issuer and its subsidiaries or make it more difficult to implement price increases, affect the ability the Issuer and its subsidiaries to introduce new services, force the Issuer and its subsidiaries to change marketing and other business practices, and/or otherwise limit the revenue of the Issuer and its subsidiaries.

In particular, the businesses of the Issuer and its subsidiaries could be materially and adversely affected by any changes in relevant laws or regulations (or in their interpretation) regarding licensing requirements, access and price regulation, interconnection arrangements or the imposition of universal service obligations, or any change in policy allowing more favourable conditions for other operators or increasing competition. There can be no assurance that the provision of the services by the Issuer and its subsidiaries will not be subject to greater regulation in the future. Furthermore, a failure to comply with the applicable rules and regulations, including those imposing reporting obligations or requiring registration and/or enrolment in lists held by competent authorities, could result in penalties, fines, restrictions on the businesses of the Issuer and its subsidiaries or loss of required licenses or other adverse consequences.

The regulations applicable to the businesses of the Issuer and its subsidiaries include, among others:

- price regulation for certain of the services the Issuer and its subsidiaries offer, including regulation on exit fees, roaming fees and cancellation charges;
- rules promoting the elimination of surcharges for international roaming within the European Union;
- rules governing the interconnection between different telephone networks and the interconnection rates that can be charged by or to the Issuer and its subsidiaries;
- rules for authorizations, licensing, acquisitions, renewals and transfers of licenses and franchises;
- requirements to provide or contribute to the provision of certain universal services;
- rules and regulations relating to subscriber privacy and data protection;
- rules and regulations relating to the networks available to the Issuer and its subsidiaries as members of the MasOrange Group, including imposed universal access obligations, co-installation and co-location obligations, right of way and ownership considerations;
- rules governing the copyright royalties;
- requirements on portability; and
- other requirements covering a variety of operational areas such as equal employment opportunity, emergency alert systems, disability access, technical standards, environmental standards, city planning rules and customer service and consumer protection requirements.

Some of the regulations applicable to the operations of the Issuer and its subsidiaries within the EU often derive from EU directives. The various directives require Member States to harmonize their laws on communications and cover such issues as access, user rights, privacy and competition. These directives are reviewed by the EU from time to time and any changes to them could lead to substantial changes in the way in which the businesses of the Issuer and its subsidiaries in the relevant jurisdictions are regulated and to which the Issuer and its subsidiaries would have to adapt.



In Spain, the *Ministerio para la Transformación Digital y de la Función Pública* (the “**Ministry**”) regulates and controls electronic telecommunications networks and services. The main role of the Ministry, through the *Secretaría de Estado de Telecomunicaciones e Infraestructuras Digitales* (“**SETID**”) and, in particular, the *Secretaría de Estado de Telecomunicaciones e Infraestructuras Digitales* and the *Secretaría de Estado de Digitalización e Inteligencia Artificial* (the Secretariat of State for Telecommunications and Digital Infrastructure and the Secretariat of State for Digitalization and Artificial Intelligence), is to establish policies and issue standards regarding electronic telecommunications networks and services, as well as sanction electronic and audiovisual communications operators when necessary.

Under the Spanish Law on regulation of telecommunications (*Ley 11/2022, de 28 de junio, General de Telecomunicaciones*, abbreviated as “**LGT**”), the powers of the Ministry include appointing the operators responsible for providing the so-called “universal service” (*servicio universal*), which under the new LGT is defined as the set of services which provision is guaranteed for all consumers regardless of their geographical location, under conditions of technological neutrality, with a determined quality and at an affordable price. The services included in the universal service, under the terms and conditions to be determined by the Spanish Government under a new Royal Decree which is still pending to be approved, includes: (a) service of adequate and available access to a broadband internet through an underlying connection at a fixed location, which must support a certain minimum set of services referred to in Annex III of the LGT, the minimum speed for broadband internet access being set at 10 Mbit per second downstream; by enacting a Royal Decree, taking into account social, economic and technological developments and competitive conditions on the market, the minimum speed for broadband internet access shall be modified, in particular by increasing the minimum speed to 30 Mbit per second downstream as soon as possible in the light of the extent of networks and the state of the art, and shall determine its characteristics and technical parameters, and may modify the minimum set of services to be supported by the broadband internet access service referred to in the aforesaid Annex III of the LGT; and (b) voice communications services over an underlying connection at a fixed location.

Presently, the independent supervisory body for electronic communications operators is CNMC, which was created in June 2013. The purpose of the CNMC is to guarantee, preserve and promote the correct functioning, transparency and existence of effective competition in all markets, including the electronic and audiovisual communications markets, for the well-being of consumers and users. In addition to controlling and monitoring certain markets, the CNMC retains powers previously exercised by the *Comisión Nacional de Competencia*, such as the prevention of monopolies and business concentrations and the identification of operators required to contribute to the Spanish “National Fund for the Electronic Communications Universal Service” (*Fondo Nacional del Servicio Universal de Comunicaciones Electrónicas*, abbreviated as “**FNSU**”). The FNSU funds the aforesaid “universal service” (*servicio universal*).

In Spain, the CNMC retroactively calculates and approves the net cost of providing this universal service on a yearly basis (for instance, in July 2024 the CNMC approved the net cost of the universal service for year 2021, amounting to €8.64 million, which implies a reduction of c. €1.2 million compared to the net cost for 2020, which amounted to €9.83 million), according to a statutory methodology, and which allocation among the different operators is still pending to be determined by the CNMC.

Pursuant to the LGT, operators with revenue that exceeds €100.0 million (amount that can be varied by decision of the Spanish government) may be asked to contribute to the financing of the net cost of the universal service through the FNSU managed by the CNMC. In the most recent years for which the CNMC has calculated and approved the net cost of the universal service, some of the Issuer’s subsidiaries (namely, Orange Espagne, Xfera Móviles, OSFI, Xtra Telecom, R Cable y Telecable, Euskaltel, Masmovil Broadband (currently demerged in two separate entities), Pepemobile, Orange España Virtual and Lycamobile) have been among the operators which are required to contribute to such net cost. The portion of the net cost to be financed by our subsidiaries for 2020



was €3.5 million, which represented 35.96% of the total amount of the FNSU for financial year 2020, and our contribution to the FNSU may increase in the future for the years 2021 onwards if our growth in turnover requires us to contribute a greater portion of the total amount to be contributed by all major operators to the FNSU for each relevant year.

Source:

https://www.cnm.es/sites/default/files/editor_contenidos/Notas%20de%20prensa/2024/20240112_NP%20Operadores%20FNSU%202020.pdf

Any of the aforementioned regulatory risks could have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, on the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price.

4.2.3. The Issuer and its subsidiaries are subject to anti-trust regulations which may restrict their ability to make certain corporate acquisitions or acquire certain assets.

The Issuer and its subsidiaries are subject to antitrust rules and regulations and are, from time to time, subject to review by authorities that monitor monopoly power in any of the markets in which the Issuer and its subsidiaries operate. To the extent that the Issuer and its subsidiaries are deemed by relevant authorities to exhibit significant market power, the Issuer and its subsidiaries can be subject to various regulatory obligations adversely affecting their results of operations and profitability. Regulatory authorities may also require the Issuer and its subsidiaries to grant third-parties access to the MasOrange's bandwidth, frequency capacity, facilities or services to distribute their own services or resell the Issuer's and its subsidiaries' services to end-customers. No assurance can be given that the Issuer and its subsidiaries will not be identified as having significant market power in any relevant markets in the future and that the Issuer and its subsidiaries will not be subject to additional regulatory requirements.

4.2.4. The Issuer and its subsidiaries face risks arising from the outcome of various criminal, civil, administrative and regulatory proceedings.

From time to time, the Issuer and its subsidiaries are party to litigation and other legal or regulatory proceedings, claims or investigations, including by governmental bodies, licensing authorities, customers, suppliers, competitors, former employees, class action plaintiffs and others. From time to time, the Issuer and its subsidiaries may also become involved in litigation matters pending against or related to entities that the Issuer and its subsidiaries acquire. Some of the proceedings against the Issuer and its subsidiaries may involve claims for considerable amounts and may require that the Issuer's directors and senior officers devote time to address the issues raised to the detriment of managing the business. In addition, such proceedings may result in substantial damages or fines and/or may impair the reputation of the Issuer and its subsidiaries, which could have a material adverse effect on the business and reputation of the Issuer and its subsidiaries. The Issuer and its subsidiaries may also be exposed to proceedings with independent distributor partners, as well as other telecommunications operators.

The Issuer and its subsidiaries regularly perform a risk assessment in respect of each open claim, litigation and proceeding and, as of December 31, 2024, the Issuer's consolidated financial statements include a current provision for litigations in the amount of €600 thousand and for other liabilities based on the estimated level of risk and the expected outcome of the proceedings. However, the Issuer and its subsidiaries cannot assure that the costs associated to any of the proceedings the Issuer and its subsidiaries are involved in will not exceed the amounts reserved for them, and cash or non-cash charges to earnings may result in the event that these matters are unfavourably resolved. The outcome of these proceedings and claims could have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, on the ability of the Issuer to make payments on the Commercial Paper Notes and on their trading price.



4.2.5. The Issuer and its subsidiaries are exposed to risks in relation to compliance with anti-corruption laws and regulations and economic sanctions programs.

The Issuer and its subsidiaries are required to comply with the anti-corruption laws and regulations of the jurisdictions where the Issuer and its subsidiaries conduct their operations, and in certain circumstances, with laws and regulations having extraterritorial effect such as the US Foreign Corrupt Practices Act of 1977 and the United Kingdom Bribery Act of 2010. The anti-corruption laws generally prohibit, among other conduct, providing anything of value to government officials for the purposes of obtaining or retaining business or securing any improper business advantage. As part of their business, the Issuer and its subsidiaries may deal with entities, the employees of which are considered government officials.

Additionally, the operations of the Issuer and its subsidiaries may be subject to economic sanctions programs and other forms of trade restrictions (“**sanctions**”) including those administered by the United Nations, the European Union and the United States, covering the US Treasury Department’s Office of Foreign Assets Control. As some of the subsidiaries of the Issuer (*e.g.*, Xfera Móviles under the Yoigo brand) provide telecommunications services to clients when they travel to other countries (*i.e.* roaming), the Issuer and its subsidiaries therefore generate income in some sanctioned countries (in particular, Cuba, Crimea and other territories of Ukraine occupied by Russia). Without this service, clients of Yoigo would not have access to telecommunications services when travelling to such countries. The MasOrange Group has a system that controls and maps the revenue coming from sanctioned countries ensuring compliance with sanction regulations and anti-corruption laws and regulations.

In the case of Iran, bilateral service that was originally provided directly between Xfera Móviles and the Iranian operator (MTN Irancell Telecommunications Services Co.), was terminated by Xfera Móviles in October 2020. As a result, neither the Issuer nor any of its subsidiaries currently generates any income in or from Iran.

In the case of Cuba, the service is provided directly between Xfera Móviles and the Cuban operator (Empresa de Telecomunicaciones de Cuba S.A.). Revenue from Cuba are channelled through Syniverse Technologies S.à r.l., which acts as a financial clearing house. On October 14, 2020, Xfera Móviles notified OFAC of its intention to continue to provide Cuba-related services pursuant to CFR 515.542 (b) and (c).

Although the MasOrange Group, including the Issuer, has internal policies and procedures in place designed to ensure compliance with applicable anti-corruption laws and sanctions regulations, there can be no assurance that such policies and procedures will be sufficient or that employees, directors, officers, partners, agents and service providers of the Issuer and its subsidiaries will not occasionally take actions in violation of their policies and procedures (or otherwise in violation of the relevant anti-corruption laws and sanctions regulations) for which the Issuer or a subsidiary of the Issuer may ultimately be held responsible. Violations of anti-corruption laws and sanctions regulations could lead to financial penalties and to exclusion from government contracts and could have a material adverse effect on the reputation, business and results of operations the Issuer and its subsidiaries.

4.2.6. The Issuer and its subsidiaries may not be able to apply all tax losses and/or tax credits reflected on the consolidated statement of financial position.

During 2024, the Group recognised a deferred tax asset of Euro 55,798 thousand in relation to tax losses for the year. The recognition is based on a recoverability assessment that includes tax projections based on the Group business plan. It is considered probable that the Group will generate sufficient taxable profits to utilise the recognised deferred tax assets in the future, in light of the analysis carried out on its capacity to generate taxable income, given its economic potential and profitability, mainly due to the creation of the joint venture and the synergies expected to be achieved as a result. The Group has performed a sensitivity analysis on the key assumptions used and concluded positively on the recoverability of the recognised deferred tax assets.



Additionally, for the companies included in the Euskaltel Tax Group (as defined below), the Group has derecognised deferred tax assets related to certain deductions as a result of the recoverability assessment of tax credits carried out, in the amount of Euro 25,211 thousand.

Furthermore, on 5 June 2024, the ongoing tax audit procedures for the former Masmovil Tax Group (as defined below) were closed. As a result of the closure of the tax audit, the Tax Agency has adjusted the Group's tax loss carryforwards. Consequently, and considering that the Group has signed the tax audit reports related to this adjustment of tax losses in conformity, the Group has derecognised deferred tax assets for the aforementioned adjustment of tax loss carryforwards in the amount of Euro 73,119 thousand.

(in thousands of euros)	2024	7- month period ended 31 December 2023
Profit/(loss) before income tax	(695,550)	-
Statutory tax rate in Spain	25%	25%
Theoretical income tax	173,888	-
<i>Reconciling items:</i>		
Permanent differences	(17,904)	-
Offsetting of tax-losses carryforwards and deductions	(125,487)	-
Adjustments for current tax of prior periods	127,925	-
Other adjustments	(45,688)	-
Effective income tax	112,734	-
Effective tax rate (ETR)	16%	-

Permanent differences primarily comprise non-deductible provisions (Euro 12,960 thousand), penalties and fines (Euro 763 thousand), and non-deductible expenses (Euro 792 thousand), among others.

Other adjustments reflect tax effects that did not impact current or deferred tax for the year, such as the nonrecognition of the entirety of the tax loss generated during the year, among others.

(in thousands of euros)	2024		7- month period ended 31 December 2023	
	Gross amount	Deferred tax	Gross amount	Deferred tax
Gains / (losses) on cash flow hedges	(53,798)	(15,255)	-	-
Hedging gains / (losses) reclassified to profit or loss	(17,554)	(4,389)	-	-
Exchange difference on translation of foreign operations	(281)	(70)	-	-
Other comprehensive income of associates and joint ventures	(4,128)	-	-	-
Total presented in other comprehensive income	(75,761)	(19,714)	-	-



Change in net current tax

(in thousands of euros)	31 December 2024	31 December 2023
Net current tax assets/(liabilities) - in the opening balance	-	-
Joint venture formation	67,763	-
Change in income statement	137,197	-
Cash tax payments/(reimbursements)	27,238	-
Net current tax assets/(liabilities) - in the closing balance	232,198	-

Change in net deferred tax

(in thousands of euros)	31 December 2024	31 December 2023
Net deferred tax assets/(liabilities) - in the opening balance	-	-
Joint venture formation (Note 2.2)	(471,874)	-
Change in income statement (Note 9.2.5)	(24,463)	-
Change in retained earnings (Note 9.2.5)	19,714	-
Reclassifications and other items (Note 9.2.5)	(52,647)	-
Net deferred tax assets/(liabilities) - in the closing balance	(529,270)	-

Deferred tax assets and liabilities are attributable to the following:

(in thousands of euros)	December 31, 2024		
	Assets	Liabilities	Net
Intangible assets	46,092	1,669,352	(1,623,260)
Property, plant and equipment	8,279	175,807	(167,528)
Lease	212,812	185,356	27,456
Provisions	225,966	-	225,966
Costs of obtaining a contract	91,792	-	91,792
Financial instruments	126,041	20,956	105,085
Tax credits for tax-losses carryforwards	704,103	-	704,103
Tax credits for deductions	129,386	-	129,386
Other accounting differences	24,091	(1)	24,092
Other	14	46,376	(46,362)
Total gross amount	1,568,576	2,097,846	(529,270)
Compensation between deferred tax assets and liabilities	(1,362,721)	(1,362,721)	-
Net assets and liabilities	205,855	735,125	(529,270)

Deferred tax assets and liabilities are presented on a net basis only when they pertain to taxes levied by the same tax authority on the same taxable entity.

“Other” comprises deferred tax liabilities relating to government grants and assets held for sale.

4.2.7. Spanish tax legislation may restrict the deductibility, for Spanish tax purposes, of a portion of the interest on MasOrange Group’s indebtedness, thus reducing the cash flow available to service indebtedness.

With the exception of the Issuer, which filed its Corporate Income Tax (hereinafter, “CIT”) return under the individual regime for the 2024 financial year, its Spanish subsidiaries filed their CIT returns under the special tax consolidation regime. Specifically, the MasOrange Group includes three tax groups in 2024:

- (i) the “**Orange tax group**” consisting of Orange Espagne, Orange Espagne Distribución, S.A.U., Orange España Servicios de Telemarketing, S.A.U., Orange España Virtual, S.L.U., Orange España Comunicaciones Fijas, S.L.U. (currently demerged in two separate entities as explained in section 1.7.3 of Schedule 1 hereto), Jazzplat España, S.L.U., Orange Mediación de Seguros, S.L.U. and Suma Operador de Telecomunicaciones, S.L.U.;



- (ii) the “**Masmovil Tax Group**” consisting of Lorca Telecom BidCo, S.L.U., Lorca Telecom BondCo, S.A.U., Kaixo BondCo Telecom, S.A.U., Másmóvil Ibercom, S.A.U., Xfera Móviles, Pepeworld, S.L.U., Pepemobile, S.L., Embou Nuevas Tecnologías, S.L.U., Xtra Telecom, S.A.U., Másmóvil Broadband, S.A.U. (currently demerged in two separate entities as explained in section 1.7.3 of Schedule 1 hereto), Spotting Brands Technologies, S.L.U., The Bymovil Spain, S.L.U., Comlocal, S.L., Solucions Valencianes i Noves Technologies, S.L., Senior Telecomunicaciones y Servicios Avanzados, S.L., Energía Colectiva, S.L.U., Masmovil Mediación de Seguros, S.L., Rcabl e y Telecable Telecomunicaciones, S.A.U., subject to CIT in common territory; and
- (iii) the “**Euskaltel Tax Group**” consisting of Euskaltel, Kaixo Telecom S.A., Guuk Telecom S.A. and Masbusinessinnovations, S.L.U., which filed in the Provincial Territory of Biscay.

Additionally, the MasOrange Group comprises several companies resident in third-party jurisdictions (specifically, the United States, the United Kingdom and Colombia), where they are subject to CIT under the individual regime in accordance with the regulations of those countries.

As a result of the creation of the joint venture, MasOrange complies with the provisions of Article 58 of Law 27/2014 of 27 November on Corporate Income Tax for the application of the tax consolidation regime with effect from 1 January 2025. As of that date, the Issuer is considered the parent company of the tax consolidation group consisting of Orange Espagne, Orange Espagne Distribución, S.A.U., Orange España Servicios de Telemarketing, S.A.U., Orange España Virtual, S.L.U., Orange España Comunicaciones Fijas, S.L.U. (currently demerged in two separate entities as explained in section 1.7.3 of Schedule 1 hereto), Jazzplat España, S.L.U., Orange Mediación de Seguros, S.L.U., Suma Operador de Telecomunicaciones, S.L.U., Lorca Telecom BidCo, S.L.U., Lorca Telecom BondCo, S.A.U., Kaixo BondCo Telecom, S.A.U., Másmóvil Ibercom, S.A.U., Xfera Móviles, Pepeworld, S.L.U., Pepemobile, S.L., Embou Nuevas Tecnologías, S.L.U., Xtra Telecom, S.A.U., Másmóvil Broadband, S.A.U. (currently demerged in two separate entities as explained in section 1.7.3 of Schedule 1 hereto), Spotting Brands Technologies, S.L.U., The Bymovil Spain, S.L.U., Comlocal, S.L., Solucions Valencianes i Noves Technologies, S.L., Senior Telecomunicaciones y Servicios Avanzados, S.L., Energía Colectiva, S.L.U., Másmóvil Mediación de Seguros, S.L., Rcabl e y Telecable Telecomunicaciones, S.A.U.

(in thousands of euros)	2024	7- month period ended 31 December 2023
Current income tax	137,197	-
Current period	5,590	-
Adjustments for current tax of prior periods	127,925	-
Others	3,682	-
Deferred tax expense	(24,463)	-
Deferred taxes originated and reversed during the year (note 9.2.5)	34,328	-
Capitalised tax-losses carryforwards	55,798	-
Offsetting of tax-losses carryforwards and deductions	(125,487)	-
Others	10,898	-
Total income taxes	112,734	-

On 18 January 2024, the Constitutional Court unanimously upheld the unconstitutionality of several measures introduced by Royal Decree-Law 3/2016 of 2 December, concerning Corporate Income Tax. These measures primarily imposed stricter limitations on the offsetting of tax losses carried forward, compared to the limits previously established by Law 27/2014 of 27 November on Corporate Income Tax. Among other measures, the aforementioned ruling annulled Additional Provision 15 of Law 27/2014 on Corporate Income Tax, which established the limitation on the offsetting of negative tax bases from previous years to 25% for large companies,



compared to the general limit of 70%. As a result of this ruling, the Group recognised current income tax revenue of Euro 114,058 thousand during the year.

Law 7/2024, dated December 20 not only regulates the Complementary Tax to ensure a minimum global tax level for large multinational and national groups, aligning with EU Directive 2022/2523 of December 15, 2022, but also introduced significant changes in Corporate Tax, some of which impact MasOrange tax groups for tax years 2024 onwards.

Measures have been put in place to reverse the partial annulment of tax provisions from Royal Decree-Law 3/2016, of 2 December. The Constitutional Court, on 18 January 2024, found that some of these measures compromised the duty to contribute to public expenses and were improperly approved via a royal decree-law, violating Article 86.1 of the Constitution. Effective for tax periods starting on or after 1 January 2024, and not concluded by the enactment of Law 7/2024, the measures are reinstated as follows:

- a) Stricter limits are being reintroduced for offsetting negative outstanding losses (NOLs) by large companies, based on their net turnover. Specifically, (i) companies with a net turnover of up to 20 million euros will maintain the general offsetting limit of 70% of the positive taxable base before offsetting, while (ii) those with a net turnover over 20 million euros and up to 60 million euros can offset NOLs up to 50% and those with a turnover above 60M€ will apply a 25% of the positive taxable base before offsetting. Companies can still offset up to 1million euros in any case.
- b) The restriction on individual NOLs of the year offsetting within tax groups is extended to 2024 and 2025. For tax periods starting in 2023, a 50% cap was imposed on the use of individual NOLs generated in the same period when calculating the taxable base of tax groups, which is now extended to tax periods starting in 2024 and 2025. This limitation explicitly excludes foundations under the general Corporation Tax regime within a tax group. Adjustments from this limitation must be reversed evenly over ten years following its application by the tax group even if a company exits the tax group. If the tax consolidation regime is lost or the group dissolves, pending eliminations will be integrated into the individual taxable base of former group entities.

Spanish Law 27/2014, of November 27, 2014 on Mainland Corporate Income Tax (the “**Mainland CIT Law**”) and Basque Law 11/2013, of 5 December, 2013, on Basque Corporate Income Tax (the “**Basque CIT Law**”) contain a general limitation on the deductibility of net financial expenses incurred by the taxpayer (or by the CIT consolidated group to which such entity belongs) exceeding 30% of its annual operating profit (defined as EBITDA, subject to certain adjustments); with €1 million being deductible in any case for Mainland CIT taxpayers and €3 million being deductible in any case for Basque CIT taxpayers. Deductible interest after the application of these limitations is referred to as the “**Maximum Threshold.**”

The apportionment of non-deducted interest in a given fiscal year may be deducted indefinitely in the following fiscal years, subject to the Maximum Threshold in each subsequent fiscal year. If, conversely, the amount of net financial expenses in a given fiscal year is below the Maximum Threshold, the difference between the net financial expenses deducted in that year and the Maximum Threshold may increase such Maximum Threshold in the immediate subsequent five years.

These rules, and in particular, a potential decrease in the EBITDA obtained in the subsequent fiscal years both at the level of the Mainland and Basque CIT tax groups, could impact the ability of the Issuer and its subsidiaries to deduct interest expenditure (therefore increasing the tax burden) and, therefore, negatively impacting the business, financial position, results of operation and prospects of the Issuer and its subsidiaries.

In addition, both Mainland and Basque CIT Laws provide for an additional limitation on the deductibility of certain financial expenses incurred for the acquisition of shareholding in Spanish entities when, among others, such acquired entities will be subject to Mainland CIT, as applicable, on a consolidated basis, with the acquiring entity



during the tax periods beginning within the four years following the acquisition (the “LBO Rules”). The deductibility of net interest expenses incurred in connection with the acquisition of Spanish entities, as per the preceding sentence, would be limited up to 30% of the annual operating profit of the acquiring CIT taxpayer (or by the CIT consolidated group to which such acquiring entity belongs) excluding the operating profit of the acquired entity and its subsidiaries. The above limitation will not apply if the debt financing the acquisition does not exceed 30% of the purchase price of the acquired entity or, if higher, the debt financing the acquisition does not exceed 70% of the purchase price of the acquired entity and such debt is reduced, proportionally on an annual basis, during the eight years following the acquisition so that such acquisition debt does not exceed 30% of the purchase price of the acquired entity by the eighth anniversary of the acquisition.

4.2.8. The Issuer is member of a tax consolidated group for Mainland CIT purposes and may be exposed to additional tax liabilities.

All entities belonging to a CIT Group will be taxed on a consolidated basis and will be jointly and severally liable for the payment of the CIT Group’s CIT debts (other than penalties). Any tax audit initiated in respect of a standalone entity member of the CIT Group will interrupt the statute of limitations applicable in respect of the entire group. Furthermore, tax credits, deductions and allowances generated by a member of the CIT Group (which may ultimately reduce the CIT burden of another group member in comparison with the CIT amount that would have been due if such entity was taxed on a standalone basis) will normally give rise to accounts receivable and payable among the entities that are members of the CIT Group. However, the entity primarily liable *vis-à-vis* the Spanish tax authorities for the payment of the CIT due by the CIT Group will be the company appointed as the representative entity of the group. Such representative entity will need to procure that the members of the tax consolidated group settle such accounts receivable and payable in order to be able to fund any payment to the tax authorities.

The “controlling entity” of both the Mainland CIT Group and the Basque CIT Group until financial year 2023 was Lorca Aggregator Limited (“**Lorca Aggregator**”), an entity incorporated under the laws of Jersey and resident for tax purposes in the United Kingdom, which indirectly held as at December 31, 2023 approximately 86.08% of the share capital and the voting rights of Lorca Bidco through its shareholding in Lorca JVCo. In 2024 the “controlling entity” was Lorca Holdco Limited, an entity incorporated under the laws of the United Kingdom and resident for tax purposes in said jurisdiction which has controlled 100% of Lorca Bidco and its subsidiaries. Since 2025 the controlling entity has become MasOrange S.L., a company tax resident in Spain 50% ultimately owned by Lorca Aggregator and 50% ultimately owned by Orange, SA

Any of these companies may enter into transactions that may potentially give rise to ongoing CIT liabilities for such CIT Groups *vis-à-vis* the Spanish tax authorities, and which may, to the extent that they fail to reimburse the Issuer for such CIT liabilities, cause a material adverse impact on the business and operations of the Issuer and its subsidiaries, as the case may be.

4.2.9. Changes in tax legislation and other circumstances that affect tax calculations could adversely affect the Issuer and its subsidiaries.

The Issuer and its subsidiaries are subject to taxation and complex tax laws in Spain as a result of the scope of the operations and the corporate and financing structure of the Issuer and its subsidiaries. Changes in tax laws or regulations, could adversely affect the tax position of the Issuer and its subsidiaries, including the effective tax rate, tax payments or increase the costs of the services required by the Issuer and its subsidiaries to track and collect such taxes, and have a material adverse effect on the business, financial condition and results of operations of the Issuer and its subsidiaries and, therefore, on the ability of the Issuer to service or otherwise make payments under the Commercial Paper Notes and other indebtedness of the Issuer and its subsidiaries.



In addition, new laws and regulations relating to taxes may be enacted imposing new taxes, or some amendments may be introduced to the existing laws and regulations. These potential changes to the existing tax laws could have a material adverse effect on the tax position of the Issuer and its subsidiaries.

In addition, the Issuer and its subsidiaries are also subject to taxes imposed by municipal authorities.

The nature and timing of any amendments to tax laws and the impact on future tax liabilities of the Issuer and its subsidiaries cannot be predicted.

4.2.10. Tax disputes, tax audits and adverse decisions rendered by tax authorities may expose the Issuer and its subsidiaries to tax liabilities which could impact the business and reputation of the Issuer and its subsidiaries.

Spanish tax authorities periodically examine the activities of the Issuer and its subsidiaries. The Issuer and its subsidiaries, as well as other companies of the MasOrange Group, often rely on generally available interpretations of applicable tax laws and regulations, including interpretations made by the relevant tax authorities and courts of law. Although the Issuer believes that the Issuer and its subsidiaries have adequately assessed and accounted for their potential tax liabilities, and that the tax estimates made by the Issuer and its subsidiaries are reasonable, there cannot be certainty that the relevant tax authorities are in agreement with the interpretation of these laws made by the MasOrange Group and its tax advisors, nor, as the case may be, that such tax authorities or courts will not depart from their prior criteria.

The tax authorities may disagree with the positions the Issuer and its subsidiaries have taken or intend to take regarding the tax treatment or characterization of any of the transactions carried out by the Issuer and its subsidiaries. As a result of any future audit, inspection or investigation, the relevant tax authorities could challenge the tax treatment of any of these transactions and additional taxes could be identified, which could lead to a substantial increase in the tax obligations (including any accrued interest and penalties) of the Issuer and its subsidiaries, either as a result of the relevant tax payment being levied directly on the Issuer or the relevant subsidiary or as a result of becoming liable for tax as secondary obligor due to a primary obligor's failure to pay. If such tax audits, inspection, investigations or challenges result in decisions that are unfavourable to the Issuer and its subsidiaries, the Issuer or the relevant subsidiaries may be required to pay settlement amounts, interests, fees or penalties, which may adversely impact the business, financial condition and results of operations of the Issuer and its subsidiaries, and ultimately impact the ability of the Issuer to service or otherwise make payments under the Commercial Paper Notes and other indebtedness of the Issuer and its subsidiaries.

During 2022, the Spanish tax authorities communicated the commencement of tax audits proceedings in several Masmovil Group companies over the main taxes to which these entities are subject, covering different tax periods which range between 2017 and 2020. The tax audit concluded in 2024 with immaterial cash out impact and with no penalties imposed.

In 2024, several tax audits were initiated, mainly affecting Orange Espagne, S.A.U. (regarding the 2023 TV Tax) and R Cable y Telecable Telecomunicaciones, S.A.U. (related to Corporate Income Tax for fiscal years 2019 to 2021). These audits remain open. In addition, in September 2025, the former Masmovil Tax Group was notified of a general tax audit covering the main direct and indirect taxes for the years 2021 through 2024, both inclusive.



4.2.11. The Issuer and its subsidiaries are and may in the future, become a party to certain performance bonds, guarantees or other off-balance sheet arrangements that may have a current or future effect on the financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources of the Issuer and its subsidiaries.

Certain of the licenses, legal proceedings and supplier contracts of the Issuer and its subsidiaries may require that the Issuer or the relevant subsidiary delivers performance bonds or guarantees issued by banks or insurance companies in order to guarantee certain legal and/or contractual obligations for the benefit of third parties. Notably, the Issuer and its subsidiaries post guarantees in connection with the award of certain administrative contracts and for general corporate purposes, including certain supply agreements with Apple, the lease of premises and ongoing litigation.

The Issuer cannot be sure that either the Issuer or the relevant subsidiaries will be able to provide these bonds or guarantees in the amounts or durations required or for the benefit of the relevant counterparties. Failure to comply with these requests could reduce the capacity of the Issuer and its subsidiaries to conduct business or perform their contracts. In addition, if the Issuer and its subsidiaries do provide these bonds or guarantees, the relevant counterparties may call upon them under inopportune circumstances or circumstances that the Issuer or the relevant subsidiary believe to be improper, and the Issuer or the relevant subsidiary may not be able to challenge such actions effectively in local courts.

The Issuer and its subsidiaries may also, from time to time and in the course of their businesses provide other performance bonds and guarantees and enter into derivative and other types of off-balance sheet transactions that could result in income statement charges. The reserves of the Issuer and its subsidiaries on a consolidated level for these types of obligations and liabilities may be inadequate which could cause the Issuer and its subsidiaries to take additional charges that could be material to the results of operations of the Issuer and its subsidiaries.

4.2.12. The Issuer and its subsidiaries may incur liabilities that are not covered by insurance.

The Issuer and its subsidiaries, either by means of bilateral insurance agreement or by means of insurance agreements having all companies of the MasOrange Group as insured parties, maintain insurance for some, but not all, of the potential risks and liabilities associated with the businesses of the Issuer and its subsidiaries. As a result of market conditions, premiums and deductibles for insurance policies can increase substantially, and in some instances, certain insurance policies may no longer be available, may be available but not economically viable relative to the liability to be insured against or may be available only for reduced amounts of coverage. While the Issuer and its subsidiaries maintain insurance in amounts the Issuer believes to be appropriate against risks commonly insured against in the industry, there can be no guarantee that all such risks are covered by insurance or that the Issuer and its subsidiaries will be able to obtain the levels of cover desired on acceptable terms in the future. In addition, even with such insurance in place, the risk remains that the Issuer and its subsidiaries may incur liabilities to customers and other third parties which exceed the limits of the insurance cover or are not covered by it at all. In addition, existing insurance policies do not cover any losses arising from business interruptions due to war, terrorism or epidemic and pandemic risks. Should such a situation arise, it may have a material adverse impact on the business, financial condition and results of operations of the Issuer and its subsidiaries.

4.3. Financial Risks

Financial risk arise through the holdings of the Issuer and its subsidiaries in financial assets and financial liabilities. The key financial risk is that proceeds from financial assets are insufficient to fund obligations arising from



distributions to its shareholders as they fall due. The most important components of financial risk are interest rate risk, market risk and liquidity risk.

4.3.1. The substantial leverage and debt service obligations of the Issuer and its subsidiaries, could materially adversely affect the businesses, financial position and results of operations of the Issuer and its subsidiaries and preclude the Issuer from satisfying its obligations under the Commercial Paper Notes

The Group has available financing facilities as described in the audited consolidated annual accounts incorporated by reference as **Schedule 2**.

The significant leverage of the Issuer and its subsidiaries could have important consequences for the business and operations of the Issuer and its subsidiaries, including, but not limited to:

- result in the inability to maintain one or more of the financial ratios under the relevant debt agreements, which could trigger the early maturity of part or all the financial indebtedness of the Issuer and its subsidiaries;
- place the Issuer and its subsidiaries at a competitive disadvantage compared to competitors with lower leverage and better access to third-party financing sources;
- increase the costs of current and future loans;
- limit the capacity of the Issuer and its subsidiaries to access new debt and promote necessary investment, or the ability of the Issuer and its subsidiaries to withstand adverse market conditions, including an economic downturn due to the military conflict between Russia and Ukraine, the conflict between Israel and Hamas in the Gaza Strip (with its potential expansion to other countries of the Middle East region) or other geopolitical events; or
- force the Issuer and its subsidiaries to increase capital stock or to divest specific strategic assets to service the debts of the Issuer and its subsidiaries or comply with the commitments under such debts.

It is important to note that **most of the principal amount of MasOrange Group's financial debt falls due in 2027, 2029 and 2031.**

4.3.2. The Issuer and its subsidiaries are subject to restrictive covenants that may limit operating and financial flexibility.

Certain financing facilities and indentures of senior long-term notes described in the audited consolidated annual accounts incorporated by reference as **Schedule 2** to which the Issuer and several of its subsidiaries are party as borrowers and/or guarantors contain covenants which impose significant operating and financial restrictions on the Issuer and its subsidiaries (hereinafter, the "**Facilities Agreements and Indentures**")

These agreements limit the ability of the Issuer and its subsidiaries to, among others:

- incur or guarantee additional indebtedness and issue certain preferred stock, though the issuance of Commercial Paper under the Programme is expressly permitted;
- pay dividends on, redeem or repurchase its capital stock;
- make certain restricted payments;
- make certain investments;
- create or permit to exist certain liens;
- merge or consolidate with other entities, or make certain asset sales;
- enter into certain transactions with affiliates; and
- guarantee certain indebtedness.



The covenants to which the Issuer and several material subsidiaries are subject under the Facilities Agreements and Indentures could limit the ability of the Issuer and its material subsidiaries operate their business, to finance their future operations and capital needs and to pursue business opportunities and activities that may be in the interest of the Issuer and its subsidiaries.

In addition, the Facilities Agreements and Indentures require the Issuer and its material subsidiaries to comply with certain affirmative covenants while the same remain outstanding. Furthermore, under certain circumstances, the Facilities Agreements and Indentures require the Issuer and its material subsidiaries to comply with a financial ratio while amounts exceeding a certain threshold remain outstanding under the revolving credit facility tranche. The ability of the Issuer and its subsidiaries to meet the financial ratio under the revolving credit facility tranche may be affected by events beyond the Issuer's control, and the Issuer and its subsidiaries cannot assure that such financial ratio would be met at any time. A breach of any of the covenants or restrictions under the Facilities Agreements and Indentures could, subject to the applicable cure period, result in an event of default under the Facilities Agreements and Indentures.

Upon the occurrence of an event of default that is continuing under the Facilities Agreements and Indentures, the relevant creditors are entitled to cancel the availability of their commitments and/or elect to declare all amounts outstanding under the Facilities Agreements and Indentures, together with accrued interest, immediately due and payable. In addition, certain defaults, events of default and/or acceleration actions under the Facilities Agreements and Indentures could lead to an event of default and acceleration under other debt instruments that contain cross default or cross acceleration provisions, including the Facilities Agreements and Indentures. If the creditors of the Issuer and its subsidiaries, including the creditors under the Facilities Agreements and Indentures accelerate the payment of those amounts, the Issuer and its subsidiaries cannot assure that their assets would be sufficient to repay in full those amounts, to satisfy all other liabilities that would be due and payable and to make payments to enable the Issuer to redeem the Commercial Paper Notes. In addition, if the Issuer and its subsidiaries are unable to repay those amounts, their creditors could proceed against any collateral granted to them to secure repayment of those amounts.

4.3.3. Market risk

Market risk is the risk that changes in market prices, for example in exchange rates and interest rates, affect the income the Issuer and its subsidiaries or the value of the financial instruments the Issuer or the relevant subsidiary holds. The objective of market risk management is to manage and control exposures to this risk within reasonable parameters while optimising profitability.

The Issuer and its subsidiaries may trade in the Commercial Paper Notes issued, the senior long-term notes issued, the loans or debt securities or loans of any other series issued by the Issuer and its subsidiaries at any time and from time to time in the open market or otherwise by means other than a redemption, whether by tender offer, open market purchases and sales, negotiated transactions or otherwise, and such purchases may be at prices below par. Any such purchases may be with respect to a substantial amount of the bonds or another series of debt, with the attendant reduction in the trading liquidity of such class or series.

4.3.4. Liquidity risk

Liquidity risk refers to the potential challenges the Group might face in fulfilling its financial obligations that require settlement in cash or other financial assets. To manage this risk, the Group adopts a strategy aimed at maintaining sufficient liquidity to meet its obligations as they become due, even under normal or adverse conditions, thereby avoiding unacceptable losses or reputational harm.

The Group implements a cautious approach to liquidity risk management by ensuring it has adequate cash reserves, marketable securities, and access to financing through credit facilities to cover its market positions. Due



to the dynamic nature of its business operations, the Group's Finance Department strives for flexibility in financing by utilising drawdowns on existing credit lines as needed.

As of 31 December 2024, the Group's available cash resources totalled Euro 96 million, of which Euro 5 million are subject to cash restrictions. For the year 2024, the net cash generated from operating activities was positive, amounting to Euro 1,359 million.

The Group has entered into supplier finance arrangements with a finance providers which have enhanced the Group's working capital. The finance provider is financially sound, and the Group does not face significant liquidity risk concentration with these providers.

Below are the contractual maturities of the Group's financial liabilities, including estimated interest payments and excluding the effects of netting agreements:

(in thousands of euros)	31 December 2024							
	Carrying amount	Contractual cash flows	Less than 1 year	More than 1 and less than 2 years	More than 2 and less than 3 years	More than 3 and less than 4 years	More than 4 and less than 5 years	More than 5 years
Non-derivative								
Loans and bank borrowings (note 12.4)	8,749,887	8,957,404	1,088,313	765,009	3,081,259	3,759	3,759	4,015,305
Other payables	1,358,067	1,358,151	758,121	60,156	52,784	52,734	51,325	383,031
Lease liabilities (note 8.3)	1,467,522	1,590,218	261,089	251,639	237,301	204,512	156,137	479,540
Bonds and other financial liabilities (note 12.5)	3,868,548	3,918,373	468,373	-	2,350,000	-	1,100,000	-
Trade and other payables (note 4.6)	1,876,458	1,876,458	1,876,458	-	-	-	-	-
Total non-derivative	17,320,482	17,700,604	4,452,354	1,076,804	5,721,344	261,005	1,311,221	4,877,876
Derivatives								
Interest rate swaps – cash flow hedges	92,252	74,287	18,183	35,354	20,750	-	-	-
Total derivative	92,252	74,287	18,183	35,354	20,750	-	-	-

The table below shows the contractual maturities of the notional values of the interest rates swaps:

(thousand euro)	31 December 2024				
	Notional value (*)				
	2025	2026	2027	Subsequent years	Total
Interest rate swaps - cash flow hedges	1,000,000	-	6,080,500	-	7,080,500
(thousand euro)	31 December 2023				
	Notional value (*)				
	2024	2025	2026	Subsequent years	Total
Interest rate swaps - cash flow hedges	-	-	-	-	-

(*) The notional value is shown in the bucket according to the IRS contractual termination date.

4.3.5. Credit risk

The Group does not have significant credit risk concentrations and follows policies to ensure sales are made to customers with a suitable credit history. When the Group provides financing for terminal purchases, short-term accounts receivable is recorded under "Trade and other receivables" while long-term receivables are classified as "Other non-current financial assets".



The Group has policies to limit exposure to risk arising from trade receivables. Exposure to risk arising from the recovery of receivables is managed as part of its routine operations. Services are provided to customers with verified creditworthiness.

The Group has established formal procedures for identifying impairments in trade receivables. Using these procedures, the Group estimates default rates based on past customer insolvency experiences and records expected credit losses at the start. Impairment components include significant individual exposures and a collective loss component for similar asset groups concerning losses incurred but not yet identified.

Trade receivables are initially recorded at fair value, which aligns with their face value minus expected losses over their lifespan. There are no significant overdue receivables lacking loss allowances, and trade receivables from business combinations are recognised at market value, net of any associated loss allowances.

The Group is exposed to counterparty risk through its investments and derivatives. Therefore, it performs a strict selection of public, financial or industrial institutions in which it invests or with which it enters into derivative agreements. This selection takes particular note of the institutions' credit ratings.

The maximum exposure to credit risk for loans and other receivables in the consolidated statement of financial position at the reporting date is as follows

(in thousands of euros)	31 December 2024	31 December 2023
Non-current financial assets (Note 12.1)	9,362	-
Current financial assets (Note 12.1)	14,466	-
Trade and other receivables (Note 3.3) (*)	489,411	-
	513,239	-

4.3.6. Interest rate risk

The Issuer and its subsidiaries are exposed to the risk of fluctuations in interest rates, particularly under the Facilities Agreements and Indentures to which the Issuer and certain material subsidiaries are parties, as borrowings under the Facilities Agreements and Indentures bear interest at a floating rate.

An increase in the benchmark rates such as EURIBOR could increase the cost of the MasOrange Group's funding and thus reduce funds generated from the businesses of the Issuer and its subsidiaries that may be used for other purposes. The MasOrange Group currently has a policy of low leverage at variable rates.

To mitigate the volatility of the interest rate risk, the Group has outstanding interest hedging structures (swaps). As at December 31, 2024, the Group has interest rate hedging instruments with a notional amount of €7,081 million.

The Group faces interest rate risk primarily from loans obtained from institutional investors and certain credit institutions that carry variable interest rates such as the Euribor, could affect the Group's future cash flows by increasing borrowing costs, thereby reducing the funds available for other business activities. Currently, the Group maintains a policy of low leverage with variable rates to manage this risk effectively.

This exposure means that fluctuations in interest Variable- and fixed-interest rate financial assets and liabilities are as follows as at December 31, 2024:

(in thousands of euros)	Net book value	
	31 December 2024	31 December 2023
Fixed-interest debt		
Financial assets	23,828	-
Financial liabilities	3,868,548	-
Variable-interests debt		
Financial liabilities	8,749,887	-



As of 31 December 2024, a 100-basis point (“bps”) rise in interest rates, assuming all other variables remained unchanged, would have decreased the post-tax outcome by Euro 56,858 thousand, primarily due to the higher borrowing costs associated with variable-rate loans

An increase in the interest rates on the MasOrange Group’s debt will reduce the funds available to the Issuer to repay debt and to finance the operations of the MasOrange Group, capital expenditures and future business opportunities.

As noted above, several subsidiaries of the MasOrange Group have entered into various hedging instruments to manage exposure to movements in interest rates, in particular interest rate swaps and interest rate caps, executed to partially hedge floating rate interest obligations. However, there can be no assurance that such financial hedging instruments will be sufficient to manage the exposure of the Issuer and its subsidiaries to fluctuations in interest rates.

Additionally, there can be no guarantee that any hedging strategies will adequately protect the Issuer and its subsidiaries from the effects of interest rate fluctuation, or that these hedges will not limit any benefit that the Issuer and its subsidiaries might otherwise receive from favourable movements in interest rates. In addition, derivatives transactions in connection with any hedging strategy may result in significant costs and could expose the Issuer and its subsidiaries to significant liabilities in the future.

4.3.7. Hedging arrangements may expose the Issuer and its subsidiaries to credit default risks and potential losses if the relevant hedging counterparties fall into bankruptcy.

As noted above, certain subsidiaries of the Issuer (particularly MasOrange Finco plc) have entered, and in the future may enter, into interest rate hedging arrangements to hedge exposure to fluctuations in interest rates, including under the Facilities Agreements and Indentures. The Issuer and its subsidiaries may also enter currency hedging arrangements in respect of their financial indebtedness. Under any such agreements, the Issuer and its subsidiaries would be exposed to credit risks of their counterparties. If one or more of these counterparties fall into bankruptcy, claims that the Issuer and its subsidiaries have under the swap agreements or other hedging arrangements may become worthless. In addition, in the event that the Issuer and its subsidiaries refinance the MasOrange Group’s debt or otherwise terminate such hedging agreements, the Issuer and its subsidiaries may be required to make termination payments, which would result in a loss.

4.3.8. The preparation of the MasOrange Group’s financial statements involves judgments, estimates and assumptions, and changes in financial accounting standards may cause unexpected revenue fluctuations and affect reported results of operation of the Issuer and its subsidiaries.

The preparation of the consolidated financial statements by MasOrange Group and its subsidiaries, including the Issuer, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors that are considered by the MasOrange Group’s management to be reasonable under the circumstances and at the time. These estimates and assumptions form the basis of judgments about the carrying values of assets and liabilities that are not readily available from other sources. Areas requiring more complex judgments may shift over time based on changes in the business mix and industry practice of the Issuer and its subsidiaries that could affect the reported amounts of assets, liabilities, income and expenses of the Issuer and its subsidiaries on a consolidated basis.

In addition, management’s judgments, estimates and assumptions and the reported amounts of assets, liabilities, income and expenses may be affected by changes in accounting policy. The entities that set accounting standards and other regulatory bodies periodically change the financial accounting and reporting standards that govern the preparation of the Issuer’s consolidated financial statements. These changes can materially impact how



management records and reports the financial condition and results of operations of the MasOrange Group. The Issuer and its subsidiaries may not be able to predict or assess the effects of these changes, and the implementation of new accounting rules and interpretations or compliance with changes in existing accounting rules could adversely affect the balance sheet or results of operations of the Issuer and its subsidiaries or cause unanticipated fluctuations in the results of operations of the Issuer and its subsidiaries in future periods.

4.3.9. Other potential non-financial risks

According to the latest version of the Corporate Risk Map of the MasOrange Group, the main non-financial risks to which the Issuer and its subsidiaries are exposed, as well as the main mitigation measures, are summarised below:

- **Risk of security breaches in systems and networks:** significant improvement in the 360-degree external assessment of cybersecurity performed in 2023, with better results than peers in the industry and previous years; new information security policies and procedures approved by the Cybersecurity Committee; existence of a cybersecurity master plan; security controls / logical access to critical systems (IAM - Identity Access Management and PAM - Privileged Access Management projects); Unified Cybersecurity Operations Centre (CSOC) for all the companies of the MasOrange Group; Continuous improvement of detection and prevention mechanisms; ISO27001 Certification (extended scope to include telecommunications services) and National Security Scheme at Euskaltel group level.
- **Reputational damage and sanctions for non-compliance with privacy/data protection rules (at MasOrange Group level):** implementation of the data governance system: Data Protection Office, Privacy Committee and appointment of Data Champions; Internal data protection audit performed in 2023; training and awareness courses on personal data protection.
- **Integration of legacy systems and alignment with the MasOrange Group's strategic objectives:** there are several projects aimed at mitigating this risk: MASstack project to standardize the Group's legacy systems on multi-brand platforms (CRM, pricing, billing and commissions); MASdata project to standardize the Group's reporting information and improve transparency with a multi-brand data warehouse; unification of *prepaid brands*; and *SAP Hana implemented in 2020, including all Group companies (except Euskaltel Group)*.
- **Continuous improvement of the Business Continuity Plan (BCP):** ISO 22301 certification for telecommunication services renewed at group level; intention to extend certification to Data Centre (Housing) services; and training and awareness- raising sessions on BCP for all areas involved.
- **ESG risks (operational and reputational with stakeholders):** Sustainable Fitch ESG rating of 79/100 obtained in 2025, the best rating given by Sustainable Fitch in the telecommunication sector in Spain; S&P Global Ratings of 68/100 in 2023; MorningStar Sustainalytics rating (low risk 14.1 pts), and Clarity (82 pts) obtained in 2025; CEO appointed as member of the Board of Directors responsible for overseeing ESG-related issues; Renewal of ISO14001 and ISO50001, in addition to B-Corp certification obtained in 2021; and Net Zero CO2 emissions Scope 1&2 achieved since 2020, scope 3 project in progress.

Source: <https://masorange.es/sostenibilidad-esg/>

Although many of these risks could have a significant impact on the MasOrange Group's operations, the probability of occurrence is considered to be adequately addressed by the control mechanisms implemented, as well as the mitigation measures put in place, which has allowed the impact and probability of occurrence to be kept within the tolerance levels approved by the Board of Directors.



4.3.10. Risks related to non-financial and sustainability information (NFSI)

The principal climate-related risks and opportunities for the Issuer and its subsidiaries are the transitional risks associated with the transition to a low-carbon economy that will involve changes in regulations, the market or technology and the physical risks that are those arising from the increasing severity and frequency of extreme weather events or from a gradual, long-term change in the Earth's climate.

In accordance with Climate-Related Financial Disclosure, the MasOrange Group has identified the following physical and transitional risks:

Physical risks:

- Chronic risk related to, among others, the increased electricity consumption, increased repair and maintenance costs due to higher temperatures and increased costs due to increased unavailability of natural resources and raw materials.
- Acute risk related to damage to assets, increased repair costs, service disruption and impact on business continuity due to weather events.
- Regulatory risks connected with increased legal reporting and transparency obligations associated with ESG, change in legal requirements on equipment power consumption, Potential establishment of taxes associated with emissions (emerging).
- Technological risks that include transition costs to low-emission technologies and obsolescence of high-emission technology equipment.
- Market risks related mostly to supply chain risks and increased material costs, increased energy prices, changing behaviours of customers demanding lower carbon products and market entry of new digital services competitors as a sector with the potential to reduce emissions in other sectors (IoT). emissions reduction potential in other sectors.
- Reputational risks that take into account the reputational impact of climate change actions if they are not sufficiently effective, stigmatization / concern among stakeholders and investors as a high energy consuming sector and reputational impact of possible environmental impacts.

Furthermore, the MasOrange Group has identified the following opportunities related to climate risks:

- Efficient use of resources (more efficient processes, circularity of equipment use, reduction of resource consumption).
- Sources of energy (use of low-emission energies, new technologies with lower consumption).
- New products and services (development of services / use of equipment with less consumption, development of digital services (IoT) that avoid emissions).
- New markets (access to new markets).
- Resilience (integration of climate change measures with social protection measures, climate change measures that improve people's health, resource substitution/diversification).
- Once the risks have been identified and classified (according to their impact and probability of occurrence), the action plans necessary to mitigate these risks are formalized, by also assessing the residual risk and risk tolerance levels. The MasOrange Group's risk control and management model is based on the continuous review and updating of the MasOrange Group's risk map.



- Climate related risks are monitored by the ESG Department in accordance with policies approved by the Board of Directors. Risk management is a major issue within the company and is therefore a function that forms part of the Board of Directors' ongoing analysis and review.

Considering that the main activity of the MasOrange Group is telecommunications services, the climate factors are not anticipated to be significant and no material impact on financial statements balances are expected. In any case, the Group considers that it is essential to manage and reduce that impact and have implemented the corresponding measures and policies. For instance, these risks have been included in the group's environmental strategy and will continue to be monitored by the directors based on three main lines of action:

- Incorporation of environmental and climate related risks into MasOrange Group's integrated risk management system.
- Responsible use of natural resources and land.
- Circularity and e-waste management.
- The MasOrange Group's senior management assumes responsibility for the environmental management system, guarantees the sustainability, environment, and energy management policy, as well as its objectives and targets, including the related KPIs, and ensures that they are aligned with the strategic direction of the organization. To this end, the MasOrange Group has an Energy and Environmental Management Committee, whose members are general management level, which meets regularly to assess and monitor the situation and the degree of compliance with energy and environmental benchmarks, as well as the goals assumed by the MasOrange Group.
- To achieve those objectives, the MasOrange Group has divided its environmental strategy into three main lines of action:
 - Fighting against climate change and consuming resources efficiently.
 - Circularity and management of electronic waste.
 - Encouraging environmental certification and initiatives.
- The MasOrange Group is aware of the importance and relevance of protecting the environment. Therefore, MasOrange Group's environmental management measures and the fight against climate change constitute a core pillar in the transformation towards a responsible business model. The objective of the MasOrange Group (currently, the MasOrange Group) is to align its business model with the environmental commitments and goals, so carbon neutrality and reducing emissions are a priority in order to responsibly manage the environmental impact that the business activities of the Issuer and its subsidiaries may cause.

4.4. Risk related to the Commercial Paper Notes

4.4.1. There is no existing public trading market for the Commercial Paper Notes and the ability to transfer them is limited, which may adversely affect the value of the Commercial Paper Notes.

The Commercial Paper issued under the Programme will not be rated. To the extent that any credit rating agencies assign credit ratings to the Commercial Paper, such ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Commercial Paper. A rating or the absence of a rating is not a recommendation to buy, sell or hold securities.

There is no liquid public trading market for the Commercial Paper and the ability to transfer them is limited, which may adversely affect the value of the Commercial Paper.



There is no liquid trading market for the Commercial Paper, and the Issuer cannot predict how liquid that trading market might become. As a result, investors may face price volatility and wider bid-ask spreads, particularly during periods of market stress. Moreover, the market price of the Commercial Paper may be influenced by many factors, some of which are beyond the Issuer's control, including:

- changes in demand or pricing of real estate assets;
- general economic conditions;
- the activities of competitors;
- the Issuer's quarterly or annual earnings or those of its competitors;
- investors' perceptions of the issuer and its industry;
- the public's reaction to the issuer's press releases or its other public announcements;
- future sales of notes; and
- other factors described under these "Risk Factors".

Therefore, there is a risk of investors not finding a counterparty for the Commercial Paper when wishing to execute their sale before maturity.

In this regard, the Issuer has not entered into any liquidity agreement, and, consequently, no institution is obliged to quote sale and purchase prices. Therefore, investors may not find any counterparty for the Commercial Paper. This may entail problems for investors who need to sell the Commercial Paper urgently.

4.4.2. Market risk of the Commercial Paper Notes

The market price of the Commercial Paper Notes may be influenced by many factors, some of which are beyond its control, including but not limited to:

The market price of the Commercial Paper could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer's appraisals, operating results, adverse business developments, changes to the regulatory environment in which the Issuer operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Commercial Paper as well as other factors. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations, which, if repeated in the future, could adversely affect the market price of the Commercial Paper without regard to the Issuer's operating results, financial condition or prospects.

Moreover, the Commercial Paper is a fixed-income security and its market price is subject to potential fluctuations, mainly due to the evolution in interest rates. Increases in benchmark interest rates generally result in a decline in the secondary market price of fixed-income instruments. Consequently, the Issuer cannot guarantee that the Commercial Paper will be traded at a market price that is equal to or higher than the subscription price.

In this regard, the Issuer has not entered into any liquidity agreement, and, consequently, no institution is obliged to quote sale and purchase prices. Therefore, investors may not find any counterparty for the Commercial Paper Notes. This may entail problems for investors who need to sell the Commercial Paper Notes urgently.

4.4.3. Credit risk of the Commercial Paper Notes

The Commercial Paper Notes are subject to the risk of the Issuer defaulting on its obligations. Although the Commercial Paper Notes are secured by the Issuer's total net worth, credit risk arises from the potential inability



of the Issuer to meet the required payments under the Programme. The risk is that of the investor and includes loss of principal and interest. The loss may be complete or partial. If the Issuer defaults, investors may not be able to receive interest and principal. The Issuer's solvency could be impaired as a result of an increase in borrowings or due to deterioration in its financial ratios, which would represent a decrease in the Issuer's capacity to meet its debt commitments.

4.4.4. The market price of the Commercial Paper Notes may be volatile

The market price of the Commercial Paper Notes may be subject to significant fluctuations in response to actual or anticipated variations in the operating results of the Issuer and its subsidiaries, adverse business developments, changes to the regulatory environment in which the Issuer and its subsidiaries operate, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Commercial Paper Notes as well as other factors.

In addition, in recent years the global financial markets have experienced significant price and volume fluctuations which, if repeated in the future, could adversely affect the market price of the Commercial Paper Notes without regard to the financial condition, results of operations or cash flows of the Issuer and its subsidiaries.

Moreover, the Commercial Paper Notes are fixed-income securities and their market price are subject to potential fluctuations, mainly due to the evolution in interest rates. Consequently, the Issuer cannot guarantee that the Commercial Paper Notes will be traded at a market price that is equal to or higher than the subscription price.

4.4.5. The Commercial Paper Notes will not be rated. Risk that the Issuer's long-term credit rating may vary

The Commercial Paper Notes issued under the Programme are not expected to be rated. To the extent that any credit rating agencies may assign in the future credit ratings to the Commercial Paper Notes, such ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Commercial Paper Notes issued under the Programme may not be covered in such credit ratings. Moreover, a rating or the absence of a rating is not a recommendation to buy, sell or hold securities.

If the Issuer obtains a rating for the Commercial Paper Notes during the term of the Programme, such rating will be notified to the MARF through the publication of a regulatory announcement (*Anuncio de Otra Información Relevante or OIR*).

Although the Commercial Paper Notes that will be issued under the Programme are not expected to have any short-term rating, it should be noted that the MasOrange Group has obtained corporate group's ratings, as follows:

	Ratings			Last Publication Date
	Corporate	Debt Instruments		
	family	Senior Secured	Unsecured	
S&P Global Ratings	BB "Positive"	BB+	B+	11 Sep 2025
Fitch Ratings	BB "Positive"	BB+	BB	23 Jul 2025

Source: <https://masorange.es/en/investors/rating-credificio/>

The corporate group credit ratings may be downgraded due to an increase of its indebtedness or due to the deterioration of the MasOrange Group's financial ratios, which would imply a worsening of the Issuer's capacity



to meet its payment obligations, which might also affect the Issuer's capacity to meet its payment obligations under the Commercial Paper Notes.

A rating or the absence of a rating is not a recommendation to buy, sell or hold securities.

4.4.6. Clearing and settlement

The Commercial Paper Notes will be registered with Iberclear in book-entry form (*anotaciones en cuenta*). Consequently, no physical notes will be issued. Clearing and settlement relating to the Commercial Paper Notes, as well as redemption or adjustment of principal amounts, will be performed within Iberclear's account-based system. Holders are therefore dependent on the functionality of Iberclear's account-based system.

Title to the Commercial Paper Notes will be evidenced by book entries (*anotaciones en cuenta*), and each person shown in the Spanish Central Registry (*Registro Central*) managed by Iberclear and in the registries maintained by the Iberclear members as being a holder of the Commercial Paper Notes shall be (except as otherwise required by Spanish law) considered the holder of the principal amount of the Commercial Paper Notes recorded therein.

The Issuer will discharge its payment obligation by making payments through Iberclear. Holders must rely on the procedures of Iberclear and the Iberclear members to receive payments. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, holders of the Commercial Paper Notes according to book entries and registries as described above.

4.4.7. Exchange rate risks and exchange controls for investors in the Commercial Paper Notes

The Commercial Paper Notes will be denominated in Euros. This may imply certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency other than the euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the investor's currency) and the risk that authorities with jurisdiction over the investor's currency may impose or modify exchange controls. An appreciation in the value of the investor's currency relative to the euro would decrease (i) the investor's currency equivalent yield on the Commercial Paper Notes; (ii) the investor's currency equivalent value of the amount payable on the Commercial Paper Notes; and (iii) the investor's currency equivalent market value of the Commercial Paper Notes.

Government and monetary authorities in some countries may impose, as some have done in the past, exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less amounts than expected.

4.4.8. The issues under the Programme may not be suitable for all types of qualified investors, eligible counterparties or professional clients.

Each potential qualified investor in the Commercial Paper Notes issued under the Programme should determine the appropriateness of such investment in the light of their own circumstances, in particular such investors should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Commercial Paper Notes, the benefits and risks of their investments, and the information contained in this Information Memorandum;
- have access to and knowledge of appropriate analytical tools to evaluate, in the context of their particular financial situation, an investment in the Commercial Paper Notes, and the impact that such investment will have on their portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Commercial Paper;



- have a thorough understanding of the terms of the Commercial Paper Notes, as well as the performance of the financial markets in which they participate; and
- evaluate possible economic scenarios, interest rate variations and other factors that may affect to the investments and the ability to take risks.

4.4.9. Risks relating to Spanish Insolvency Law.

Royal Legislative Decree 1/2020, of 5 May, which approves the consolidated text of the Spanish Insolvency Law (*Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*), as recast by Law 16/2022, of 5 September (as amended and/or recast from time to time, the "**Insolvency Law**") provides, among other things, that:

- (i) any claim may become subordinated if it is not reported to the insolvency administrators (*administradores concursales*) within one month from the last official publication of the court order declaring the insolvency,
- (ii) provisions in a contract granting one party the right to modify the obligations or suspend or terminate the contract by reason only of the other's insolvency declaration or opening of the liquidation phase may not be enforceable,
- (iii) claims held by any of the persons especially related to the debtor, as referred to in article 283 of the Insolvency Law, shall be classified as subordinated claims,
- (iv) accrual of unsecured interest (whether ordinary or default interest) shall be suspended from the date of the declaration of insolvency and any amount of interest accrued up to such date shall become subordinated.

In the case of secured ordinary interest, (i) this shall be deemed specially privileged, and (ii) ordinary interest (excluding default interest) will continue accruing after the declaration of insolvency up to the limit of the secured amount, and only if a contingent credit for secured ordinary interest that may accrue after the declaration of insolvency is included in the statement of claim to be sent to the insolvency administrator (as per the Supreme Court decision dated February 20, 2019). In the case of secured default interest, (i) this shall be deemed specially privileged and (ii) it will not accrue after the declaration of insolvency.

Any payments of interest in respect of unsecured debt securities will be subject to the subordination provisions of article 281.1 of the Insolvency Law.

The Insolvency Law, in certain instances, also has the effect of modifying or impairing creditors' rights even if the creditor, whether secured or unsecured, does not consent to the amendment. The claims of secured and unsecured dissenting creditors may be written down not only once the insolvency has been declared by the judge as a result of the approval of a creditors' agreement (*convenio concursal*), but also as a result of an out-of-court restructuring plan (*plan de reestructuración pre-concursal*) without insolvency proceedings having been previously opened (*e.g.*, restructuring plans that satisfy certain requirements and are approved by the judge), in both scenarios (i) to the extent that certain qualified majorities are achieved, and (ii) unless some exceptions in relation to the kind of claim or creditor apply (which would not be the case for the Commercial Paper Notes). In no case will subordinated creditors be entitled to voluntarily accede to a creditors' agreement during the insolvency proceedings and, accordingly, they will always be subject to the measures contained therein, if passed.

The Commercial Paper Notes will be structurally subordinated to any indebtedness of the Issuer's subsidiaries (see Group's structure chart in the **Schedule 1**). In the event of liquidation, dissolution, administration, reorganisation or any other insolvency event, the subsidiaries would pay their financial creditors and trade creditors before they could distribute any of their profits or assets to the Issuer as parent company of such subsidiaries.



In the event that the Issuer were to enter into additional indebtedness and such additional indebtedness were secured by collateral such as pledges or mortgages on certain assets, the claims of the holders of the Commercial Paper Notes as a result of the opening of insolvency proceedings of the Issuer would rank after the creditors in whose favour such collateral had been created.

For additional information, see section 8.7. of this Information Memorandum (*Classification of the Commercial Paper: order of priority*) below.



5. INFORMATION OF THE ISSUER AND ITS CORPORATE GROUP

The Issuer's full corporate name is MASORANGE, S.L., though it is commonly abbreviated with its commercial name "MASORANGE".

The Company is a private company limited (*sociedad de responsabilidad limitada*) incorporated under the laws of Spain with registered office at Paseo del Club Deportivo 1 - Parque Empresarial La Finca, Edificio 8, Pozuelo de Alarcón (Madrid), registered in the Commercial Registry of Madrid in volume 45,306, page 133, sheet M-79,7018, with Tax Identification Number B-13857198 and Legal Identifier Code (LEI) number 959800D5CE1X280T7D15.

The Issuer is currently a Spanish holding company of a corporate group operating in the telecommunications industry, which currently is the first largest telecommunications operator in terms of number of customers in Spain.

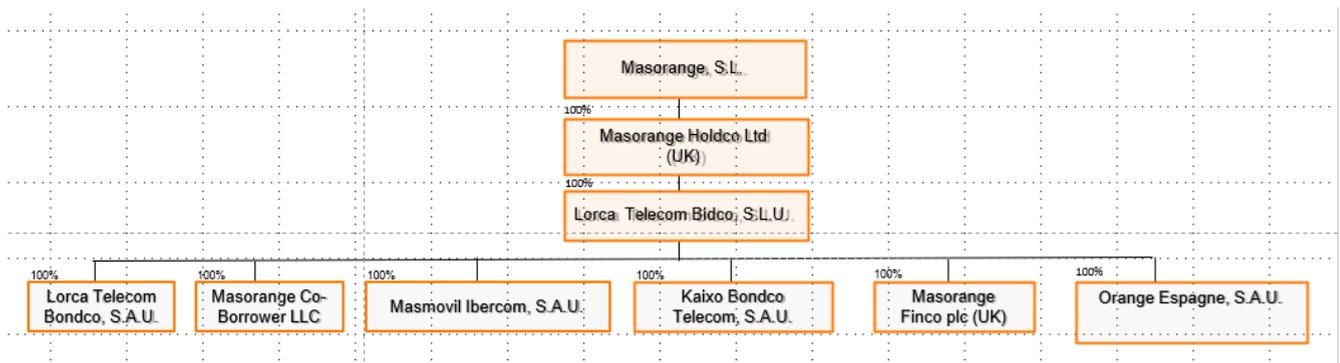
In particular, business and financial information for investors is available and regularly updated on the following link:

<https://masorange.es/en/investors/>

5.1. MasOrange Group's structure chart

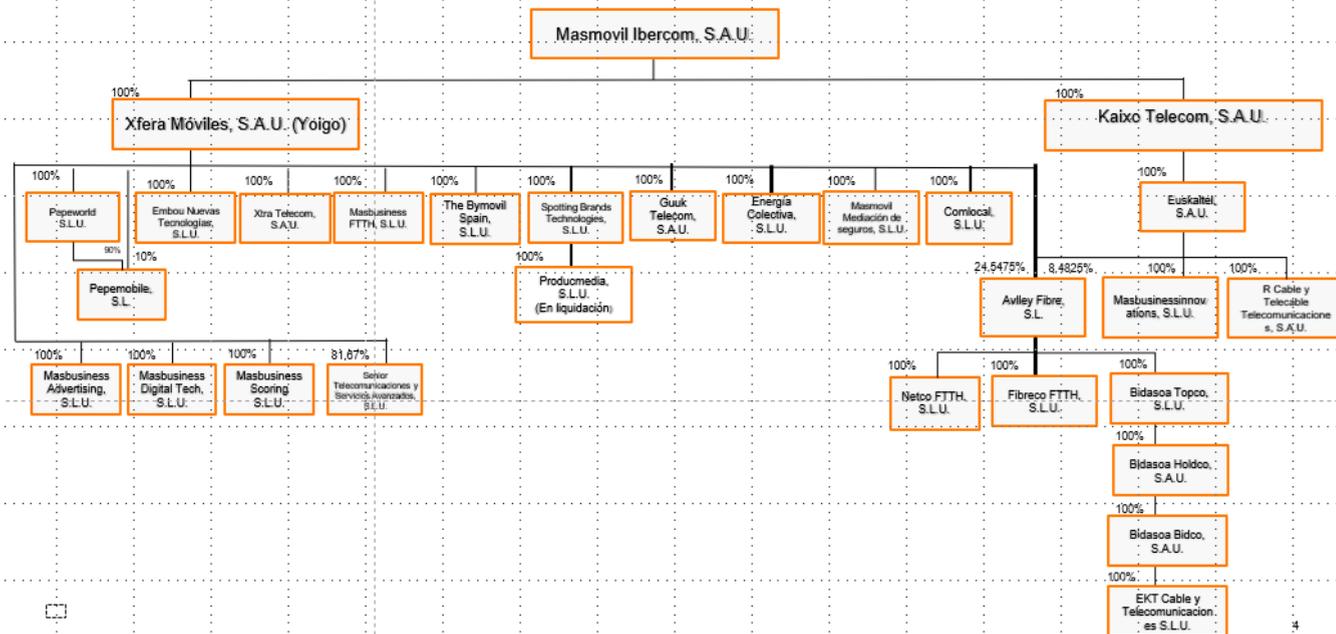
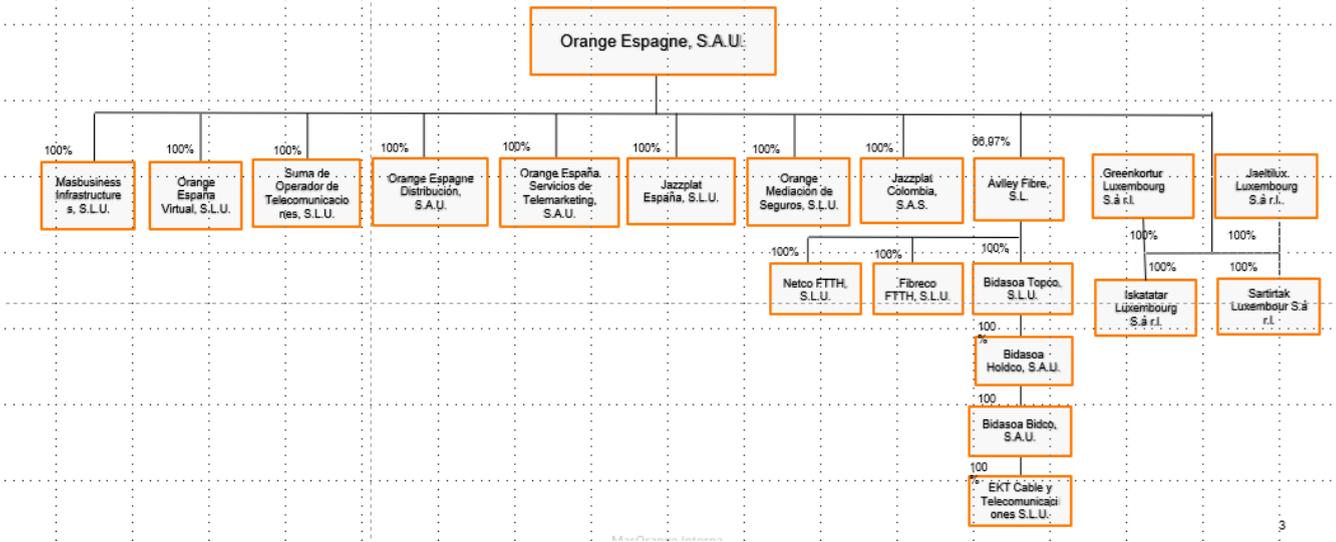
The current corporate group of the Issuer and its subsidiaries is the result of (i) the integration, from 2014 to the present, of various telecommunications operators with sustained growth in their respective markets and business sectors, with several intragroup mergers and amalgamations having completed to date in order to simplify the corporate structure of the MasOrange Group; (ii) the acquisition of the shares in Masmovil Ibercom by funds managed or advised by KKR, Cinven and Providence in 2020; (iii) the acquisition of Euskaltel in August 2021; and (iv) the combination of businesses in Spain of the Masmovil Group with Orange Spain in March 2024, with MasOrange as joint venture entity co-controlled by Orange S.A. and Lorca JVCo.

See below an organisational chart of the Issuer and its main subsidiaries as of the publication date of this Information Memorandum:





The following sub-groups of companies can also be depicted:



Please also note that the Issuer indirectly holds the following shareholding lower than 50% in these companies:

- Kenmei Technologies, S.L. (5.86%) owned by Xfera Móviles.
- Ucles Infraco, S.L. (49.9%) owned by Masbusiness FTTH, S.L.U.
- Unirisco Galicia S.C.R, S.A. (1.01%) owned by R Cable y Telecable Telecomunicaciones, S.A.U.
- Data Center Euskadi, S.L. (10,625%) owned by Euskaltel.
- Club Financiero de Vigo, S.A., 0.20% owned by R Cable y Telecable Telecomunicaciones, S.A.U.



5.2. Description of the Businesses of the Issuer and its subsidiaries

As of the third quarter of 2025, the Group serves approximately 7.2 million broadband lines and 26.2 million mobile lines. Its network reaches 99% of the population with 4G coverage and over 90% with 5G, while providing FTTH connectivity to 31 million households, including 96% coverage in rural areas.

The figures have been updated based on the Q3 2025 results presentation, available on the company's investor relations website:

<https://masorange.es/en/investors/economic-financial-information/periodic-public-information/>

In this environment, the Issuer has consolidated its business model based on a multi-brand and multi-service positioning. In this regard, some recent achievements have been made including:

a) Operational area:

	Device-as-a-Service 	Insurance 	Energy 	Home Security 
Description	<ul style="list-style-type: none"> • Device financing proposition for customer base to use devices as an enabler for loyalty and growth • Access to a wide range of devices portfolio, expanding beyond smartphones 	<ul style="list-style-type: none"> • Deal will create the number one insurer-retailer leveraging in data and tech • Relevant improvement in revenue shares and fees 	<ul style="list-style-type: none"> • Deal will enable accelerated growth of the energy business while eliminating energy market risk • Revenues share model • +O transfers operating structure to partner 	<ul style="list-style-type: none"> • +O commercializes alarms of its partner to its customers • Best in class user experience thanks to App powered by Alarm.com and partner's operational experience
Industrial Partners				
Right to Win	<ul style="list-style-type: none"> ✓ +O is the #1 retailer in the smartphone market in Spain ✓ "One stop shop" ✓ Most competitive prices and best financing conditions on the market ✓ 1k SKUs 	<ul style="list-style-type: none"> ✓ Access to our customer base & insights ✓ AI / Gen AI capabilities to increase conversion ✓ Insurance growth opportunity ✓ Telco cross-sell opportunities 	<ul style="list-style-type: none"> ✓ Access to our customer base and our energy tech-platform ✓ Cross discounts in telco bill for energy and gas subscribers, with no effect on telco ARPU ✓ Energy growth opportunity ✓ Telco cross-sell opportunities 	<ul style="list-style-type: none"> ✓ Access +O's customer base and commercial channels ✓ Use of data and advanced analytics to customize the value proposition, reducing churn and boosting upsell

b) Infrastructure and technology:

As at December 31, 2024, the MasOrange Group has access to a footprint of 31million FTTH Business Units (BUs) through a combination of own network and wholesale agreements with third parties.

5.3. Results and performance

The main financial information for the Issuer and its subsidiaries is available at the Issuer's website:

<https://masorange.es/en/investors/economic-financial-information/>



5.4. Composition of the Board of Directors

The current MasOrange's Board of Directors consists of eight members and a Non-director Secretary, as follows:

1. Laurent Martinez: Non-executive Chairman. Executive Vice President, Finance, Performance and Development at Orange Group;
2. Meinrad Spenger: Chief Executive Officer (*Consejero Delegado*);
3. Matthieu Bouchery: Head of Group Financing and Treasury at Orange Group;
4. Mari-Noelle Jego-Laveissiere: Orange Europe CEO;
5. Ignacio de Orúe;
6. Miguel Segura (director appointed by Cinven);
7. Iñaki Cobo (director appointed by KKR);
8. Robert Sudo (director appointed by Providence); and
9. Alberto Castañeda: Secretary Non-Director.

The Board composition includes:

- 7 proprietary directors, representing 87.5% of the total.
- 1 executive director, representing 12.5% of the total, and 7 non-executive directors, representing 87.5% of the total.

5.5. Auditors of the Issuer

The consolidated annual accounts of the Company for the 2024 financial year, which are incorporated by reference as **Schedule 2** to this Programme, have been audited by KPMG Auditores, S.L., whose audit report is unqualified (favourable without reservations).

The individual annual accounts of the Company for the 2024 financial year, which are incorporated by reference as **Schedule 3** to this Programme, have been audited by KPMG Auditores, S.L., whose audit report is unqualified (favourable without reservations).

5.6. Material judicial, administrative or arbitration proceedings

As of the date of this Programme, the Issuer is not aware of any judicial, administrative, or arbitration proceedings which, in its opinion, may materially affect the Programme.

5.7. Additional information about the Issuer

Additional information about the Issuer and its activities can be found in **Schedule 1** to this Programme.



6. REGISTERED ADVISOR

Banca March, S.A. is a Spanish corporation (*sociedad anónima*) with tax identification code A-07004021, registered with the Commercial Registry of Balears in volume 410, book 334, sheet PM-644, with registered office at Avenida Alejandro Rosselló, 8 07002 Palma de Mallorca ("**Banca March**"), which has been admitted as a registered advisor (*asesor registrado*) of MARF pursuant to operative instruction (*instrucción operativa*) 8/2014.

The Issuer has appointed Banca March as the Issuer's registered advisor (*asesor registrado*) in the MARF (the "**Registered Advisor**") and has undertaken to comply with the obligations set out in section 5 of Circular 2/2025, of 16 June, on Registered Advisors to the Alternative Fixed Income Market (*Circular 2/2025, de 16 de junio, sobre Asesores Registrados en el Mercado Alternativo de Renta Fija*) ("**Circular 2/2025**"), in the MARF Regulations dated 30 May 2018, and in the applicable legislation.

The Issuer must at all times have a designated Registered Advisor included in the "List of Registered Advisers of the MARF".

7. PERSON RESPONSIBLE FOR THE INFORMATION CONTAINED IN THE INFORMATION MEMORANDUM

Mr. Meinrad Spenger, acting on behalf of and representing MASORANGE, S.L. (in this document, indistinctly, "**MASORANGE**", the "**Company**" or the "**Issuer**" and together with the companies that belong to its group for the purposes of commercial law, the "**MasOrange Group**"), in its capacity of executive director (*consejero delegado*) of the Issuer, is responsible for the entire content of this Information Memorandum.

Mr. Meinrad Spenger, on behalf of the Issuer, hereby declares that after acting with reasonable care to ensure that the information contained in the Information Memorandum are, to their knowledge, in full accordance with the facts and contains no omissions likely to materially affect its content.

8. TERMS AND CONDITIONS OF THE COMMERCIAL PAPER AND OF THE PROGRAMME

8.1. Full name of the securities issue

Commercial Paper Programme MASORANGE 2025.

8.2. Maximum Outstanding Balance

The maximum nominal aggregate amount of the Programme of Commercial Paper Notes is six hundred million euros (€600,000,000).

This amount is understood as the maximum outstanding balance of all the Commercial Paper Notes issued at any given time during the term of the Programme pursuant to this Information Memorandum.

It is also important to note that, insofar as the Issuer is a limited company, the maximum nominal value of outstanding Commercial Paper Notes, together with that of other issues of bonds, commercial paper notes or other fixed-income securities, may not exceed twice its own resources, unless an issue of bonds, commercial paper notes or other securities is secured by a mortgage, pledge of securities, public guarantee or joint and several guarantee from a credit institution, in accordance with the limit established in Article 401.2 of Royal Legislative Decree 1/2010 of 2 July, which approves the revised text of the Spanish Companies Act ("*Ley de Sociedades de Capital*").

8.3. Description of the type and class of the securities nominal value

The Commercial Paper Notes (*pagarés* in Spanish) are securities with an implicit positive, zero or negative yield, so that their return (positive, zero or negative) results from the difference between the subscription or acquisition



price and the redemption price, with no right to receive a periodic coupon. The Commercial Paper Notes issued and outstanding at any given time represents a debt for the Issuer and will be reimbursed at maturity at their face value.

An ISIN (International Securities Identification Number) code will be assigned to each issuance of Commercial Paper that has the same maturity date.

Each Commercial Paper will have a nominal value of one hundred thousand euros (€100,000), meaning that the maximum number of issuances of Commercial Paper in circulation at any given time will not exceed six thousand (6,000).

8.4. Governing law of the securities

The Commercial Paper Notes are securities issued in accordance with the Spanish legislation applicable to the Issuer and to the Commercial Paper as securities (*valores*).

In particular, the Commercial Paper Notes will be issued pursuant to the Spanish Securities Markets Act, in accordance with its current wording and with any other related regulations.

This Information Memorandum is the one required in Circular 1/2025 of MARF, on admission (*incorporación*) and removal of securities on the Alternative Fixed-Income Market.

The courts and tribunals of the city of Madrid will have exclusive jurisdiction to settle any disputes arising from or in connection with the Commercial Paper (including disputes regarding any non-contractual obligation arising from or in connection with the Commercial Paper).

8.5. Representation of the securities through book entities

The Commercial Paper Notes to be issued under the Programme will be represented by book entries (*anotaciones en cuenta*), as set out in the mechanisms for trading on MARF for which admission of the Commercial Paper Notes is requested.

The party in charge of the accounting records is Iberclear, with registered office at Madrid, Plaza de la Lealtad, 1, together with its participating entities (*entidades participantes*), pursuant to article 8.3 of the Spanish Securities Markets Act and the provisions of article 50 of the Royal Decree 814/2023, of November 8, on law on financial instruments, admission to trading, registration of securities and market infrastructures (*Real Decreto 814/2023, de 8 de noviembre, sobre instrumentos financieros, admisión a negociación, registro de valores negociables e infraestructuras de mercado*), as amended.

8.6. Currency of the Issue

The Commercial Paper Notes issued under the Programme will be denominated in Euros.

8.7. Classification of the Commercial Paper: Order of Priority

Any issuance of Commercial Paper under the Programme will not be secured by any in rem guarantees (*garantías reales*) or guaranteed by any personal guarantees (*garantías personales*).

Principal and interest amounts owed by the Issuer under the Commercial Paper will be unsecured, but the Issuer will be liable for any amount with its total net worth (*responsabilidad personal universal*). Therefore, the payment obligations of the Issuer under the Commercial Paper shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer.



For the purposes of priority, should the Issuer file for insolvency, the investors are behind any privileged creditors that the Issuer has on that date pursuant to the classification and order of priority of credits set out in the Insolvency Law.

8.8. Description of the rights inherent to the securities and the procedure to exercise such rights. Method and term for payment and delivery of the securities

In accordance with the applicable legislation, the Commercial Paper Notes issued under the Programme will not grant the investors any present or future political rights over the Issuer.

The economic and financial rights of the investor associated to the subscription (or acquisition) and holding of the Commercial Paper will be those arising from the conditions of the nominal interest rate, yields and redemption prices with which the notes are issued, as specified in sections 8.9, 8.10 and 8.12 below.

The date of disbursement of the Commercial Paper will be the same as the date of issuance, and the effective value of the Commercial Paper will be paid to the Issuer by the relevant Dealers (as this term is defined in section 8.11 below) or by the investors, as the case may be, through the Paying Agent (as defined in section 8.11 below), in its capacity as paying agent, in the account specified by the Issuer on the relevant date of issuance of Commercial Paper.

In all cases each Dealer or, as the case may be, the Issuer, will issue a nominative and non-negotiable certificate of acquisition regarding the Commercial Paper in which said Dealer has collaborated in its placement or in which the investors have acquired the Commercial Paper Notes directly from the Issuer, as applicable. This document will provisionally give evidence of the subscription of the Commercial Paper until the appropriate book entry (*anotación en cuenta*) is registered, which will grant its holder the right to request the relevant legitimacy certificate (*certificado de legitimación*).

Furthermore, the Issuer will report the disbursement to MARF and Iberclear through the relevant certificate.

8.9. Issue Date. Term of the Programme

The term of validity of the Programme is one (1) year from the date of incorporation of this Information Memorandum with MARF.

As the Programme is a continuous type, the Commercial Paper Notes may be issued and subscribed on any day during its term of validity. However, the Issuer reserves the right not to issue new Notes when it deems such action appropriate pursuant to the cash needs of the Issuer or because it finds more favourable financing conditions.

The issue date and disbursement date of the Commercial Paper Notes will be indicated in the complementary certificates (*certificaciones complementarias*) produced at the time of each issuance. The issue date, disbursement and admission (*incorporación*) of the Commercial Paper may not fall after the expiration date of this Information Memorandum.

8.10. Nominal interest rate. Indication of the yield and calculation method

The annual nominal interest for the Commercial Paper Notes will be set in each issuance.

1. The Commercial Paper will be issued at the interest rate agreed by and between Banca March, S.A., Banco Bilbao Vizcaya Argentaria, S.A., Banco de Sabadell, S.A., BRED Banque Populaire, S.A., Banco Santander, S.A., CaixaBank, S.A., Kutxabank Investment, S.V., S.A.U., PKF Attest Capital Markets, S.V., S.A. and Andbank España Banca Privada, S.A.U. (for these purposes, the “**Dealers**” and each individually a “**Dealer**”) and the Issuer, or, as the case may be, agreed between the Issuer and the investors. The yield shall be implicit in the subscription or acquisition price of the Commercial Paper Notes issued at a particular issuance, considering



that the Commercial Paper Notes will be reimbursed on the maturity date at their face value.

The interest at which the relevant Dealer transfers the Commercial Paper Notes to third parties will be the rate freely agreed between the relevant dealer and the interested investors.

As the Commercial Paper Notes are securities issued at a discounted subscription price (*al descuento*) and with an implicit yield, the cash amount to be paid out by each investor (effective value) varies in accordance with the nominal interest rate and term agreed.

Therefore, the cash amount (effective value) of the Commercial Paper Notes can be calculated by applying the following formulas:

- When the Commercial Paper Notes are issued for a maximum term of 365 days:

$$E = \frac{N}{1 + i \times \frac{d}{365}}$$

- When the Commercial Paper Notes are issued for more than 365 days:

$$E = \frac{N}{(1 + i)^{\frac{d}{365}}}$$

where:

N = nominal amount of the Commercial Paper Notes.

E = cash amount (effective value) of the Commercial Paper Notes.

d = number of days from the issue date until maturity date.

i = nominal interest rate, expressed as a decimal.

The Commercial Paper of each issuance may have a different calculation base (*base de cálculo*), including Act/365 or Act/360.

A table is included to help the investor, specifying the cash value tables for different rates of interest and redemption periods, and there is also a column showing the variation of the effective value of the Commercial Paper by increasing the period of this by 10 days.¹

[see table in the following page]

¹ The calculation base (*base de cálculo*) of the Notes in the table below is Act/365. As each issue of Notes may have a different calculation base, if the base is Act/360, the table may vary.



EFFECTIVE VALUE OF € 100,000 NOTIONAL NOTE												
(Less than one-year term)												
Nominal rate	7 days			14 days			30 days			60 days		
	Subscription Price	IRR/AER	+10 days									
(%)	(euros)	(%)	(euros)									
0,25	99.995,21	0,25	-6,85	99.990,41	0,25	-6,85	99.979,46	0,25	-6,85	99.958,92	0,25	-6,84
0,50	99.990,41	0,50	-13,69	99.980,83	0,50	-13,69	99.958,92	0,50	-13,69	99.917,88	0,50	-13,67
0,75	99.985,62	0,75	-20,54	99.971,24	0,75	-20,53	99.938,39	0,75	-20,52	99.876,86	0,75	-20,49
1,00	99.980,83	1,00	-27,38	99.961,66	1,00	-27,37	99.917,88	1,00	-27,34	99.835,89	1,00	-27,30
1,25	99.976,03	1,26	-34,22	99.952,08	1,26	-34,20	99.897,37	1,26	-34,16	99.794,94	1,26	-34,09
1,50	99.971,24	1,51	-41,06	99.942,50	1,51	-41,03	99.876,86	1,51	-40,98	99.754,03	1,51	-40,88
1,75	99.966,45	1,77	-47,89	99.932,92	1,76	-47,86	99.856,37	1,76	-47,78	99.713,15	1,76	-47,65
2,00	99.961,66	2,02	-54,72	99.923,35	2,02	-54,68	99.835,89	2,02	-54,58	99.672,31	2,02	-54,41
2,25	99.956,87	2,28	-61,55	99.913,77	2,27	-61,50	99.815,41	2,27	-61,38	99.631,50	2,27	-61,15
2,50	99.952,08	2,53	-68,38	99.904,20	2,53	-68,32	99.794,94	2,53	-68,17	99.590,72	2,53	-67,89
2,75	99.947,29	2,79	-75,21	99.894,63	2,79	-75,13	99.774,48	2,78	-74,95	99.549,98	2,78	-74,61
3,00	99.942,50	3,04	-82,03	99.885,06	3,04	-81,94	99.754,03	3,04	-81,72	99.509,27	3,04	-81,32
3,25	99.937,71	3,30	-88,85	99.875,50	3,30	-88,74	99.733,59	3,30	-88,49	99.468,59	3,29	-88,02
3,50	99.932,92	3,56	-95,67	99.865,93	3,56	-95,54	99.713,15	3,56	-95,25	99.427,95	3,55	-94,71
3,75	99.928,13	3,82	-102,49	99.856,37	3,82	-102,34	99.692,73	3,82	-102,00	99.387,34	3,81	-101,38
4,00	99.923,35	4,08	-109,30	99.846,81	4,08	-109,13	99.672,31	4,07	-108,75	99.346,76	4,07	-108,04
4,25	99.918,56	4,34	-116,11	99.837,25	4,34	-115,92	99.651,90	4,33	-115,50	99.306,22	4,33	-114,70
4,50	99.913,77	4,60	-122,92	99.827,69	4,60	-122,71	99.631,50	4,59	-122,23	99.265,71	4,59	-121,34
4,75	99.908,99	4,86	-129,73	99.818,14	4,86	-129,50	99.611,11	4,85	-128,96	99.225,23	4,85	-127,96
5,00	99.904,20	5,12	-136,54	99.808,59	5,12	-136,28	99.590,72	5,12	-135,68	99.184,78	5,11	-134,58
5,25	99.899,42	5,39	-143,34	99.799,03	5,38	-143,05	99.570,35	5,38	-142,40	99.144,37	5,37	-141,18
5,50	99.894,63	5,65	-150,14	99.789,49	5,65	-149,83	99.549,98	5,64	-149,11	99.103,99	5,63	-147,78
5,75	99.889,85	5,92	-156,94	99.779,94	5,91	-156,60	99.529,62	5,90	-155,81	99.063,64	5,89	-154,36
6,00	99.885,06	6,18	-163,74	99.770,39	6,18	-163,36	99.509,27	6,17	-162,51	99.023,33	6,15	-160,93
6,25	99.880,28	6,45	-170,53	99.760,85	6,44	-170,12	99.488,93	6,43	-169,20	98.983,05	6,42	-167,48
6,50	99.875,50	6,71	-177,32	99.751,30	6,71	-176,88	99.468,59	6,70	-175,88	98.942,80	6,68	-174,03



EFFECTIVE VALUE OF € 100,000 NOTIONAL NOTE												
	(Less than one-year term)						(Equal to one-year term)			(More than one-year term)		
	90 days			180 days			365 days			730 days		
Nominal rate	Subscription Price	IRR/AER	+10 days	Subscription Price	IRR/AER	+10 days	Subscription Price	IRR/AER	+10 days	Subscription Price	IRR/AER	+10 days
(%)	(euros)	(%)	(euros)	(euros)	(%)	(euros)	(euros)	(%)	(euros)	(euros)	(%)	(euros)
0,25	99.938,39	0,25	-6,84	99.876,86	0,25	-6,83	99.750,62	0,25	-6,81	99.501,87	0,25	-6,78
0,50	99.876,86	0,50	-13,66	99.754,03	0,50	-13,63	99.502,49	0,50	-13,56	99.007,45	0,50	-13,43
0,75	99.815,41	0,75	-20,47	99.631,50	0,75	-20,39	99.255,58	0,75	-20,24	98.516,71	0,75	-19,94
1,00	99.754,03	1,00	-27,26	99.509,27	1,00	-27,12	99.009,90	1,00	-26,85	98.029,60	1,00	-26,33
1,25	99.692,73	1,26	-34,02	99.387,34	1,25	-33,82	98.765,43	1,25	-33,39	97.546,11	1,24	-32,59
1,50	99.631,50	1,51	-40,78	99.265,71	1,51	-40,48	98.522,17	1,50	-39,87	97.066,17	1,49	-38,72
1,75	99.570,35	1,76	-47,51	99.144,37	1,76	-47,11	98.280,10	1,75	-46,29	96.589,78	1,73	-44,74
2,00	99.509,27	2,02	-54,23	99.023,33	2,01	-53,70	98.039,22	2,00	-52,64	96.116,88	1,98	-50,63
2,25	99.448,27	2,27	-60,93	98.902,59	2,26	-60,26	97.799,51	2,25	-58,93	95.647,44	2,23	-56,42
2,50	99.387,34	2,52	-67,61	98.782,14	2,52	-66,79	97.560,98	2,50	-65,15	95.181,44	2,47	-62,08
2,75	99.326,48	2,78	-74,28	98.661,98	2,77	-73,29	97.323,60	2,75	-71,31	94.718,83	2,71	-67,64
3,00	99.265,71	3,03	-80,92	98.542,12	3,02	-79,75	97.087,38	3,00	-77,41	94.259,59	2,96	-73,09
3,25	99.205,00	3,29	-87,55	98.422,54	3,28	-86,18	96.852,30	3,25	-83,45	93.803,68	3,20	-78,44
3,50	99.144,37	3,55	-94,17	98.303,26	3,53	-92,58	96.618,36	3,50	-89,43	93.351,07	3,44	-83,68
3,75	99.083,81	3,80	-100,76	98.184,26	3,79	-98,94	96.385,54	3,75	-95,35	92.901,73	3,68	-88,82
4,00	99.023,33	4,06	-107,34	98.065,56	4,04	-105,28	96.153,85	4,00	-101,21	92.455,62	3,92	-93,86
4,25	98.962,92	4,32	-113,90	97.947,14	4,30	-111,58	95.923,26	4,25	-107,02	92.012,72	4,16	-98,80
4,50	98.902,59	4,58	-120,45	97.829,00	4,55	-117,85	95.693,78	4,50	-112,77	91.573,00	4,40	-103,65
4,75	98.842,33	4,84	-126,98	97.711,15	4,81	-124,09	95.465,39	4,75	-118,46	91.136,41	4,64	-108,41
5,00	98.782,14	5,09	-133,49	97.593,58	5,06	-130,30	95.238,10	5,00	-124,09	90.702,95	4,88	-113,07
5,25	98.722,02	5,35	-139,98	97.476,30	5,32	-136,48	95.011,88	5,25	-129,67	90.272,57	5,12	-117,65
5,50	98.661,98	5,62	-146,46	97.359,30	5,58	-142,62	94.786,73	5,50	-135,19	89.845,24	5,36	-122,13
5,75	98.602,01	5,88	-152,92	97.242,57	5,83	-148,74	94.562,65	5,75	-140,66	89.420,94	5,59	-126,54
6,00	98.542,12	6,14	-159,37	97.126,13	6,09	-154,82	94.339,62	6,00	-146,07	88.999,64	5,83	-130,85
6,25	98.482,29	6,40	-165,80	97.009,97	6,35	-160,88	94.117,65	6,25	-151,44	88.581,31	6,07	-135,09
6,50	98.422,54	6,66	-172,21	96.894,08	6,61	-166,90	93.896,71	6,50	-156,75	88.165,93	6,30	-139,25



Given the different types of issues that will be applied throughout the Commercial Paper Programme, the Issuer cannot predetermine the internal rate of return (IRR) for each investor.

In any case, for the Commercial Paper Notes with a term of 365 days or less, it will be determined in accordance with the following formula:

$$i = \left[\left(\frac{N}{E} \right)^{365/d} - 1 \right]$$

where:

i = effective annual interest rate, expressed as a decimal.

N = nominal amount of the Commercial Paper Notes.

E = cash amount (effective value) at the time of subscription or acquisition.

d = number of calendar days between the issue date (inclusive) and the maturity date (exclusive).

Regarding the Commercial Paper with a term exceeding 365 days, the IRR is equal to the nominal rate of the Commercial Paper set out in this section.

If the Commercial Paper Notes are originally subscribed by the Dealers in order to have the relevant Notes transferred to the investors, the price at which each Dealer may transfer the Commercial Paper Notes will be freely agreed among the relevant Dealer and investors, which may not be the same as the issue price.

8.11. Dealers, Paying Agent and Depository Entities

The entities that initially collaborate in the Programme and in the placement of the Commercial Paper under each issuance (the “Dealers” and each of them a “Dealer”) are the following:

1. Banca March, S.A. (“Banca March”)

Tax Identification Number: A-07004021

Registered office: Av. Alejandro Rosselló, 8, 07002 Palma de Mallorca

2. Banco Bilbao Vizcaya Argentaria, S.A. (“BBVA”)

Tax Identification Number: A-48265169

Registered office: Plaza San Nicolás 4, 48005 Bilbao

3. Banco de Sabadell, S.A. (“Banco Sabadell”)

Tax Identification Number: A-08000143

Registered office: Plaça de Sant Roc, núm. 20, 08201, Sabadell (Barcelona)

4. Banco Santander, S.A. (“Santander”)

Tax Identification Number: A-39000013



Registered office: Paseo de Pereda, 9-12, 39004 Santander

5. CaixaBank, S.A. (“CaixaBank”)

Tax Identification Number: A-08663619

Registered office: calle Pintor Sorolla, 2-4 46002 Valencia

6. Kutxabank Investment, S.V., S.A.U. (“Kutxabank Investment”)

Tax Identification Number: A-4840392

Registered office: Plaza de Euskadi, 5, 26th floor, 48001 Bilbao (Bizkaia)

7. BRED Banque Populaire, S.A. (“BRED”)

- Tax Identification Number: FR09552091795
- Registered office: 18, Quai de la Rapee Paris, 75012 France

8. PKF Attest Capital Markets, A.V., S.A. (“PKF”)

Tax Identification Number: A-86953965

Registered office: calle Orense 81, 7th floor, 28020 Madrid

9. Andbank España Banca Privada, S.A.U.

Tax Identification Number: A-58891672

Registered office: Paseo de la Castellana, 55, Planta 3ª, 28046 Madrid

A collaboration agreement for the placement (*contrato de colaboración en la colocación*) has been entered into by the Issuer and each of the Dealers for the Programme, including the possibility to sell the Commercial Paper Notes to third parties.

The Issuer reserves the right to appoint new Dealers under the Programme. In the case that a new Dealer is appointed by the Issuer, it will be promptly communicated to MARF through the publication of a regulatory announcement (*Anuncio de Otra Información Relevante or OIR*).

Banca March will also act as paying agent (the “**Paying Agent**”). By acting under the paying agency agreement executed with the Issuer and in connection with the Commercial Paper Notes, the Paying Agent will act solely as agent of the Issuer and will not assume any obligations towards or relationship of agency or trust for or with any of the holders of the Commercial Paper Notes. Notice of any change of the entity acting as Paying Agent will be promptly communicated to MARF by means of a regulatory announcement (*Anuncio de Otra Información Relevante or OIR*).

Although Iberclear will be the entity in charge of the book-keeping (*registro contable*) of the accounting records corresponding to the Commercial Paper Notes, the investors must note that the Issuer has not designated any depository entity for the Commercial Paper Notes. Each subscriber or acquirer of the Commercial Paper Notes must appoint, among Iberclear’s participating entities, the entity that will act as depository of the Commercial Paper Notes held by such investor.

Any holder of the Commercial Paper Notes who does not have, directly or indirectly through its custodians, a participating account with Iberclear may participate in the Commercial Paper Notes through bridge accounts maintained by each of Euroclear Bank, SA/NV or Clearstream Banking, Société Anonyme, Luxembourg, as appropriate.



8.12. Redemption price and provision regarding maturity of the securities. Date and methods of redemption

The Commercial Paper Notes issued under a particular issuance made under the Programme will be redeemed at their face value on the maturity date indicated in the terms and conditions of each issuance, withholding the relevant amount according to tax regulations if such withholding is applicable.

The Commercial Paper issued under the Programme may have a redemption period of between three (3) Business Days and seven hundred and thirty (730) calendar days (twenty-four (24) months).

“Business Day” means: a day on which the T2 (real time gross settlement system) operated by Eurosystem or any successor thereto is operating, except from those days that, in spite of being business days according to T2, are holidays in the city of Madrid.

Considering that the Commercial Paper Notes will be traded on MARF, their redemption will take place pursuant to the operating rules of the clearance system of MARF, so that, on maturity date, the nominal amount of the relevant Notes is paid to their legitimate holder. The Paying Agent does not take any liability whatsoever regarding any investor’s expected reimbursement from the Issuer on the maturity date of the relevant Commercial Paper Notes held by each investor.

8.13. Valid term to claim the reimbursement of the principal

In accordance with article 1,964.2 of the Spanish Civil Code, actions to request the reimbursement of the face value of the Commercial Paper Notes may be exercised by each relevant investor during five (5) years from the date on which the Commercial Paper Notes held by such investor become due.

8.14. Minimum and maximum issue period

As previously stated, during the validity term of this Information Memorandum the Commercial Paper issued may have a redemption period of between three (3) Business Days and seven hundred and thirty (730) calendar days (that is, twenty four (24) months).

8.15. Early Redemption

Any Commercial Paper Notes issued under the Programme will not include an early redemption option for the Issuer (call) or for the holder of the Commercial Paper Notes (put). Notwithstanding the foregoing, the Issuer may redeem the Commercial Paper Notes that the Issuer can hold or possess for any legitimate title prior to the relevant maturity date.

8.16. Restrictions on the free transferability of the securities

In accordance with current legislation, there are no specific or generic restriction on the free transferability of the Commercial Paper Notes that will be issued under the Programme.



9. TAXATION OF THE SECURITIES

Pursuant to applicable law, the Commercial Paper qualifies as a financial asset bearing an implicit yield for tax purposes. The income arising therefrom is classified for tax purposes as capital gains due to the assignment of own capital to third parties and is subject to personal income tax (“PIT”), Corporate Income Tax (“CIT”) and Non-Resident Income Tax (“NRIT”) and the corresponding system of withholdings on account, under the terms and conditions established in their respective regulating laws and other implementing regulations.

Investors interested in acquiring the Commercial Paper to be issued are recommended to consult their lawyers or tax advisors, who will be able to provide them with personalized advice based on their particular circumstances as the tax treatment may vary depending on the residency and nature of the investor.

10. INFORMATION RELATING TO THE ADMISSION OF THE COMMERCIAL PAPER

10.1. Publication

This Information Memorandum will be published on the MARF’s website:

<https://www.bolsasymercados.es/bme-exchange/es/Mercados-y-Cotizaciones/Renta-Fija/Admision-a-Cotizar/MARF-Incorporacion-de-Pagares>

10.2. Description of the placement system and, if applicable, subscription of each issue

10.2.1. Placement by the Dealers

The Dealers may act as intermediaries in the placement of the Commercial Paper, without prejudice to each Dealer being able to subscribe the Commercial Paper in its own name.

For these purposes, the Dealers may request the Issuer in any Business Day, between 10:00 a.m. CET and 2:00 p.m. CET, volume quotations and nominal interest rates for potential issues of the Commercial Paper Notes in order to carry out the relevant book building process among qualified investors (including eligible counterparties and professional clients). In addition, the Issuer may request to the Dealer in any Business Day, between 10:00 a.m. and 2:00 p.m. CET, proposals of volume quotations and interest rates for any potential issuances of the Commercial Paper Notes.

The amount, nominal interest rate, issue date, disbursement date, maturity date, as well as the rest of the terms of each issuance of Notes will be agreed between the Issuer and the Dealer or Dealers involved in each specific issuance of Notes. Such terms will be confirmed by means of the delivery of a document which includes the conditions of the issue, to be sent by the Issuer to the relevant Dealers and Paying Agent.

If the Commercial Paper are originally subscribed by the Dealer or Dealers for its subsequent transfer to the final investors, the price will be the one freely agreed by the interested parties, which may not be the same as the issue price (that is, the effective amount).

The interest to which each Dealer transfers the relevant Notes to final investors will be the same as those agreed by the Dealer and the Issuer, and there can be no difference between the listing price of the Commercial Paper, that is, the interest rate that the Issuer is willing to satisfy and has notified to the Dealers, and the interest rate to which the Managers place such Notes to the investors.

10.2.2. Issue and subscription of the Commercial Paper directly by investors

Additionally, it is also possible that final investors having the status of qualified investors, eligible counterparties and/or professional clients subscribe the Commercial Paper Notes directly from the Issuer,



provided that any such investor complies with all current legal requirements.

In such cases, the amount, interest rate, issue date, disbursement date, maturity date, as well as the rest of the terms of each will be agreed between the Issuer and the relevant final investors in relation to each particular issuance of Notes.

10.3. Admission to trading (*incorporación*) of the securities

10.3.1. Deadline for the admission (*incorporación*) to trading

The admission (*incorporación*) to trading of the securities described in the present Programme will be requested for the multilateral trading facility known as the Alternative Fixed-Income Market (MARF). The Issuer hereby undertakes to carry out all the necessary actions so that the Commercial Paper is listed on MARF within seven (7) days from the date of issuance of the securities. For these purposes, as stated above, the date of issuance coincides with the date of disbursement. Under no circumstances will the deadline exceed the maturity of the Commercial Paper. In the event of breach of the aforementioned deadline, the reasons for the delay will be notified to MARF and will be published on the website of MARF (<https://www.bolsasymercados.es>). This is without prejudice to any possible contractual liability that may be incurred by the Issuer. The date of incorporation of the Commercial Paper must be, in any event, a date falling within the validity period of the Programme and under no circumstances will the listing period exceed the maturity date of the Commercial Paper.

10.3.2. Publication of the admission (*incorporación*) to trading of the Commercial Paper issued

The admission (*incorporación*) to trading will be published on the website of MARF (<http://www.bolsasymercados.es>).

10.4. Miscellaneous

The Information Memorandum is the one required by Circular 1/2025.

MARF has the legal structure of a multilateral trading facility (MTF) (*Sistema multilateral de negociación (SMN)*), under the terms set out in article 68 of Law 6/2023, of 17 March, Law of the Capital Markets and Investment Services (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*), constituting an unofficial alternative market for the trading of fixed income securities.

Neither MARF, the National Securities Market Commission (*Comisión Nacional del Mercado de Valores or CNMV*) nor the Registered Advisor, the Paying Agent or any legal advisor have approved or made any verification or test in relation to the contents of the Information Memorandum, the financial statements of the Issuer required under Circular 1/2025. The Registered Advisor has verified that the content of the Information

Memorandum is compliant with the information requirements established by MARF, and has reviewed that the information disclosed by the Issuer does not omit any relevant data or may mislead potential investors, as required under Circular 1/2025.

It is recommended that the investor fully and carefully reads the Information Memorandum presented prior to any investment decision.

The Issuer expressly declares that it is aware and knows the requirements and conditions necessary for admission and exclusion of securities in MARF, under current legislation and the requirements of its governing bodies and expressly agrees to comply therewith.



The Issuer expressly declares that it has met the requirements for registration and settlement of transaction in Iberclear. Operations settlement will be made through Iberclear.

As the person responsible for the Information Memorandum
In Pozuelo de Alarcón (Madrid), November 19, 2025.

As the person responsible for this Information Memorandum:

Mr. Meinrad Spenger

acting as executive director (*consejero delegado*)

MASORANGE, S.L.



ISSUER

MasOrange, S.L.

Paseo del Club Deportivo 1 - Parque Empresarial La Finca, Edificio 8, Pozuelo de Alarcón (Madrid)

DEALERS

Banca March, S.A.

Av. Alejandro Rosselló, 8, 07002 Palma de Mallorca

Banco Bilbao Vizcaya Argentaria, S.A.

Plaza San Nicolás 4, 48005 Bilbao

Banco de Sabadell, S.A.

Plaça de Sant Roc, núm. 20, 08201, Sabadell (Barcelona)

Banco Santander, S.A.

Paseo de Pereda, 9-12, 39004 Santander

CaixaBank, S.A.

Calle Pintor Sorolla, 2-4 46002 Valencia

Kutxabank Investment, S.V., S.A.U.

Plaza de Euskadi, 5, 26th floor, 48001 Bilbao (Bizkaia)

BRED Banque Populaire, S.A.

8, Quai de la Rapee Paris, 75012 France

PKF Attest Capital Markets, A.V., S.A.

Calle Orense 81, 7th floor, 28020 Madrid

Andbank España Banca Privada, S.A.U.

Paseo de la Castellana, 55, Planta 3ª, 28046 Madrid

PAYING AGENT

Banca March, S.A.

Av. Alejandro Rosselló, 8, 07002 Palma de Mallorca

LEGAL ADVISOR

Evergreen Legal, S.L.P.

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REGISTERED ADVISOR

Banca March, S.A.

Av. Alejandro Rosselló, 8, 07002 Palma de Mallorca



SCHEDULE 1

ADDITIONAL INFORMATION OF THE MASORANGE GROUP AND ITS BUSINESSES

1. ABOUT MASORANGE

1.1. The Issuer

The MasOrange Group was created in March 2024 with the combination between Orange Spain and the former Masmovil Group (i.e. Masmovil Ibercom and its subsidiaries to such date). This joint venture gave rise to the new telecommunications leader in Spain by customer base, with over 38.9 million broadband and mobile lines at the end of 2024. It was a landmark moment for our country and ushered in a new era for the domestic and European telecommunications (telco) sector.

The MasOrange Group currently has nine main national brands (Orange, Yoigo, Jazztel, Masmovil, Simyo, Pepephone, Lebara, Lyca and Llamaya) and five regional brands (Euskaltel, R, Telecable, Guuk and Embou). Through these, the Issuer designs value propositions that cater fully to the communication needs of people, institutions and businesses across the entire country. MasOrange also provides ancillary services that enhance our private and business customers' experience, such as TV, insurance, energy, alarm systems, consumer, finance, health care, cybersecurity, and cloud services.

Since the creation of MasOrange, the Company as well as all its professionals, have a road map with very specific objectives: to be the operator with the most satisfied customers, to consolidate our position as a driving force of talent, and to lead the purpose economy in Spain, while respecting people and the planet.

MasOrange specializes in: (i) providing telecommunication services (fixed telephony, mobile telephony, broadband internet, and television) to both residential (individual and household) and business end users; (ii) providing interconnection and roaming services to other operators; and (iii) providing trading services for wholesale customers and other services related to the Group's corporate purpose.

First and foremost, MasOrange is developing an ambitious industrial plan for telecommunications to multiply the value of the Spanish economy, while demonstrating that ours is a long-term commitment to innovation and investment to help make Spain the leader in digitalization and use of new technologies.

MasOrange supports the digitalization of the self-employed, SMEs and entrepreneurs, offering digital services tailored to their needs. MasOrange also promotes the responsible use of technology, especially among young people, with initiatives such as TúYo (You and I) to protect children in the use of their first mobile phone. The Company also gears efforts toward bridging the digital divide and encouraging the digital inclusion of older and vulnerable people through programs such as Mayores Conectados (Seniors Connected) and Generation D. MasOrange partners with several associations and foundations to drive the digital transformation, promote innovation, and enhance the competitiveness—and fair and inclusive development—of society. MasOrange also takes part in sustainability and mobility projects, such as Creta, for smart traffic management and emissions reduction, and 5G CityBrain, for real-time urban traffic management. At the same time, MasOrange supports entrepreneurship and social outreach through awards and acceleration programs for startups with a positive impact on rural Spain. The Issuer also promotes social initiatives through our *Pienso, Luego Actúo* (I think, Therefore I act) project.

Finally, we are firmly committed to respecting the environment and caring for our planet. In this respect, the MasOrange Group has been working for several years to develop secure and sustainable digital infrastructures, while transitioning their business toward more efficient and environmentally responsible business models. MasOrange has kept up these efforts. The Issuer plans are to speed up the Net-Zero Carbon target by 2040 and



gradually reduces the carbon footprint throughout the value chain. MasOrange remains committed to the use of energy from renewable sources and the energy efficiency of our networks. We are committed to the circular economy, refurbishing all equipment delivered to customers, to the OSCAR initiative—a project focused on reusing dismantled materials in new deployments and network maintenance tasks— and to reducing the amount of plastic in SIM cards and their packaging.

In 2024, MasOrange also launched a project to extend the B Corp certification to the entire Group, reinforcing its leadership in ESG and its commitment to the global movement of companies that is transforming the economy for the benefit of all people, communities, and the planet. These companies embody the world's most advanced, sustainable and regenerative business model. Unlike companies that only pursue economic goals, B Corps meet high standards of verified social and environmental performance, public transparency, and legal accountability. They are legally required to consider the impact of their decisions on employees, customers, suppliers, etc.

1.2. History of the Issuer

MasOrange is now officially Spain's leading mobile telecommunications operator, surpassing Telefónica, which had held this position since the telecommunications market's liberalization. Our position was certified by the Spanish competition watchdog (*Comisión Nacional de los Mercados y la Competencia* or CNMC) in its annual list of the main operators in these markets released in December 2024.

The improvement was the result of the businesses combination between Orange Spain and the former Masmovil Group which created MasOrange, with effects as of April 1, 2024, as the leader of the Spanish mobile telephony market by number of lines.

The MasOrange Group ended December 2024 with 38.9 million customers, of which approximately 25.8 million were mobile and 7.1 million were fixed broadband customers, and 6 million were M2M lines.

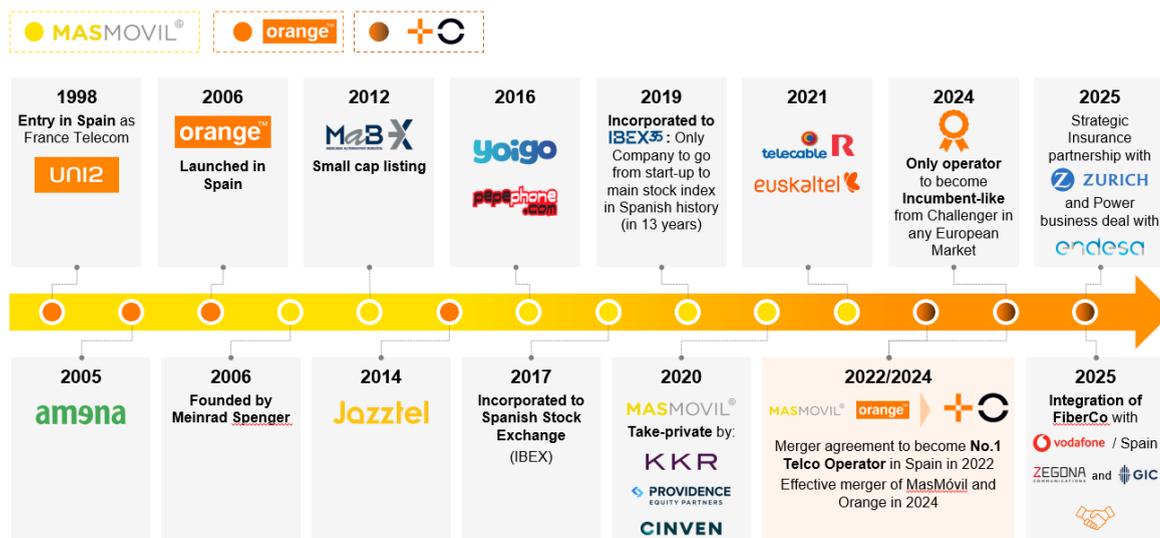
The MasOrange Group has its own infrastructure and agreements with other operators that provide it with a fixed fiber network that reaches more than 31 million households and Asymmetric Digital Subscriber Lines (ADSL), as well as 3G, 4G, and 5G mobile services.

The Group continues to work to anticipate its customers' needs and demands, constantly enhancing its services. We are one of the operators with the best coverage in Spain, with our 4G network reaching 99.2% of the population. The 5G network now reaches 88% of the Spanish population.

The following slides provide a comprehensive overview of MasOrange's evolution and strategic positioning. The first highlights our remarkable journey — from a small-cap challenger to Spain's leading telecommunications operator — underscoring our consistent growth, innovation, and market leadership. The second outlines the key investment highlights that define MasOrange today: a fully converged, infrastructure-rich operator with strong financial performance, an experienced management team, and significant opportunities for future value creation.



+O: Our History – From a small cap challenger to the No.1 telco operator in Spain



+O: Key Investment Highlights



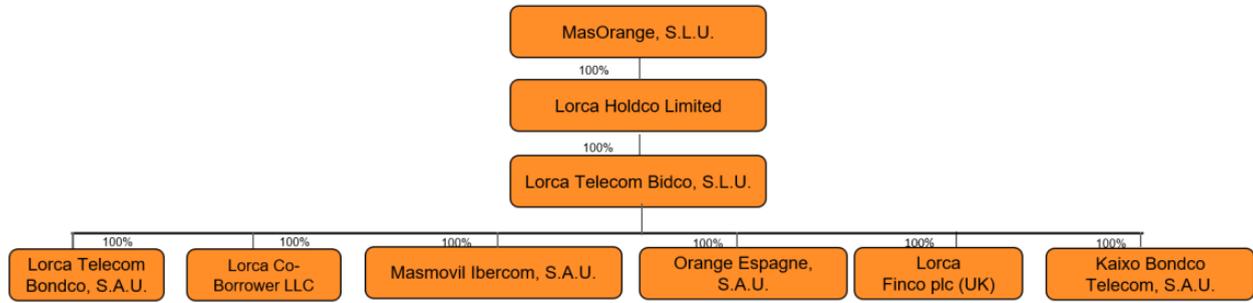
Client centric organization with an attractive and differentiated business model

- 1 Single-country focus on the attractive, technologically advanced and growing Spanish market
+O Further consolidation expected, favoured by perceived mindset change in Europe on necessity of European Champions
- 2 Fully converged operator with market leadership positions in mobile and fixed broadband
- 3 Infra-rich company with well-invested, state-of-the-art nationwide fixed and mobile networks
- 4 Multi-brand and omnichannel approach, first retailer in all segments with best-in-class customer NPS
+O Focus on enhancing customer experience leveraging on strong IT systems and AI platform development
- 5 Solid revenue growth, profitability and cash flow¹ profile with further tailwind from merger synergies
- 6 Multiple untapped growth and value levers, especially in B2B, tech and adjacent services as well as new business lines, with a very good track record of excellent partnerships
- 7 Highly experienced management team with a strong execution track record

¹ Defined as Adj. EBITDA-Net Capex

1.3. Organization and structure

The Issuer engages primarily in the provision of telecommunications services. It is the parent in Spain of the MasOrange Group, which arose from the 2024 merger between Orange Spain and the former Masmovil Group (i.e., Masmovil Ibercom and its subsidiaries), two leading telecommunications operators in Spain.



MasOrange is the largest telecommunications operator in Spain by number of customers, with more than 38 million broadband and mobile lines. In addition to telecommunications, it offers residential and business customers TV, insurance, energy, alarm systems, consumer finance, e-health, cybersecurity, and cloud services.

The MasOrange Group has nine national brands (Orange, Yoigo, Jazztel, Masmovil, Simyo, Pepephone, Lebara, Lyca and Llamaya) and five regional brands (Euskaltel, R, Telecable, Guuk and Embou) through which it is capable of meeting all the needs of its customers in Spain.

We reach over 31 million marketable households with our fiber optic offering, while the 4G network covers 99.20% of the Spanish population. Our new 5G technology covers 8.40% of the population and over 3,700 municipalities in Spain.

The MasOrange Group aims to be the operator with the most satisfied customers, consolidate our position as a driving force of talent, and lead the purpose economy in Spain, while respecting people and the planet. We work to make technology accessible for all (focusing particularly on the so-called España vaciada (the so-called 'Empty Spain')) and develop products and services to enhance the experience for all our customers.

1.4. Economic backdrop and strategy

In 2024, the economic landscape in Spain was marked by lower inflation, averaging 3% by year-end, alongside a monetary policy shaped by ECB interest rate cuts to below 3%. Domestic GDP growth exceeded 2%.

Meanwhile, war in Ukraine and the Middle East triggered a slowdown in private investment. Globally, the technology sector featured moderate growth of around 10% year-on-year in areas such as artificial intelligence (AI), Big Data and green technologies.

In the Spanish telecommunications (telco) sector, the completion of the joint venture established the Group as the market leader by customer base. Excluding the impacts of the merger, the market remained broadly flat, with increasing competitive pressures in the residential segment. In the wholesale market, revenue-generation continues to serve as the industry's cornerstone and the key battleground for the three largest operators in the country.

Against this backdrop, the MasOrange Group's strategy in 2024 was centered on securing its position as leader of the Spanish telecommunications (telco) sector. The merger is expected to give rise to considerable synergies, of up to €500 million through savings and streamlining. The commitment to the industry's digital development and growth is underscored by the €800 million of investment made during the year. The majority of the investment was allocated to deploying advanced XGSPON-based broadband connections, offering speeds of up to 10Gbps, and developing services around 5G-SA networks to achieve lower latency and deliver faster speeds.

With over 7.1 million broadband lines and 25.8 million mobile lines, we are committed to delivering best-in-class service and sustaining our growth trajectory. Currently, we have more than 142,000 FTTH lines and 208,000 mobile contract lines.



Meanwhile, thanks to our commitment to offer competitive 4P bundles so that our customers can enjoy the best content, we renewed our agreements with Movistar and DAZN to include European football.

We have broadened our portfolio for businesses by including new services, such as cybersecurity and AI, focusing on structural growth.

1.5. Key figures for the Group in 2024

Environment	0 net CO ₂ emissions (Scopes 1 and 2)
	100% electricity consumption directly from renewable sources
	41.17% refurbished equipment installed for new customers
Society	Approximately 7.76 million real estate units deployed in municipalities with a population under 20,000
	€46 million income tax contribution and €3.295 million social contribution
Team	7,944 employees at year-end 2024
	98.69% of the workforce with permanent contracts at year-end 2024
	140,180 hours of training
	47.6% women on the workforce
Customers	38.9 million customers (25.8 million mobile and 7.1 million fixed broadband, and 6 million M2M lines)
	Fixed fiber optic network with access to over 31 million households and businesses through own or third-party infrastructure
	> 99% of the population covered by the 4G network
	Over 88% of the population in nearly 3,700 municipalities with 5G coverage
Corporate governance	Corporate-wide cybersecurity and compliance awareness programs for all Group employees
	Board-approved unified corporate policies
	CEO appointed by the Board as Chief ESG Officer
	0 confirmed incidents of corruption

1.6. Key milestones and recognitions in 2024

- The European Commission green lights the joint venture between Orange Spain and the former Masmovil Group, paving the way for a single, stronger operator in Spain.
- Orange Spain and the former Masmovil Group completed the transaction to form the leading operator in Spain in terms of customers.
- In March 2024, MasOrange, the new telecommunications leader in Spain, is born.
- MasOrange to invest over €100 million in Aragón over the next three years.
- MasOrange successfully completes the placement and syndication of its entire €6.6 billion joint venture debt package, enhancing its financial terms.
- MasOrange earmarks over €130 million for investment in Barcelona over the next three years, aiming to drive local economic and the social growth of individuals and businesses.
- MasOrange reduces its CO₂eq emissions by 24,000 tons in five years.



- MasOrange and R will provide 5G coverage to all households in rural Galicia within in the next two years.
- MasOrange's 5G network now reaches nine out of every 10 beaches in Spain.
- MasOrange's 5G network will reach nearly 100% of Spanish municipalities with populations of over 10,000 in 2024.
- Telecable and MasOrange will invest nearly €100 million over the next three years to driven economic and social growth in Asturias.
- MasOrange and Vodafone Spain agree the terms to create a national fiber network company (*NetCo*).
- Nearly 10,000 people over 65 now have digital skills thanks to MasOrange's *Mayores Conectados* program.
- Orange's new '5G at Home' service delivers the best connectivity for households, with no installation required and charges based solely on usage time.

1.7. Recent and future developments; particularly, the completion of the businesses combination of the former Masmovil Group with Orange Spain and the agreement with Vodafone for a FiberCo

The MasOrange Group plans to maintain its favourable evolution of recent years, supported by an organization consolidated, an efficient combination of own and third- party fixed and mobile network assets and a multi-brand and multi-product commercial strategy focused on increasing the level of satisfaction of the customers of the Issuer and its subsidiaries.

1.7.1. Completion and financial close of the businesses combination of the Masmovil Group with Orange Spain

On July 23, 2022, Lorca JVCo as parent company at that time of the Masmovil Group and Orange S.A. (“**Orange**”) announced an agreement to combine their operations and businesses in Spain (carving-out Orange’s subsidiary TOTEM Towerco Spain and the Portuguese companies Cabonitel and its subsidiaries, which shareholding was transferred from the Issuer to Lorca JVCo in September 2022).

The combination of the activities takes the form of a 50-50 joint venture co-controlled by both parties and with equal governance rights (the “**Joint Venture**”, currently named MasOrange). The agreement between the parties includes a right to trigger an initial public offering (IPO) under certain conditions for both parties after a defined period and, in such a scenario, an option for Orange to take control of the Joint Venture at the IPO price.

The transaction is based on an enterprise value of €18.6 billion, of which €7.8 billion corresponds to Orange Spain and €10.9 billion corresponds to Masmovil Ibercom and other Spanish subsidiaries of the former Masmovil Group.

MasOrange and its subsidiaries will provide services to more than 7 million fixed broadband customers and more than 25 million mobile customers and will create a sustainable player with the financial capacity and scale to continue investing to foster the future of infrastructure competition in Spain for the benefit of consumers and businesses. MasOrange, which will bring together complementary businesses, is expected to lead to significant efficiency gains by approximately Euro 500 million to be achieved in 4 years, allowing the Joint Venture to accelerate investments in FTTH and 5G. The corporate group resulting from this combination (i.e., the “**MasOrange Group**”) will lead the mobile, FTTH and convergent lines in the Spanish market.



On December 9, 2023, Lorca JVCo and Orange submitted to the European Commission their proposal for the combination of their operations in the terms mentioned before. The proposal contemplates certain conditions required by the aforementioned body to guarantee competition in the telecommunications in Spain, consisting of transferring certain assets to a third party, specifically certain rights to use the public radio spectrum, as well as the possibility for another operator in the sector of a wholesale contract in Spain. The directors of Lorca JVCo as parent company at that time of the Masmovil Group considered that compliance with these conditions will impact positively the financial projections prepared to evaluate the Masmovil Group's long-term financial capacity.

After reaching a final long-form agreement in December 2023 with Digi related to the remedies imposed by the European Commission on their proposed combination of businesses in the Joint Venture, on February 20, 2024, the General Directorate for competition of the European Commission competition Directorate issued its favourable opinion (“**clearance**”), approving the integration of the operations of both groups in Spain, subject to the formalization of the closing of the transaction (meaning its completion), in accordance with the provisions of the framework agreement signed between both parties on July 22, 2022.

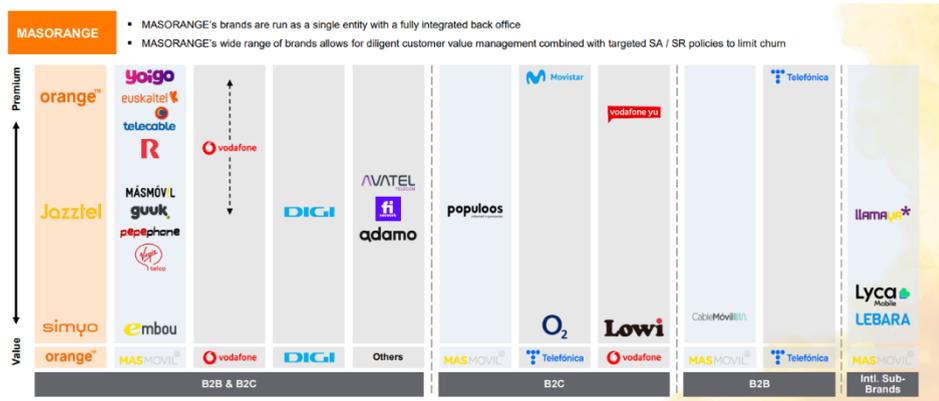
The execution of all relevant agreements for the “completion” successfully took place on March 26, 2024 (the “**Closing of the Joint Venture Transaction**”), valued at c.€18.6 billion, with the following main features and estimates:

- The Joint Venture has a strong strategic rationale which represents a value accretive deal for the shareholders of the former corporate groups;
- The Joint Venture is a combination of two growing businesses with an increase year over year (YoY) of 7.5% in Adjusted EBITDA, net capex reduction by 9.4% YoY (approx. 14.3% of revenues as at the third quarter of 2024) and a positive free cash flow generation and of €287 million;
- The merger created the first player in Spain for both mobile and fixed broadband (42% and 41% market share, respectively), in terms of number of subscribers, with a strong and diversified brand portfolio, covering the entire addressable market of Spanish telecommunications;
- Well-invested platform enabling a deep coverage across all Spain (c.99% 4G, c.86%+ 5G and full FttH coverage), with relatively low combined Capex requirement (~16% of revenue proforma for financial year 2023);
- Potential to achieve €492m synergies (c.70% in Opex and c.30% in Capex) by the fourth year from the Closing of the Joint Venture Transaction with more than 2/3rd being mechanical and/or contractual synergies;
- In 2023, Orange Spain and the former Masmovil Group generated pro forma revenues and run-rate EBITDA of c.€7.4 billion and c.€3.0 billion (c.41% margin);
- The foregoing presents an enhancement in operational performance with Reported EBITDA at c.€2.6 billion compared to c.€2.5bn at July 2022 following the announcement of the Joint Venture Transaction and higher expected run-rate synergy realisation of €492 million compared to c.€450 million originally estimated;
- The Joint Venture is co-controlled by Orange and the Issuer’s shareholders (namely, Cinven, KKR, Providence and other Spanish shareholders including senior management) with equal governance rights;
- Complementary value proposition from premium B2C and B2B segments to ‘ethnic’ and value-for-



money brands

- The Joint Venture is a fully integrated provider offering a unique set of brands addressing all the key segments of the market from premium to 'ethnic' and value-for-money brands:



- Strategic rationale for the Joint Venture:
 - The Joint Venture combines Masmovil Group's startup culture, its sponsors' strategic vision and ability to control costs & Orange's industrial support and prudent financial policy;
 - It creates a fully integrated telecom operator with scale and fully invested fixed and mobile infrastructures, able to better compete in the Spanish market;
 - It implies the best possible fit for each other given existing cooperation between Orange Spain and the Masmovil Group and complementary industrial growth profiles;
 - Significant cost synergies of €492 million on a run rate basis, of which c.64% come from mechanical and contractual synergies, as mentioned above;
 - Thanks to years of close collaboration on networks, Orange Spain and the Masmovil Group are used to working with each other at all levels, which will facilitate the integration going forward and reduce execution risks;
 - In depth integration planning further enabled by a lengthy regulatory process allowing hitting the ground running from the very first day following the Closing of the Joint Venture transaction;
 - High level of infrastructure integration thanks to existing wholesale agreements on both fixed and mobile will enable seamless customer migration and faster network cost optimization for the Joint Venture;
 - All the foregoing combined with clear financial policy and support from prominent shareholders, including:
 - long-term industrial view and disciplined financial policy, with the opportunity to gain control of the asset in the mid-term
 - prudent financial policy agreed in order to enable an IPO as soon as possible with the objective of de-leveraging below 3.5x supported by a contractual limitation on dividend distribution and synergies implementation coupled with fixed and mobile investments with stringent return requirements and no M&A envisaged;



- strategic vision, ability to control costs and Masmovil Group's start-up culture;
- governance structure and board composition equally balanced between the Joint Venture's partners in proportion to their stakes, with a complete alignment of the shareholders on the financial policy given the shareholders' agreement defines (i) an initial public offering (IPO) window that matches well the investment cycle of the Masmovil Group's sponsors (i.e., Providence, KKR and Cinven), and (ii) Orange's consolidation right at the time of such IPO.

The MasOrange Group expects to continue with the upward trend achieved in recent years, supported by a consolidated organisation and a multi-brand and multi-product commercial strategy focused on increasing the level of customer satisfaction.

This investment-oriented project will allow the acceleration of the necessary investments at the national level in the network (fibre optics and 5G), which will benefit the consumers with a greater acceleration in the availability of these new technologies and in the level of customer satisfaction with the services of the new MasOrange Group, including the Issuer and its subsidiaries.

The Joint Venture transaction was supported by a €6.6 billion non-recourse debt package that will finance, among other things, a €5.85 billion payment up-streamed to the Orange Group and to Masmovil Ibercom's shareholders. This distribution to the shareholders was asymmetric as it also embedded an equalization payment in favour of Orange to reflect the different levels of indebtedness of the two standalone businesses. This debt package is mainly comprised of bank debt, provided by a large pool of banks. The Masmovil Group's existing senior debt (TLBs, RCFs, SSN and SUN) remained in place. Post-closing, the financial policy agreed between Orange and Lorca JVCo includes a leverage target of 3.5x net debt/EBITDA ratio to facilitate an IPO of the joint venture in the medium term.

1.7.2. Current shareholding structure resulting from the Joint Venture transaction

Following the acquisition of the shares in Masmovil Ibercom in September 2020 by Lorca Telecom Bidco, S.A.U. (currently, Lorca Telecom Bidco, S.L.U.) by certain investment vehicles managed or advised by Providence, KKR and Cinven (jointly, the "**Lorca Sponsors**") held indirectly approximately 86.08% of Lorca JVCo, with the remaining 13.92% held by Key Wolf, S.L., Onchena, S.L. and Inveready Innovation Consulting, S.L. and certain other entities held by certain managers of the former Masmovil Group.

Lorca Holdco Limited (currently, MasOrange Holdco Limited), which was the holding company of the Masmovil Group prior to the Joint Venture transaction, is a private limited company organized under the laws of England and Wales on March 4, 2020.

Prior to Closing of the Joint Venture Transaction, Lorca JVCo holds the entire share capital of Lorca Holdco Limited (currently, MasOrange Holdco Limited).

Lorca Telecom Bidco, S.L. (Unipersonal) which is the current sole shareholder of the Issuer, was incorporated under the laws of Spain on February 4, 2020 as a public limited liability company (*sociedad anónima unipersonal*), but changed its corporate status to that of a private limited liability company (*sociedad limitada unipersonal*) pursuant to the public deed of transformation (*transformación*) granted on July 28, 2023 and validly registered with the Commercial Registry of Madrid on August 18, 2023.

As regards the Lorca Sponsors:

- Cinven is a leading international private equity firm focused on building world-class global companies leveraging its European focus and expertise. Cinven uses a matrix of sector and local country expertise to target companies where it can strategically drive revenue growth and operational improvement,

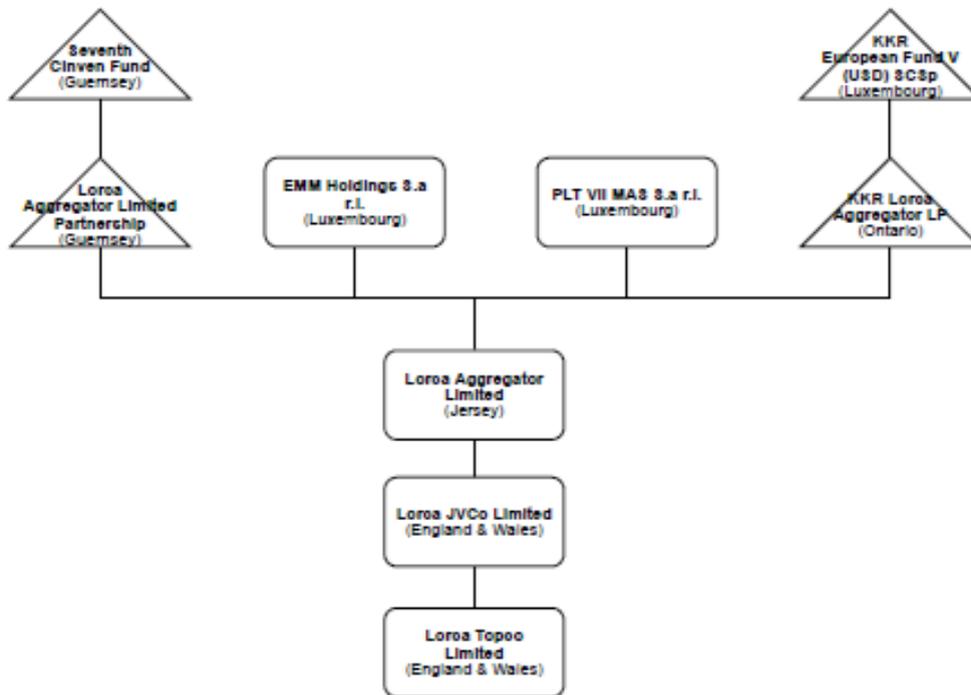


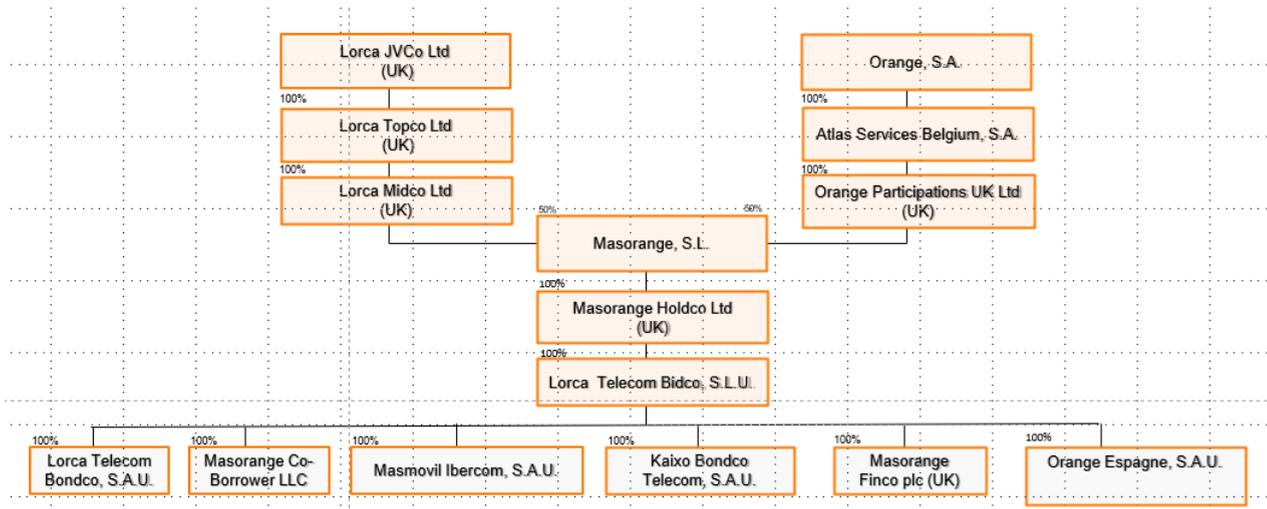
both in Europe and globally, and which typically require an equity investment of €200 million or more. Since 1988, the Cinven Funds have invested in more than 140 companies and led transactions with an aggregate Enterprise Value of more than €145 billion across six key sectors: Business Services, Consumer, Financial Services, Healthcare, Industrials and Technology, Media and Telecommunications (TMT). Cinven has offices in London, New York, Frankfurt, Madrid, Paris, Milan, Guernsey and Luxembourg.

- Founded in 1976 and led by Henry Kravis and George Roberts, KKR is a leading global investment firm with \$429 billion in assets under management as of June 2021. KKR benefits from a truly global presence, with 21 offices across 4 continents. KKR has a successful track record of long-term capital investment in the European telecommunications sector, through both its private equity and infrastructure funds. These investments include United Group in Central and Eastern Europe, TDC in Denmark, Versatel and Deutsche Glasfaser in Germany, Telxius in Spain, Hyperoptic in the UK and Hivory (formerly Altice's French tower unit) in France.
- Providence Equity Partners L.L.C. is a premier global private equity firm with approximately \$45 billion in aggregate capital commitments as of June 2021. Providence pioneered a sector-focused approach to private equity investing with the vision that a dedicated team of industry experts could build exceptional companies of enduring value. Since the firm's inception in 1989, Providence has invested in over 170 companies and is a leading equity investment firm focused on the media, communications, education, software and services industries. Providence is headquartered in Providence, RI, and also has offices in New York and London. Providence has a history of investing in the telecommunications space in Europe, having completed over 10 transactions and invested close to \$4 billion since 2000 in deals such as Kabel Deutschland, TDC and Eircom. Providence has also been an active investor in Spain, having made the following acquisitions or investments since 2010: Masmovil Ibercom (initial investment made in 2016), the education company Globeducate (2017) and the cable operator Ono (sold to Vodafone in 2014). Over the course of Providence's investment, Masmovil Ibercom experienced strong operative and financial growth and has become the fourth largest telecoms operator in Spain through its combination with Yoigo and Pepephone in 2016, it has continued to invest in its own fixed and mobile network and has completed a number of acquisitions with potential for value creation in Spain and abroad.

Upon Closing of the Joint Venture Transaction, the shareholding over Orange Espagne was contributed to MasOrange following the completion of certain corporate transactions, causing that Orange through its wholly-owned subsidiaries Atlas Services Belgium, S.A. and Orange Participations UK Limited (see corporate structure chart below) became owner of a 50% shareholding in MasOrange while Lorca JVCo through its wholly-owned subsidiaries Lorca Topco Limited and Lorca Midco (see corporate structure chart below) Limited owns the remaining 50% of this Joint Venture

The shareholding structure of the Issuer as of the publication date of this Information Memorandum is shown in the charts below:





1.7.3. Signing of a non-binding agreement for the creation of a network sharing scheme or “FiberCo” with Vodafone España and certain third-party infrastructure investors

On July 24, 2024, MasOrange and Vodafone ONO, S.A.U. (“Vodafone”, and together with MasOrange, the “Strategic Partners”) announced the signing of a confidential and non-binding letter of intent setting out the key terms of a nationwide network sharing agreement. The Strategic Partners agreed to establish a private joint venture company in Spain (“NetCo”) to own and manage a business of certain fibre-to-the-home (FTTH) and related fixed broadband assets within a defined footprint in Spain (the “NetCo Footprint”). Each Strategic Partner will enter into a long-term master services agreement (“MSA”) with NetCo for the use of the network within the NetCo Footprint. In parallel, the Strategic Partners have arranged a non-recourse debt financing (the “Surf Financing”) to be made available to NetCo and its subsidiaries, and a long-term financial investor will acquire 24.48% of NetCo’s preferred share capital (the “Netco Sale Shares”) (together, the “Surf Transaction”).

The potential network sharing agreement will involve the creation by MasOrange and Vodafone of a shared fibre network business under a special purpose vehicle or “FiberCo” covering approximately 12.0 million premises in Spain, with approx. 4.5 million customers on the FiberCo’s footprint, and will provide access to fibre services to MasOrange and Vodafone in this territory as they would become long-term anchor tenants of this FiberCo. The parties will bring in GIC as investor in the share capital of such FiberCo (the “Investor”).

The cash that such FiberCo would obtain from such third-party investors would be upstream to the MasOrange Group, accelerating the deleverage plan, including the indebtedness of the Issuer and its subsidiaries.

Prior to the Surf Transaction, MasOrange implemented an internal corporate restructuring to integrate the businesses of the former MasMovil Group and Orange’s Spanish operations. The restructuring included the segregation of the FTTH business of Orange Espagne Comunicaciones Fijas, S.L.U. (“OSFI”) and Másmóvil Broadband, S.A.U. (“MMBB”) into newly created subsidiaries within the MASORANGE Group: NETCO FTTH, S.L.U. (“NFTTH”), FIBRECO FTTH, S.L.U. (“FIBRECO”), MASBUSINESS INFRASTRUCTURES, S.L.U. and MASBUSINESS FTTH, S.L.U. These spin-offs, completed in May 2025, were carried out under the Spanish tax neutrality regime and formed the basis for the integration of the relevant FTTH operations into the NetCo perimeter.

Following completion of these steps, Orange Espagne and Xfera Móviles contributed their shares in NFTTH and FIBRECO, respectively, to NetCo by way of in-kind shareholder contributions, completed on 8 July 2025. Vodafone will contribute its relevant fixed broadband business, previously carved out into VF Valley, S.L.U. (“VF



Valley”), to NetCo. As a result, NetCo will become the holding entity of all perimeter companies that own and operate the fixed broadband assets contributed by both Strategic Partners.

In addition, Euskaltel acquired full ownership of Bidasoa Topco, S.L. and its subsidiaries (together, “Bidasoa”), which own part of the FTTH network within the NetCo Footprint, and contributed these entities to NetCo.

Upon completion of these contributions, MASORANGE and Vodafone held 83.11% and 16.89%, respectively, of NetCo’s ordinary shares. On the completion date of the Surf Transaction, the Investor will acquire the Netco Sale Shares from MASORANGE for cash consideration, resulting in a final shareholding of 58.63% held by MASORANGE (through Orange Espagne), 16.89% by Vodafone, and preferred 24.48% by the Investor.

For the purposes of the Surf Financing and to optimise the structure’s credit rating, a four-tier Luxembourg holding structure has been established above NetCo, consisting of LuxCo 1, LuxCo 2, Lux HoldCo, and Lux TopCo. The Senior Debt will be drawn by NetCo and its operating subsidiaries, while the Junior Debt will be drawn by a Luxembourg holding entity (Lux HoldCo).

The total Surf Financing amounts to approximately €5.1 billion, comprising senior and junior tranches, and will be used to fund the equity distributions to the Strategic Partners, settle receivables under the MSAs and indefeasible rights of use, refinance existing indebtedness, and cover financing and transaction costs. A short-term VAT facility will also be drawn to fund VAT payments arising at completion, which will subsequently be repaid upon receipt of tax refunds.

Following completion, the Strategic Partners and the Investor will indirectly hold their interests in NetCo through Lux TopCo, under a shareholders’ agreement providing for joint control between MASORANGE and Vodafone and the Investor, on the other hand. The transaction aims to create an independent, efficiently capitalised fibre infrastructure platform and to enhance the long-term efficiency of Spain’s fixed broadband networks.

The new partnership will benefit MasOrange Group’s customers, including the Issuer’s and its subsidiaries’, and Vodafone’s customers, as well as the Spanish market in general, by ensuring access to the most advanced fibre network, offering the best quality and enabling the rapid adoption of new technologies, while stimulating investment and innovation. This network will become a benchmark for sustainable development, meeting the highest ESG standards, thanks to energy savings.

Surf Transaction is expected to take place during December 2025, subject to final agreement of the parties and relevant regulatory approvals.

1.7.4. Signing of a non-binding agreement for Orange SA to acquire the 50% stake currently owned by Lorca in the MasOrange Group

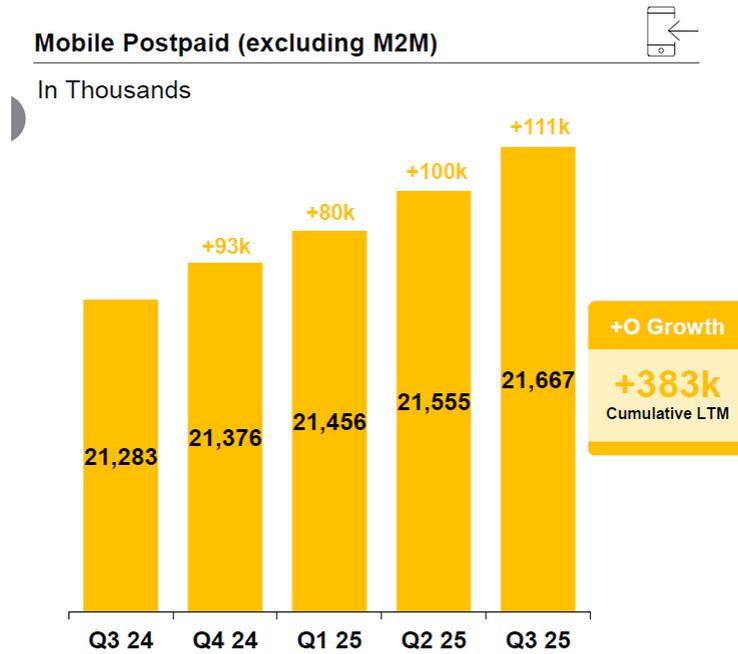
On 31 October 2025, Orange SA and Lorca Midco announced the execution of a non-binding agreement according to which Orange SA would acquire their 50% stake in MasOrange and, therefore fully own the MasOrange Group. The signing of a binding agreement is expected before the end of 2025 and will be conditional upon the agreement on the final terms and conditions.



1.7.5. Main KPI and other Non-IFRS Measures for the Issuer and its subsidiaries

As of the first nine months of 2025, telecommunication service revenues increased by 1.5% year-over-year (YoY), supported by growth in retail, wholesale, and equipment segments. The improvement in the EBITDA margin was driven by higher revenues and effective cost control.

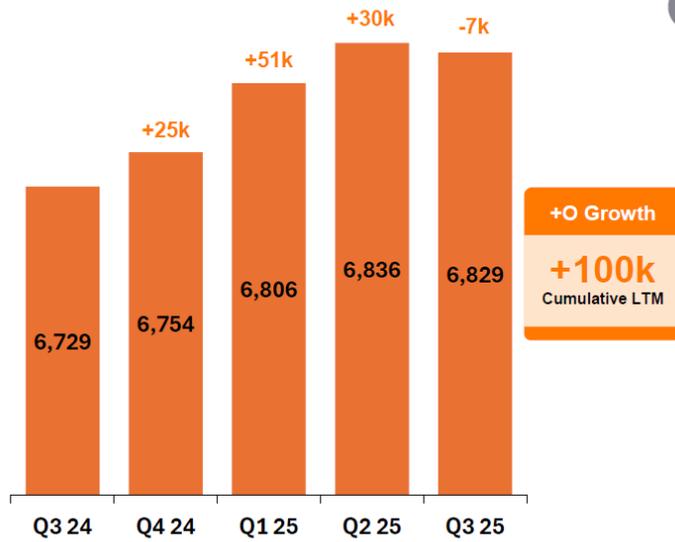
Below are charts illustrating the performance of key indicators, including Mobile Postpaid, Customer Revenues, Revenue Growth, EBITDA and Reported EBITDA, Net CapEx (Year-to-Date), and Net CapEx (LTM Quarterly Performance):





FTTH Customers

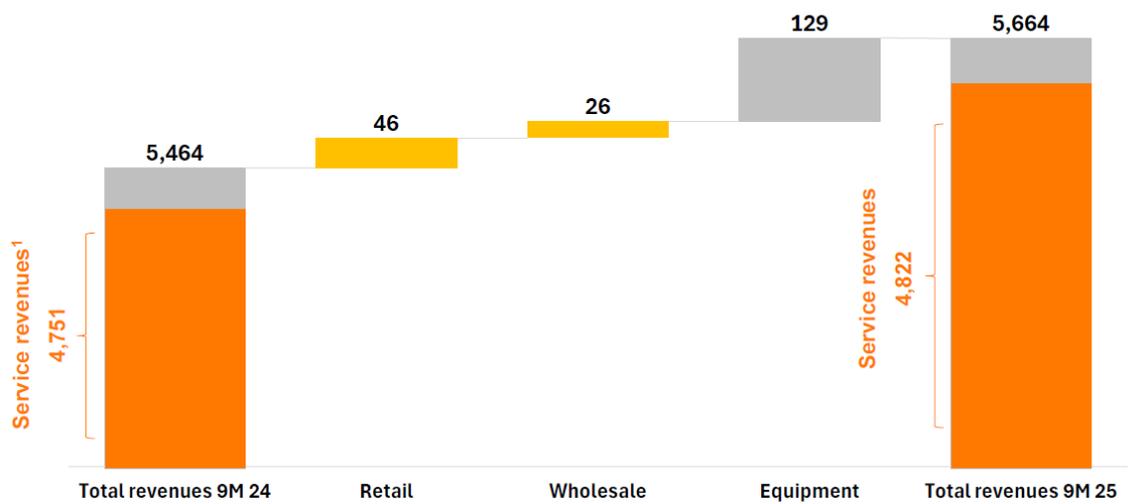
In Thousands



Revenues Growth

3.7% best practice telco growth in Europe with growth across all segments:
Retail services (+1%), Wholesale (+6%) and Equipment sales (+18%)

€m



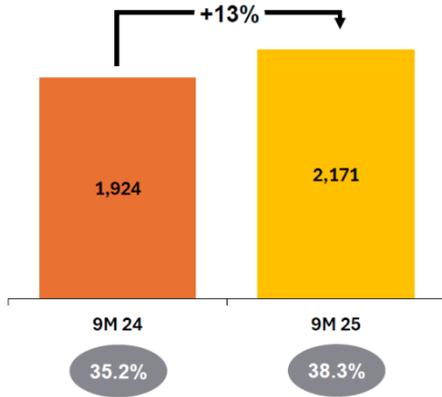


EBITDA – Year to Date

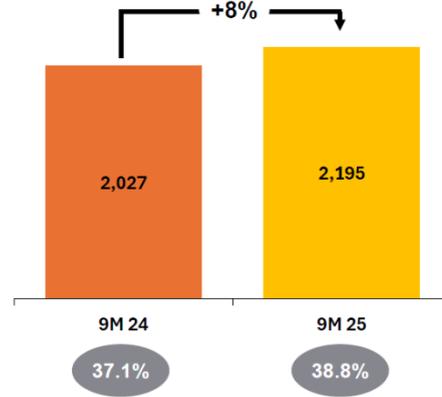
13% reported EBITDA growth despite impact from bet in future growth projects
€m

xx % Margin

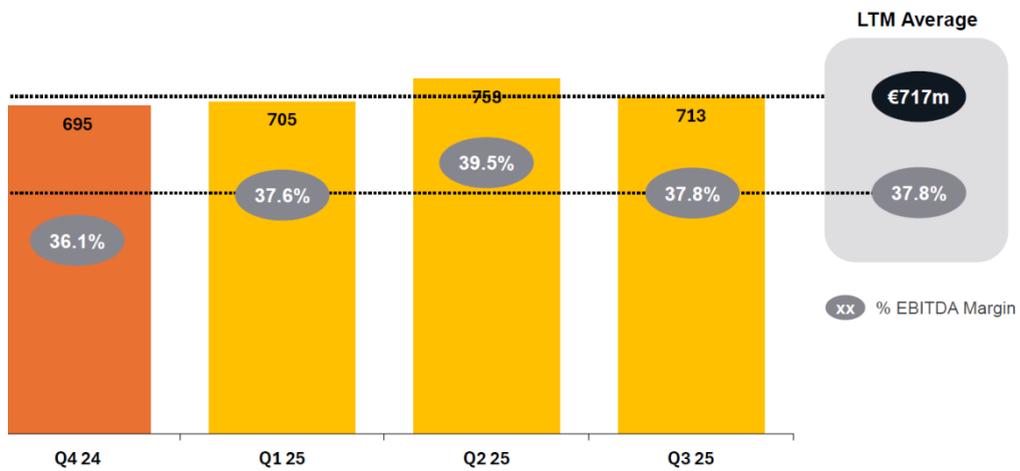
Reported EBITDA – Year to Date



Adjusted EBITDA¹ – Year to Date



Reported EBITDA – LTM Quarterly Performance

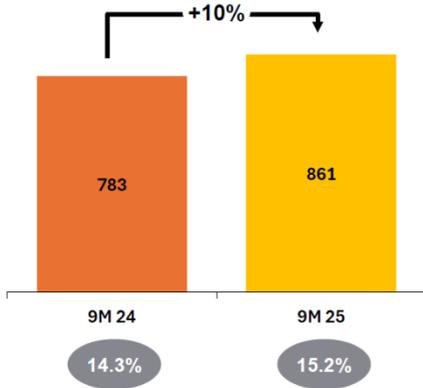




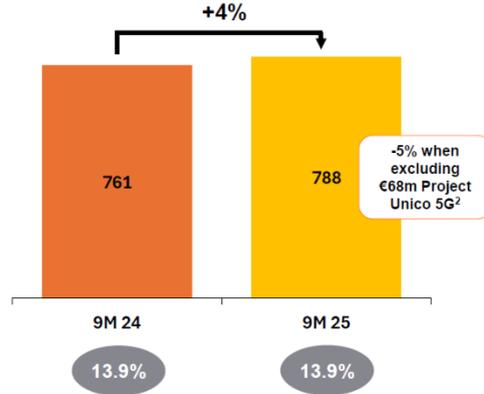
Net Capex – Year to Date

Recurring Net Capex -5% vs. 9M 2024 if normalized for publicly-funded projects
€m

Net Capex – Year to Date

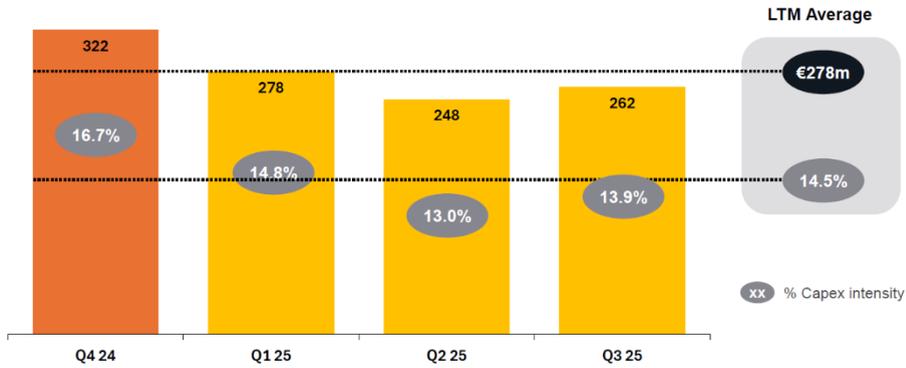


Recurring Net Capex¹ – Year to Date



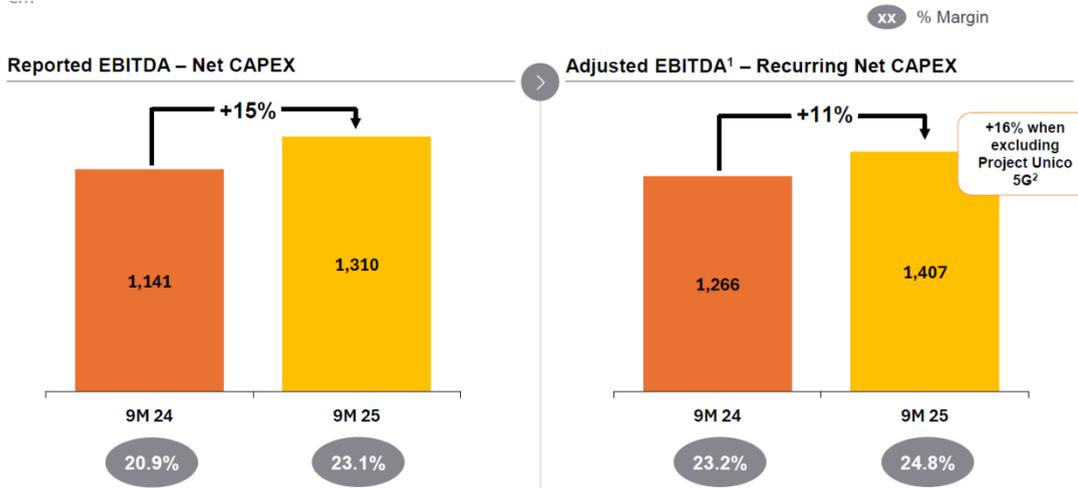
Recurring Net Capex – LTM Quarterly Performance

Quarterly Recurring Net Capex¹ 6% below LTM average and intensity c.60bps below
€m





EBITDA-Net Capex





SCHEDULE 2

**CONSOLIDATED AUDITED ANNUAL ACCOUNTS OF THE ISSUER FOR THE FINANCIAL YEAR ENDED 31 DECEMBER
2024 FAVORABLE WITHOUT RESERVATIONS**

<https://masorange.es/wp-content/uploads/2025/04/Consolidated-Financial-Statements-MasOrange-2024.pdf>



SCHEDULE 3

**INDIVIDUAL AUDITED ANNUAL ACCOUNTS OF THE ISSUER FOR THE FINANCIAL YEAR ENDED 31 DECEMBER
2024 FAVORABLE WITHOUT RESERVATIONS**



Informe de Auditoría de Masorange, S.L.

(Junto con las cuentas anuales abreviadas de
Masorange, S.L. correspondientes al ejercicio
finalizado el 31.12.2024)



KPMG Auditores, S.L.
Paseo de la Castellana, 259 C
28046 Madrid

Informe de Auditoría de Cuentas Anuales Abreviadas emitido por un Auditor Independiente

A los socios de Masorange, S.L. por encargo de la Dirección

Opinión

Hemos auditado las cuentas anuales abreviadas de Masorange, S.L. (la Sociedad), que comprenden el balance abreviado a 31 de diciembre de 2024, la cuenta de pérdidas y ganancias abreviada y la memoria abreviada correspondientes al ejercicio terminado en dicha fecha.

En nuestra opinión, las cuentas anuales abreviadas adjuntas expresan, en todos los aspectos significativos, la imagen fiel del patrimonio y de la situación financiera de la Sociedad a 31 de diciembre de 2024, así como de sus resultados correspondientes al ejercicio terminado en dicha fecha, de conformidad con el marco normativo de información financiera que resulta de aplicación (que se identifica en la nota 2 de la memoria abreviada) y, en particular, con los principios y criterios contables contenidos en el mismo.

Fundamento de la opinión

Hemos llevado a cabo nuestra auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España. Nuestras responsabilidades de acuerdo con dichas normas se describen más adelante en la sección *Responsabilidades del auditor en relación con la auditoría de las cuentas anuales abreviadas* de nuestro informe.

Somos independientes de la Sociedad de conformidad con los requerimientos de ética, incluidos los de independencia, que son aplicables a nuestra auditoría de las cuentas anuales abreviadas en España según lo exigido por la normativa reguladora de la actividad de auditoría de cuentas. En este sentido, no hemos prestado servicios distintos a los de la auditoría de cuentas ni han concurrido situaciones o circunstancias que, de acuerdo con lo establecido en la citada normativa reguladora, hayan afectado a la necesaria independencia de modo que se haya visto comprometida.

Consideramos que la evidencia de auditoría que hemos obtenido proporciona una base suficiente y adecuada para nuestra opinión.

Aspectos más relevantes de la auditoría

Los aspectos más relevantes de la auditoría son aquellos que, según nuestro juicio profesional, han sido considerados como los riesgos de incorrección material más significativos en nuestra auditoría de las cuentas anuales abreviadas del periodo actual. Estos riesgos han sido tratados en el contexto de nuestra auditoría de las cuentas anuales abreviadas en su conjunto, y en la formación de nuestra opinión sobre éstas, y no expresamos una opinión por separado sobre esos riesgos.



Aportación no dineraria de participaciones correspondientes a los negocios del Grupo Lorca y Grupo Orange en España (véanse notas 1 y 5)

Como se menciona en la nota 1 de la memoria abreviada, el 26 de marzo de 2024 la Sociedad recibió como aportación participaciones correspondientes a los negocios de los grupos Lorca (antiguo Grupo MásMóvil) y Orange en España, lo que dio lugar a la formación de una joint venture participada al 50% por los propietarios de ambos grupos. Como resultado de esta transacción y de acuerdo con el marco normativo financiero aplicable, la Sociedad ha reconocido una inversión en empresas del Grupo por importe de 7.154 millones de euros, calculada como el valor razonable de las participaciones recibidas. La contabilización de esta transacción constituye un ejercicio complejo que requiere la aplicación de juicios de valor en la identificación y determinación del valor razonable de la aportación. La valoración utilizada a tal efecto ha sido realizada por un experto independiente contratado por la Sociedad mediante el método de descuento de flujos de caja. Consideramos el registro contable de esta transacción un aspecto relevante de auditoría por su significatividad, el juicio inherente que implica la realización de estimaciones de valor razonable y el impacto que el mismo tiene en las cuentas anuales abreviadas.

Nuestros procedimientos de auditoría incluyeron, entre otros, la evaluación y discusión con la dirección de la Sociedad sobre el proceso seguido para el registro de esta transacción, la obtención del informe de valoración realizado por el experto independiente contratado por la Sociedad, la evaluación de la metodología y de las hipótesis clave utilizadas en dicho informe para determinar el valor razonable de las aportaciones recibidas, involucrando para ello a nuestros especialistas en valoración y corroborando las explicaciones de la Sociedad con datos de mercado y nuestra experiencia previa en operaciones similares. Asimismo, hemos evaluado si la información revelada en las cuentas anuales abreviadas sobre esta transacción cumple con los requerimientos del marco normativo de información financiera aplicable.

Otras cuestiones

Las cuentas anuales abreviadas del ejercicio 2023 no fueron auditadas al no cumplirse los requisitos legales establecidos en la legislación mercantil vigente, por lo que la información comparativa incluida en las cuentas anuales abreviadas adjuntas se identifica como “no auditada”.

Responsabilidad de los administradores en relación con las cuentas anuales abreviadas

Los administradores son responsables de formular las cuentas anuales abreviadas adjuntas, de forma que expresen la imagen fiel del patrimonio, de la situación financiera y de los resultados de la Sociedad, de conformidad con el marco normativo de información financiera aplicable a la entidad en España, y del control interno que consideren necesario para permitir la preparación de cuentas anuales abreviadas libres de incorrección material, debida a fraude o error.

En la preparación de las cuentas anuales abreviadas, los administradores son responsables de la valoración de la capacidad de la Sociedad para continuar como empresa en funcionamiento, revelando, según corresponda, las cuestiones relacionadas con la empresa en funcionamiento y utilizando el principio contable de empresa en funcionamiento excepto si los administradores tienen intención de liquidar la Sociedad o de cesar sus operaciones, o bien no exista otra alternativa realista.



Responsabilidades del auditor en relación con la auditoría de las cuentas anuales abreviadas

Nuestros objetivos son obtener una seguridad razonable de que las cuentas anuales abreviadas en su conjunto están libres de incorrección material, debida a fraude o error, y emitir un informe de auditoría que contiene nuestra opinión. Seguridad razonable es un alto grado de seguridad pero no garantiza que una auditoría realizada de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España siempre detecte una incorrección material cuando existe. Las incorrecciones pueden deberse a fraude o error y se consideran materiales si, individualmente o de forma agregada, puede preverse razonablemente que influyan en las decisiones económicas que los usuarios toman basándose en las cuentas anuales abreviadas.

Como parte de una auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España, aplicamos nuestro juicio profesional y mantenemos una actitud de escepticismo profesional durante toda la auditoría. También:

- Identificamos y valoramos los riesgos de incorrección material en las cuentas anuales abreviadas, debida a fraude o error, diseñamos y aplicamos procedimientos de auditoría para responder a dichos riesgos y obtenemos evidencia de auditoría suficiente y adecuada para proporcionar una base para nuestra opinión. El riesgo de no detectar una incorrección material debida a fraude es más elevado que en el caso de una incorrección material debida a error, ya que el fraude puede implicar colusión, falsificación, omisiones deliberadas, manifestaciones intencionadamente erróneas, o la elusión del control interno.
- Obtenemos conocimiento del control interno relevante para la auditoría con el fin de diseñar procedimientos de auditoría que sean adecuados en función de las circunstancias, y no con la finalidad de expresar una opinión sobre la eficacia del control interno de la entidad.
- Evaluamos si las políticas contables aplicadas son adecuadas y la razonabilidad de las estimaciones contables y la correspondiente información revelada por los administradores.
- Concluimos sobre si es adecuada la utilización, por los administradores, del principio contable de empresa en funcionamiento y, basándonos en la evidencia de auditoría obtenida, concluimos sobre si existe o no una incertidumbre material relacionada con hechos o con condiciones que pueden generar dudas significativas sobre la capacidad de la Sociedad para continuar como empresa en funcionamiento. Si concluimos que existe una incertidumbre material, se requiere que llamemos la atención en nuestro informe de auditoría sobre la correspondiente información revelada en las cuentas anuales abreviadas o, si dichas revelaciones no son adecuadas, que expresemos una opinión modificada. Nuestras conclusiones se basan en la evidencia de auditoría obtenida hasta la fecha de nuestro informe de auditoría. Sin embargo, los hechos o condiciones futuros pueden ser la causa de que la Sociedad deje de ser una empresa en funcionamiento.
- Evaluamos la presentación global, la estructura y el contenido de las cuentas anuales abreviadas, incluida la información revelada, y si las cuentas anuales abreviadas representan las transacciones y hechos subyacentes de un modo que logran expresar la imagen fiel.



Nos comunicamos con los administradores de la entidad en relación con, entre otras cuestiones, el alcance y el momento de realización de la auditoría planificados y los hallazgos significativos de la auditoría, así como cualquier deficiencia significativa del control interno que identificamos en el transcurso de la auditoría.

Entre los riesgos significativos que han sido objeto de comunicación a los administradores de Masorange, S.L. determinamos los que han sido de la mayor significatividad en la auditoría de las cuentas anuales abreviadas del periodo actual y que son, en consecuencia, los riesgos considerados más significativos.

Describimos esos riesgos en nuestro informe de auditoría salvo que las disposiciones legales o reglamentarias prohíban revelar públicamente la cuestión.

KPMG Auditores, S.L.
Inscrito en el R.O.A.C. nº S0702

Francisco Rabadán Molero
28/03/2025

Inscrito en el R.O.A.C. nº 15797

*Este informe se
corresponde con el
sello distintivo nº
01/25/02485
emitido por el Instituto
de Censores Jurados
de Cuentas de España*

MASORANGE, S.L.

Cuentas anuales abreviadas

del ejercicio anual terminado el 31 de diciembre de 2024

MASORANGE, S.L.

Balance abreviado al cierre del ejercicio 2024

(Expresado en miles de euros)

	Nota	2024	2023
Activo			
Inversiones en empresas del grupo y asociadas	5 y 10	7.154.360	-
Total activo no corriente		7.154.360	-
Deudores comerciales y otras cuentas a cobrar		87	-
Clientes por ventas y prestaciones de servicios a corto plazo	6	7	-
Otros créditos con las Administraciones Públicas	6 y 9	80	-
Inversiones en empresas de grupo y asociadas a corto plazo	4 y 10	93.319	-
Créditos a corto plazo con empresas del grupo		93.319	-
Periodificaciones a corto plazo		4.025	-
Efectivo y otros activos líquidos equivalentes		215	2
Tesorería		215	2
Total activos corrientes		97.646	2
Total activo		7.252.006	2
Patrimonio neto y pasivo	7		
Capital		500.000	3
Prima de asunción		6.654.363	-
Resultados negativos de ejercicios anteriores		(1)	-
Resultado del ejercicio		(2.393)	(1)
Total patrimonio neto		7.151.969	2
Deudas a corto plazo	8	99.990	-
Deudas con entidades de crédito		99.990	-
Acreedores comerciales y otras cuentas a pagar		47	-
Proveedores		47	-
Total pasivos corrientes		100.037	-
Total patrimonio neto y pasivo		7.252.006	2

MASORANGE, S.L.

**Cuenta de pérdidas y ganancias abreviada
correspondiente al ejercicio 2024**

(Expresada en miles de euros)

	Nota	2024	2023
Otros gastos de explotación	11	(2.343)	(1)
Resultado de explotación		(2.343)	(1)
Gastos financieros		(50)	-
Resultado financiero		(50)	-
Resultado antes de impuestos		(2.393)	(1)
Impuesto sobre beneficios		-	-
Resultado del ejercicio		(2.393)	(1)



MASORANGE, S.L.

Memoria de las cuentas anuales abreviadas al 31 de diciembre 2024

(expresado en miles de euros)

(1) Naturaleza y actividades de la Sociedad

Masorange, S.L. (en adelante, Masorange o la Sociedad), anteriormente denominada Haoki Investments, S.L., se constituyó por un período de tiempo indefinido, el 30 de mayo de 2023. Su domicilio social y fiscal se encuentra en Paseo Del Club Deportivo, 1, Parque Empresarial La Finca, Pozuelo de Alarcón (Madrid), España, desde donde desarrolla su actividad. Con fecha 26 de marzo de 2024 se modificó su denominación social a Masorange, S.L.

El objeto social de la Sociedad es la prestación, entre otras actividades, de servicios de telecomunicaciones mediante servicios de voz, datos, mensajería de red y otros servicios auxiliares vinculados con el servicio de telefonía móvil y fija, tanto a consumidores particulares como a empresas, y ya sea a través de la explotación de redes o de la reventa del servicio.

Las actividades que integran el objeto social también podrán ser desarrolladas por la Sociedad, total o parcialmente, de modo indirecto en cualquiera de las formas admitidas en derecho y, en particular, mediante la participación en otras sociedades con objeto idéntico o análogo.

Tal y como se describe en la nota 5, la Sociedad posee participaciones en sociedades dependientes. Como consecuencia de ello, la Sociedad es dominante de un grupo de sociedades (en adelante el Grupo o Grupo Masorange) de acuerdo con la legislación vigente.

La información relativa a las participaciones en empresas del grupo se presenta en el Anexo I.

Formación del Grupo Masorange

El 26 de marzo de 2024 tuvo lugar la combinación de los negocios de los grupos Lorca (antiguo Grupo MásMóvil) y Orange en España que dio lugar a la formación de una *joint venture* participada al 50% por los propietarios de ambos grupos. Masorange es la sociedad en la que se ha constituido dicha *joint venture*.

La *joint venture* se creó tras la obtención de la aprobación de la Comisión Europea y las diferentes autoridades nacionales competentes en materia de inversiones extranjeras, la transferencia de espectro y la aprobación del Banco de España.

Como parte del proceso de combinación de negocios, Lorca Midco Ltd aportó el 100% del capital social de Masorange HoldCo PLC (anteriormente denominada, Lorca HoldCo Limited), y por lo tanto el negocio de telecomunicaciones del Grupo Lorca en España, y Orange Participations UK Ltd aportó todas las acciones de Orange Espagne, S.A.U., las cuales también representaban el 100% de su capital social y, a su vez, todo el negocio de telecomunicaciones del Grupo Orange en España. Acto seguido, Masorange aportó las acciones recibidas de Orange Espagne, S.A.U. a Masorange HoldCo PLC.

Por consiguiente, Masorange toma la forma de una *joint venture* 50-50 controlada conjuntamente por Lorca y Orange, en la que ambas partes tienen los mismos derechos de voto. El acuerdo entre los socios incluye el derecho a promover un proceso de salida a Bolsa (*Initial Public Offering* o IPO) bajo ciertas condiciones acordadas por ambas partes después de un período definido y, en tal escenario, la opción para que Orange tome el control y consolide la entidad combinada.



MASORANGE, S.L.

Memoria de las cuentas anuales abreviadas al 31 de diciembre 2024

(expresado en miles de euros)

Los socios de Masorange al 31 de diciembre de 2024 son:

(i) Lorca MidCo Ltd, una entidad domiciliada en el Reino Unido, cuyo principal accionista es Lorca Aggregator Limited (Lorca), una entidad domiciliada en Jersey. Lorca Aggregator Limited está participada en última instancia por fondos y vehículos de inversión gestionados o asesorados por PEP VII-A International Ltd y PEP VIII International Ltd (Providence), Cinven Capital Management (VII) General Partner Limited (Cinven), y Kohlberg Kravis Roberts & Co. L.P. (KKR); y

(ii) Orange Participations UK Ltd (Orange), una entidad domiciliada en el Reino Unido, que es en última instancia propiedad de Orange, S.A., cuyas acciones cotizaban en Euronext París.

(2) Bases de presentación de estas cuentas anuales abreviadas

(a) Imagen fiel

Las cuentas anuales abreviadas se han preparado a partir de los registros contables de la Sociedad y se presentan de acuerdo con la legislación mercantil vigente y con las normas establecidas en el Plan General de Contabilidad aprobado mediante Real Decreto 1514/2007 y las modificaciones incorporadas a éste, siendo las últimas las incorporadas mediante el Real Decreto 1/2021, de 12 de enero, en vigor para los ejercicios iniciados a partir del 1 de enero de 2021, con objeto de mostrar la imagen fiel del patrimonio, de la situación financiera y de los resultados de la Sociedad.

Los Administradores de la Sociedad estiman que las cuentas anuales abreviadas del ejercicio 2024, que han sido formuladas el 28 de marzo de 2025, serán aprobadas por la Junta General de socios sin modificación alguna.

(b) Comparación de la información

Las cuentas anuales abreviadas presentan a efectos comparativos con cada una de las partidas del balance, de la cuenta de pérdidas y ganancias y de la memoria, además de las cifras del ejercicio 2024, las correspondientes al ejercicio anterior, que formaban parte de las cuentas anuales abreviadas del ejercicio 2023 aprobadas por el socio único el 2 de enero de 2024.

Si bien la Sociedad se constituyó en 2023, no ha registrado operaciones de relevancia hasta la formación de la *joint venture* en marzo de 2024.

(c) Moneda funcional y moneda de presentación

Estas cuentas anuales se presentan en miles de euros, redondeados al millar más cercano. El euro es la moneda funcional y de presentación de la Sociedad.



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(d) Aspectos críticos de la valoración y estimación de la incertidumbre y juicios relevantes en la aplicación de políticas contables

La preparación de las cuentas anuales abreviadas requiere la realización de estimaciones contables relevantes y la aplicación de juicios en las estimaciones e hipótesis en el proceso de aplicación de las políticas contables de la Sociedad. En este sentido, se indican a continuación los aspectos que han implicado un mayor grado de juicio, complejidad o en los que las hipótesis y estimaciones son significativas para la preparación de estas cuentas anuales abreviadas:

- Estimación del valor razonable del negocio recibido (nota 3 (h)).
- Deterioro de valor de los activos financieros (nota 3 (a y b)).
- Valoración de las transacciones con empresas del Grupo (nota 3 (g)).

A pesar de que las estimaciones realizadas por los Administradores de la Sociedad se han calculado en función de la mejor información disponible al 31 de diciembre de 2024, es posible que acontecimientos que puedan tener lugar en el futuro obliguen a su modificación en los próximos ejercicios. El efecto en las cuentas anuales abreviadas de las modificaciones que, en su caso, se derivasen de los ajustes a efectuar durante los próximos ejercicios se registraría de forma prospectiva.

(e) Empresa en funcionamiento

A 31 de diciembre de 2024 la Sociedad presenta un fondo de maniobra negativo por importe de 2.391 miles de euros (positivo por 2 miles de euros a 31 de diciembre de 2023). Los administradores de la Sociedad han preparado estas cuentas anuales atendiendo al principio de empresa en funcionamiento, ya que el patrimonio sigue siendo positivo y se espera un incremento de ingresos futuros a través de diversas fuentes, lo que refuerza la viabilidad de la empresa.

Distribución de resultados

La Sociedad ha obtenido pérdidas en el ejercicio 2024 por un importe de 2.393 miles de euros, por lo que los Administradores de la Sociedad proponen destinar dichas pérdidas a resultados negativos de ejercicios anteriores.

La Sociedad obtuvo mil de euros de pérdidas en el ejercicio 2023. Los Administradores de la Sociedad decidieron destinar dichas pérdidas a resultados negativos de ejercicios anteriores.

El artículo 274 de la Ley de Sociedades de Capital establece que, en todo caso, una cifra igual al 10 por 100 del beneficio del ejercicio se destinará a la reserva legal hasta que ésta alcance, al menos, el 20 por 100 del capital social. Al cierre del ejercicio, debido a la inexistencia de beneficios distribuibles desde la constitución de la Sociedad, esta reserva no ha sido dotada.



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(3) Normas de registro y valoración

(a) Activos financieros a coste amortizado

Se incluyen en esta categoría aquellos activos financieros, incluso los admitidos a negociación en un mercado organizado, en los que la Sociedad mantiene la inversión con el objeto de percibir los flujos de efectivo derivados de la ejecución del contrato, y las condiciones contractuales del activo financiero dan lugar, en fechas especificadas, a flujos de efectivo que son únicamente cobros de principal e intereses sobre el importe del principal pendiente.

Los flujos de efectivo contractuales que son únicamente cobros de principal e interés sobre el importe del principal pendiente son inherentes a un acuerdo que tiene la naturaleza de préstamo ordinario o común, sin perjuicio de que la operación esté acordada a un tipo de interés cero o por debajo de mercado.

Se incluyen en esta categoría los créditos por operaciones comerciales y los créditos por operaciones no comerciales:

- **Créditos por operaciones comerciales:** son aquellos activos financieros que se originan en la venta de bienes y la prestación de servicios por operaciones de tráfico de la empresa con cobro aplazado, y
- **Créditos por operaciones no comerciales:** son aquellos activos financieros que, no siendo instrumentos de patrimonio ni derivados, no tienen origen comercial y cuyos cobros son de cuantía determinada o determinable, que proceden de operaciones de préstamo o crédito concedidos por la empresa.

(i) Valoración inicial

Los activos financieros clasificados en esta categoría se valorarán inicialmente por su valor razonable, que, salvo evidencia en contrario, será el precio de la transacción, que equivaldrá al valor razonable de la contraprestación entregada, más los costes de transacción que les sean directamente atribuibles.

No obstante, los créditos por operaciones comerciales con vencimiento no superior a un año y que no tienen un tipo de interés contractual explícito, así como los créditos al personal, los dividendos a cobrar y los desembolsos exigidos sobre instrumentos de patrimonio, cuyo importe se esper recibir en el corto plazo, se valoraran por su valor nominal en la medida en la que se considera que el efecto de no actualizar los flujos de efectivo no es significativo.

(ii) Valoración posterior

Los activos financieros incluidos en esta categoría se valorarán por su coste amortizado. Los intereses devengados se contabilizarán en la cuenta de pérdidas y ganancias, aplicando el método del tipo de interés efectivo.

No obstante, los créditos con vencimiento no superior a un año que, de acuerdo con lo dispuesto en el apartado anterior, se valoran inicialmente por su valor nominal, continúan valorándose por dicho importe, salvo que se hayan deteriorado.



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Cuando los flujos de efectivo contractuales de un activo financiero se modifican debido a las dificultades financieras del emisor, la empresa analiza si procede contabilizar una pérdida por deterioro de valor.

(iii) Deterioro de valor

Se efectúan las correcciones valorativas necesarias, al menos al cierre y siempre que existe evidencia objetiva de que el valor de un activo financiero, o de un grupo de activos financieros con similares características de riesgo valorados colectivamente, se ha deteriorado como resultado de uno o más eventos que hayan ocurrido después de su reconocimiento inicial y que ocasionen una reducción o retraso en los flujos de efectivo estimados futuros, que pueden venir motivados por la insolvencia del deudor.

Con carácter general, la pérdida por deterioro del valor de estos activos financieros es la diferencia entre su valor en libros y el valor actual de los flujos de efectivo futuros, incluidos, en su caso, los procedentes de la ejecución de las garantías reales y personales, que se estima van a generar, descontados al tipo de interés efectivo calculado en el momento de su reconocimiento inicial. Para los activos financieros a tipo de interés variable, se emplea el tipo de interés efectivo que corresponde a la fecha de cierre de las cuentas anuales de acuerdo con las condiciones contractuales. En el cálculo de las pérdidas por deterioro del grupo de activos financieros se utilizan modelos basados en fórmulas o métodos estadísticos.

Las correcciones de valor por deterioro, así como su reversión cuando el importe de dicha pérdida disminuyese por causas relacionadas con un evento posterior, se reconocen como un gasto o un ingreso, respectivamente, en la cuenta de pérdidas y ganancias. La reversión del deterioro tiene como límite el valor en libros del activo que estaría reconocido en la fecha de reversión si no se hubiese registrado el deterioro del valor.

(b) Activos financieros a coste

Se incluyen en esta categoría las inversiones en el patrimonio de empresas del Grupo y asociadas.

(i) Valoración inicial

Las inversiones incluidas en esta categoría se valorarán inicialmente al coste, que equivale al valor razonable de la contraprestación entregada más los costes de transacción que les sean directamente atribuibles, no incorporándose éstos últimos en el coste de las inversiones en empresas del Grupo. En el caso particular de esta Sociedad, el coste corresponde al valor razonable de las aportaciones recibidas en el momento de la creación de la *joint venture*.

No obstante, en los casos en los que existe una inversión anterior a su calificación como empresa del grupo, multigrupo o asociada, se considera como coste de dicha inversión en el valor contable que debiera tener la misma inmediatamente antes de que la empresa pase a tener esa calificación.

Forma parte de la valoración inicial el importe de los derechos preferentes de suscripción y similares que, en su caso, se hubiesen adquirido.



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(ii) Valoración posterior

Los instrumentos de patrimonio incluidos en esta categoría se valoran por su coste, menos, en su caso, el importe acumulado de las correcciones valorativas por deterioro.

Cuando se debe asignar valor a estos activos por baja del balance u otro motivo, se aplica el método del coste medio ponderado por grupos homogéneos, entendiéndose por éstos los valores que tienen iguales derechos.

En el caso de venta de derechos preferentes de suscripción y similares o segregación de los mismos para ejercitarlos, el importe del coste de los derechos disminuye el valor contable de los respectivos activos.

(iii) Deterioro del valor

Al menos al cierre del ejercicio, se efectúan las correcciones valorativas necesarias siempre que existe evidencia objetiva de que el valor en libros de una inversión no será recuperable. El importe de la corrección valorativa es la diferencia entre su valor en libros y el importe recuperable, entendido este como el mayor importe entre su valor razonable menos los costes de venta y el valor actual de los flujos de efectivo futuros derivados de la inversión, que para el caso de instrumentos de patrimonio se calcula, bien mediante la estimación de los que se espera recibir como consecuencia del reparto de dividendos realizado por la empresa participada y de la enajenación o baja en cuentas de la inversión en la misma, bien mediante la estimación de su participación en los flujos de efectivo que se espera sean generados por la empresa participada, procedentes tanto de sus actividades ordinarias como de su enajenación o baja en cuentas.

Salvo mejor evidencia del importe recuperable de las inversiones en instrumentos de patrimonio, la estimación de la pérdida por deterioro de esta clase de activos se calcula en función del patrimonio neto de la entidad participada y de las plusvalías tácitas existentes en la fecha de la valoración, netas del efecto impositivo. En la determinación de ese valor, y siempre que la empresa participada haya invertido a su vez en otra, se tiene en cuenta el patrimonio neto incluido en las cuentas anuales consolidadas elaboradas aplicando los criterios del Código de Comercio y sus normas de desarrollo.

El reconocimiento de las correcciones valorativas por deterioro de valor y, en su caso, su reversión, se registra como un gasto o un ingreso, respectivamente, en la cuenta de pérdidas y ganancias. La reversión del deterioro tiene como límite el valor en libros de la inversión que estaría reconocida en la fecha de reversión si no se hubiese registrado el deterioro del valor.

(c) Pasivos financieros

Con carácter general, se incluyen en esta categoría los débitos por operaciones comerciales y los débitos por operaciones no comerciales:

- Débitos por operaciones comerciales: son aquellos pasivos financieros que se originan en la compra de bienes y servicios por operaciones de tráfico de la empresa con pago aplazado, y
- Débitos por operaciones no comerciales: son aquellos pasivos financieros que, no



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siendo instrumentos derivados, no tienen origen comercial, sino que proceden de operaciones de préstamo o crédito recibidos por la empresa.

(i) Valoración inicial

Los pasivos financieros incluidos en esta categoría se valoran inicialmente por su valor razonable, que, es el precio de la transacción, que equivale al valor razonable de la contraprestación recibida ajustado por los costes de transacción que les sean directamente atribuibles.

No obstante, los débitos por operaciones comerciales con vencimiento no superior a un año y que no tienen un tipo de interés contractual, así como los desembolsos exigidos por terceros sobre participaciones, cuyo importe se espera pagar en el corto plazo, se valoran por su valor nominal, cuando el efecto de no actualizar los flujos de efectivo no es significativo.

(ii) Valoración posterior

Los pasivos financieros incluidos en esta categoría se valoran por su coste amortizado. Los intereses devengados se contabilizan en la cuenta de pérdidas y ganancias abreviada, aplicando el método del tipo de interés efectivo.

No obstante, los débitos con vencimiento no superior a un año que, se valoren inicialmente por su valor nominal, continúan valorándose por dicho importe.

(d) Importe neto de la cifra de negocios

(i) Prestación de servicios

La Sociedad fundamentalmente presta servicios de gestión a otras sociedades del Grupo.

(ii) Ingresos por dividendos

Los ingresos por dividendos se reconocen como ingresos en la cuenta de pérdidas y ganancias cuando se establece el derecho a recibir el cobro, siempre y cuando, desde la fecha de adquisición, la participada o cualquier sociedad del grupo participada por esta última ha generado beneficios por un importe superior a los fondos propios que se distribuyen.

No obstante, si los dividendos distribuidos proceden inequívocamente de resultados generados con anterioridad a la fecha de porque se han distribuido importes superiores a los beneficios generados por la participada desde la adquisición, no se reconocen como ingresos, y minoran el valor contable de la inversión.

(e) Impuesto sobre beneficios

El gasto o ingreso por el impuesto sobre beneficios comprende tanto el impuesto corriente como el impuesto diferido.

Los activos o pasivos por impuesto sobre beneficios corriente se valoran por las cantidades que se espera pagar o recuperar de las autoridades fiscales, utilizando la normativa y tipos impositivos vigentes o aprobados y pendientes de publicación en la fecha de cierre del ejercicio.



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El impuesto sobre beneficios corriente o diferido se reconoce en resultados, salvo que surja de una transacción o suceso económico que se haya reconocido en el mismo ejercicio o en otro diferente contra patrimonio neto.

El gasto devengado por impuesto sobre sociedades de las sociedades que se encuentran en régimen de declaración consolidada se determina teniendo en cuenta, además de los parámetros a considerar en caso de tributación individual, los siguientes:

- Las diferencias temporarias y permanentes producidas como consecuencia de la eliminación de resultados por operaciones entre sociedades del grupo, derivadas del proceso de determinación de la base imponible consolidada.
- Las deducciones y bonificaciones que corresponden a cada sociedad del grupo fiscal en el régimen de declaración consolidada. A estos efectos, las deducciones y bonificaciones se imputan a la sociedad que realizó la actividad u obtuvo el rendimiento necesario para obtener el derecho a la deducción o bonificación fiscal.

Al 31 de diciembre de 2024, la Sociedad tributa en régimen individual.

Las diferencias temporarias derivadas de las eliminaciones de resultados entre las empresas del grupo fiscal se reconocen en la sociedad que ha generado el resultado y se valoran por el tipo impositivo aplicable a la misma.

Por la parte de los resultados fiscales negativos procedentes de algunas de las sociedades del grupo fiscal que han sido compensados por el resto de las sociedades del grupo fiscal, surge un crédito y débito recíproco entre las sociedades a las que corresponden y las sociedades que lo compensan. En caso de que exista un resultado fiscal negativo que no pueda ser compensado por el resto de las sociedades del grupo fiscal, estos créditos fiscales por pérdidas compensables son reconocidos como activos por impuesto diferido, considerando para su recuperación al grupo fiscal como sujeto pasivo.

El importe de la deuda (crédito) correspondiente a las sociedades dependientes se registra con abono (cargo) a deudas (créditos) con empresas del Grupo y asociadas.

(i) Reconocimiento de pasivos por impuesto diferido

La Sociedad reconoce los pasivos por impuesto diferido en todos los casos, excepto que surjan del reconocimiento inicial del fondo de comercio o de un activo o pasivo en una transacción que no es una combinación de negocios y que en la fecha de la transacción no afecta ni al resultado contable ni a la base imponible fiscal.

(ii) Reconocimiento de activos por impuesto diferido

La Sociedad reconoce los activos por impuestos diferidos siempre que resulte probable que existan ganancias fiscales futuras suficientes para su compensación, o cuando la legislación fiscal contemple la posibilidad de conversión futura de activos por impuesto diferido en un crédito exigible frente a la Administración Pública.



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La Sociedad reconoce la conversión de un activo por impuesto diferido en una cuenta a cobrar frente a la Administración Pública cuando es exigible según lo dispuesto en la legislación fiscal vigente. A estos efectos, se reconoce la baja del activo por impuesto diferido con cargo al gasto por impuesto sobre beneficios diferido y la cuenta a cobrar con abono al impuesto sobre beneficios sobre corriente.

Salvo prueba en contrario, no se considera probable que la Sociedad disponga de ganancias fiscales futuras cuando se prevea que su recuperación futura se va a producir en un plazo superior a los diez años contados desde la fecha de cierre del ejercicio, al margen de cuál sea la naturaleza del activo por impuesto diferido o, en el caso de tratarse de créditos derivados de deducciones y otras ventajas fiscales pendientes de aplicar fiscalmente por insuficiencia de cuota, cuando habiéndose producido la actividad u obtenido el rendimiento que origine el derecho a la deducción o bonificación, existan dudas razonables sobre el cumplimiento de los requisitos para hacerlas efectivas.

Por el contrario se considera probable que la Sociedad dispone de ganancias fiscales suficientes para recuperar los activos por impuesto diferido siempre que existan diferencias temporarias imponibles en cuantía suficiente, relacionadas con la misma autoridad fiscal y referidas al mismo sujeto pasivo, cuya reversión se espere en el mismo ejercicio fiscal en el que se prevea reviertan las diferencias temporarias deducibles o en ejercicios en los que una pérdida fiscal, surgida por una diferencia temporaria deducible, pueda ser compensada con ganancias anteriores o posteriores.

Al objeto de determinar las ganancias fiscales futuras, la Sociedad tiene en cuenta las oportunidades de planificación fiscal siempre que tenga la intención de adoptarlas o es probable que las vaya a adoptar.

(iii) Valoración de activos y pasivos por impuesto diferido

Los activos y pasivos por impuesto diferido se valoran por los tipos impositivos que vayan a ser de aplicación en los ejercicios en los que se espera realizar los activos o pagar los pasivos, a partir de la normativa y tipos que están vigentes o aprobados y pendientes de publicación, y una vez consideradas las consecuencias fiscales que se derivarán de la forma en que la Sociedad espera recuperar los activos o liquidar los pasivos.

(iv) Compensación y clasificación

La Sociedad solo compensa los activos y pasivos por impuesto sobre beneficios si existe un derecho legal a su compensación frente a las autoridades fiscales y tiene la intención de liquidar las cantidades que resulten por su importe neto, o bien realizar los activos y liquidar los pasivos de forma simultánea.

Los activos y pasivos por impuesto diferido se reconocen en balance como activos o pasivos no corrientes, independientemente de la fecha esperada de realización o.



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(f) Efectivo y otros activos líquidos equivalentes

El efectivo y otros activos líquidos equivalentes incluyen el efectivo en caja y los depósitos bancarios a la vista en entidades de crédito. También se incluyen bajo este concepto otras inversiones a corto plazo de gran liquidez siempre que sean fácilmente convertibles en importes determinados de efectivo y que estén sujetas a un riesgo insignificante de cambios de valor. A estos efectos se incluyen las inversiones con vencimientos de menos de tres meses desde la fecha de adquisición.

(g) Transacciones entre empresas del Grupo

Con carácter general, las operaciones entre empresas del Grupo se contabilizan en el momento inicial por su valor razonable. En su caso, si el precio acordado difiere de su valor razonable, la diferencia se registra atendiendo a la realidad económica de la operación. La valoración posterior se realiza conforme con lo previsto en las correspondientes normas.

(h) Aportaciones no dinerarias

Las operaciones de fusión, escisión y aportación no dineraria de un negocio entre empresas del grupo se registran conforme con lo establecido para las transacciones entre empresas del grupo (nota 3(g)).

Las operaciones de fusión o escisión distintas de las anteriores y las combinaciones de negocios surgidas de la adquisición de todos los elementos patrimoniales de una empresa o de una parte que constituya uno o más negocios, se registran de acuerdo con el método de adquisición.

En el caso de combinaciones de negocios originadas como consecuencia de la adquisición de acciones o participaciones en el capital de una empresa, la Sociedad reconoce la inversión conforme con lo establecido para las inversiones en el patrimonio de empresas del grupo, multigrupo y asociadas (nota 3 (b)).

(4) Activos financieros por categorías

(a) Clasificación de los activos financieros por categorías

	2024		2023	
	No corriente	Corriente	No corriente	Corriente
Activos financieros a coste				
Inversiones en empresas del grupo y asociadas	7.154.360	-	-	-
Instrumentos de patrimonio (nota 5)	7.154.360	-	-	-
Deudores comerciales y otras cuentas a cobrar	-	87	-	-
Clientes por ventas y prestaciones de servicios a corto plazo (nota 6)	-	7	-	-
Otros créditos con Administraciones Públicas	-	80	-	-
Activos financieros a coste amortizado	-	93.319	-	-
Créditos con empresas del grupo (Nota 10)	-	93.319	-	-
Total	7.154.360	93.406	-	-



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(b) Valor razonable

El valor en libros de los activos financieros registrados en el balance abreviado a coste amortizado no presenta diferencias significativas respecto al valor razonable de los mismos, ya que los intereses por cobrar sobre esos activos financieros están cerca de las tasas de mercado actuales o los activos son de corto plazo.

(5) Inversiones en instrumentos de patrimonio de empresas del Grupo y asociadas

En inversiones en instrumentos de patrimonio de empresas del Grupo y asociadas, a 31 de diciembre de 2024 se incluye la participación que tiene la Sociedad en la sociedad Masorange HoldCo (anteriormente denominada Lorca HoldCo Ltd.). Al 31 de diciembre 2023 la Sociedad no tenía inversiones en instrumentos de patrimonio de empresas del Grupo.

Durante el ejercicio 2024 los únicos movimientos relevantes han sido los relacionados con la constitución de la *joint venture* detallado en la nota 1 y contabilizada en acuerdo con la política contable detallada en la nota 3 (h).

La siguiente tabla presenta una conciliación entre el valor empresa (*enterprise value*) de los negocios adquiridos y el valor patrimonial (*equity value*) a 26 de marzo de 2024:

(en miles de euros)	
Valor empresa (a)	20.130.450
Deuda financiera neta	(12.414.882)
Otros activos y pasivos (b)	(774.166)
Instrumentos de patrimonio	212.958
Valor patrimonial a 26 de marzo de 2024 (c)	7.154.360

Los importes representan valores razonables estimados a 26 de marzo de 2024.

a) Representa el valor empresa estimado a 26 de marzo de 2024 de la *joint venture*.

b) Otros activos y pasivos consisten principalmente en activos mantenidos para la venta, ciertos pasivos por arrendamiento, ciertas provisiones y otras cuentas por pagar.

c) El valor patrimonial es igual a la contraprestación por la transmisión del negocio que se liquidó mediante la emisión de 500 millones de participaciones ordinarias.

El valor razonable de los negocios aportados por los socios se ha calculado utilizando el método de flujos de caja descontados y enfoque de mercado, con múltiplos de empresas comparables y múltiplos de transacciones como referencias adicionales. Esta valoración se basa en la combinación de los planes de negocio individuales de Orange y MásMóvil para 2025-2027, junto con un plan de sinergias desarrollado por los equipos de estrategia de ambas entidades. A continuación, se detallan las principales variables consideradas para determinar el valor razonable del negocio adquirido:

- **Cifra de negocios:** el escenario de valoración anticipa tasas de crecimiento entre el 0,4% y el 7,3% a lo largo del periodo del plan, alineado con las estimaciones de los analistas y respaldado por las sinergias de la transacción esperadas en la cifra de negocios.



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- Margen EBITDA: el EBITDA proyectado se deriva de planes individuales, con un margen normalizado del 29,3%.
- Sinergias: el escenario de valoración tiene en cuenta las sinergias basadas en el análisis de la dirección a nivel de cada grupo de trabajo y comparadas con las estimaciones de los analistas en cuanto a su probabilidad de realización.
- La tasa de descuento aplicada a las proyecciones de flujo de efectivo es el coste promedio ponderado del capital (WACC), que refleja el rendimiento esperado adecuado para el nivel de riesgo anticipado.

Se utiliza un modelo modificado de valoración de activos de capital (CAPM por sus siglas en inglés) para estimar el retorno requerido del capital. La beta se reapalanca en función del apalancamiento intrínseco de la *joint venture*. Además, se incorpora una prima o alfa específica para tener en cuenta los riesgos adicionales.

Para el coste de la deuda, siguiendo los supuestos de apalancamiento, se han analizado los bonos de la *joint venture* y se han comparado sus diferenciales con un tipo libre de riesgo comparable (con vencimiento similar, en la misma moneda y emitidos en el mismo país para evitar distorsiones de las primas de riesgo país). Dado que los intereses de la deuda financiera son deducibles fiscalmente, se utiliza una tasa después de impuestos para calcular el coste de la deuda.

La tasa de descuento aplicada en la valoración oscila entre el 6,6% y el 7,1%.

- Tasa de crecimiento a perpetuidad: la cifra de negocio a partir del año 2027 se ajusta tomando la tasa de crecimiento a largo plazo (g), considerando las estimaciones del consenso de analistas para las empresas del mercado español, contrastadas con las estimaciones de inflación a largo plazo y las hipótesis utilizadas por las empresas del sector para las pruebas de deterioro. La tasa de crecimiento a largo plazo considerada es del 1%.

Al 31 de diciembre de 2024 no se han identificado indicios de deterioro sobre la participación mantenida.

(6) Deudores comerciales y otras cuentas a cobrar

El detalle de deudores comerciales y otras cuentas a cobrar al 31 de diciembre es como sigue:

	Miles de euros	
	2024	2023
No vinculadas		
Cientes por ventas y prestación de servicios	7	-
Otros créditos con las Administraciones Públicas	80	-
Total	87	-

Con fecha 31 de diciembre de 2024, no ha habido movimientos de la provisión por pérdidas de deterioro de valor de las cuentas a cobrar a clientes.



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(7) Patrimonio neto y fondos propios

(a) Capital

La Sociedad fue constituida con un capital de 3 mil euros, dividido en 3.000 participaciones indivisibles y acumulables de 1 euro de valor nominal cada una, totalmente suscritas y desembolsadas.

Con fecha 26 de marzo de 2024 la Junta General Extraordinaria de socios de Masorange, S.L. acordó ampliar el capital social en 499.997 miles de euros y la prima de asunción en 6.654.363 miles de euros, mediante la emisión y puesta en circulación de 499.997.000 de nuevas participaciones ordinarias de 1 euro de valor nominal cada una de ellas, pertenecientes a la misma clase de las participaciones en circulación y con idéntico contenido de derechos y representadas por medio de títulos al portador. Las participaciones han sido suscritas íntegramente por los dos socios de la Sociedad.

Al 31 de diciembre de 2024 el capital social de la Sociedad está compuesto por 500.000.000 participaciones de 1 euro de valor nominal cada una de ellas, de la misma clase y serie, totalmente suscritas y desembolsadas por sus socios. Todas las participaciones gozan de los mismos derechos políticos y económicos. Las participaciones están sujetas a restricciones de transferencia ya que están pignoradas como garantía en un acuerdo de financiación formalizado por el Grupo del que la Sociedad es cabecera.

Las participaciones de la Sociedad no cotizan en ningún mercado de valores.

(b) Prima de asunción

La prima de asunción al 31 de diciembre 2024 asciende a 6.654.363 miles de euros y tiene su origen en las aportaciones no dinerarias recibidas durante la constitución de la *joint venture*. La prima de asunción no está sujeta a restricciones de distribución y puede ser utilizada libremente siempre que su uso no reduzca los fondos propios por debajo del nivel del capital social.

(8) Pasivos financieros por categoría

(a) Clasificación de los pasivos financieros por categorías

A 31 de diciembre de 2024 y 2023, el valor en libros de cada una de las categorías de pasivos financieros es el siguiente:



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	Pasivos financieros a coste amortizado	
	2024	2023
Corto plazo		
No vinculadas		
Préstamos con entidades de crédito	99.990	-
Proveedores	47	-
	100.037	-

Al 31 de diciembre 2024, los préstamos con entidades de crédito corresponden a una deuda con entidades de crédito a corto plazo firmada el 15 de noviembre 2024. Esta deuda devenga un tipo de interés trimestral de Euribor +1,30%, a partir del 30 de diciembre 2024 y vence el 14 de noviembre 2025.

Valor razonable

El valor en libros de los pasivos financieros registrados en el balance abreviado a coste amortizado no presenta diferencias significativas respecto al valor razonable de los mismos, ya que devengan un tipo de interés variable y tienen vencimiento al corto plazo.

(b) Otros gastos financieros por categorías de pasivos financieros

	En miles de euros	
	2024	2023
Otros gastos financieros	50	-
Total	50	-

(c) Clasificación por vencimientos

A 31 de diciembre de 2024, el total de los pasivos financieros únicamente comprende el periodo del corto plazo, por lo que su vencimiento es igual o inferior a un año.

(9) Situación fiscal

(a) Saldos con Administraciones Públicas

El detalle de los saldos con las Administraciones Públicas a 31 de diciembre de 2024 y 2023 es el siguiente:

	Miles de euros	
	2024	2023
Activos		
Hacienda Pública deudora por IVA	80	-
	80	-

La Sociedad no tiene actualmente abierto ningún proceso de inspección.



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Los administradores de la Sociedad no consideran probable que surjan pasivos derivados de una hipotética inspección, y en caso de producirse, no afectarían significativamente a las cuentas anuales abreviadas.

(b) Impuesto sobre beneficios

La Sociedad no tiene impuesto a pagar al cierre del ejercicio, ya que presenta pérdidas desde su fecha de constitución.

Como resultado de la creación de la *joint venture* (véase nota 1), con efectos desde el 1 de enero de 2025, la Sociedad tributa en régimen de consolidación fiscal con las sociedades: Orange Espagne, S.A.U., Orange Espagne Distribución, S.A.U., Orange España Servicios de Telemarketing, S.A.U., Orange España Virtual, S.L.U., Orange España Comunicaciones Fijas, S.L.U., Jazzplat España, S.L.U., Orange Mediación de Seguros, S.L.U., Suma Operador de Telecomunicaciones, S.L.U., Lorca Telecom Bidco, S.L.U., Lorca Telecom Bondco, S.A.U., Kaixo Bondco Telecom, S.A.U., Masmovil Ibercom, S.A.U., Xfera Móviles, S.A.U., Pepeworld, S.L.U., Pepemobile, S.L., Pepe Energy, S.L., Embou Nuevas Tecnologías, S.L.U., Xtra Telecom, S.A.U., SPF Franquicia Tarifa, S.L., Másmovil Broadband, S.A.U., Spotting Brands Technologies, S.L.U., Ahimas Suroeste, S.L., Spotting development, S.L.U., The Bymovil Spain, S.L.U., Comlocal, S.L., Solucions Valencianes i Noves Technologies, S.L., Senior Telecomunicaciones y Servicios Avanzados, S.L., Energía Colectiva, S.L.U., Masmovil Mediación de Seguros, S.L., R cable y Telecable Telecomunicaciones, S.A.U. Masorange S.L. se considera la sociedad dominante del grupo de consolidación fiscal.

Impuesto Complementario (Pilar Dos)

El 21 de diciembre de 2024 se publicó en el Boletín Oficial del Estado la Ley 7/2024, de 20 de diciembre, que se establece un Impuesto Complementario (Pilar Dos) para asegurar que los grupos multinacionales y grandes grupos nacionales paguen un mínimo del 15% en impuestos donde operen.

La Sociedad tributa en régimen de consolidación fiscal con otras sociedades del Grupo (véase nota 3(e)). Según estimaciones de la dirección, la Sociedad no está sujeta al pago del impuesto en virtud de lo dispuesto en la Cuarta Disposición Transitoria de la Ley. Esto se debe a que el resultado contable agregado de las entidades del grupo de consolidación fiscal del cual la Sociedad forma parte fue negativo (pérdidas).

(10) Saldos y transacciones con partes vinculadas

(a) Saldos con partes vinculadas

Los saldos con empresas del Grupo al 31 de diciembre de 2024 y 2023 son los siguientes:



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	Notas	Miles de euros	
		Sociedades del grupo	
		2024	2023
Inversiones en empresas del grupo y asociadas a largo plazo			
Instrumentos de patrimonio (nota 5)		7.154.360	-
Total activos no corrientes		7.154.360	-
Inversiones en empresas del Grupo			
Créditos a empresas (nota 4)		93.319	-
Total activo corrientes		93.319	-
Total activo		93.319	-

El epígrafe de créditos a corto plazo recoge los créditos concedidos a empresas del Grupo y asociadas a corto plazo que incluyen principalmente las cuentas corrientes de cash-pooling con sociedades del Grupo, que devengan un tipo de interés variable del Euribor más el 1%.

Durante 2024 no ha habido transacciones con partes vinculadas.

(b) Transacciones ajenas al tráfico ordinario o en condiciones distintas de mercado realizadas por los Administradores

Durante el ejercicio 2024 y 2023, los Administradores no ha realizado con la Sociedad ni con sociedades del Grupo operaciones ajenas al tráfico ordinario o en condiciones distintas a las de mercado.

(c) Información en relación con las situaciones de conflicto de intereses por parte de los Administradores

Los Administradores de la Sociedad y las personas vinculadas a los mismos no han incurrido en ninguna situación de conflicto de interés que haya tenido que ser objeto de comunicación de acuerdo con lo dispuesto en el art. 229 del TRLSC.

(11) Ingresos y gastos

(a) Otros gastos de explotación

El detalle de otros gastos de explotación es como sigue:

	Miles de euros	
	2024	2023
Servicios de profesionales independientes	(734)	-
Primas de seguros	(1.609)	-
	(2.343)	-



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(12) Otra información

Al 31 de diciembre 2024 y 2023 la Sociedad no tiene empleados.

(13) Hechos posteriores al cierre

Proyecto FibreCo

El 2 de enero de 2025, el Grupo del que la Sociedad es sociedad dominante, junto con otro operador de telecomunicaciones español (conjuntamente los "Socios Estratégicos"), ha firmado un acuerdo vinculante para crear, junto con un inversor financiero aún por determinar, una *non-full function joint venture* para combinar y gestionar parte de las operaciones de red fija de ambos Socios Estratégicos (Proyecto FibreCo).

La *joint venture* proporcionará servicios de acceso (*bitstream*) exclusivamente a los Socios Estratégicos, quienes, a su vez, podrán comercializar libremente a sus clientes minoristas y mayoristas.

El Proyecto FibreCo implica que los socios estratégicos aporten parte de sus negocios de infraestructura y activos a una nueva entidad (FibreCo) sobre la cual el Grupo, junto con el otro operador de telecomunicaciones español y los inversores financieros, tendrán control conjunto. La contribución de Masorange consistirá principalmente en una parte significativa de la red FTTH, que incluye los activos, contratos, pasivos y empleados correspondientes, y ciertos derechos de uso sobre la red HFC (los "negocios del perímetro Masorange"). La contribución se realizará mediante la transferencia de acciones, como una aportación en especie de los socios a FibreCo, de Bidasoa TopCo y aquellas sociedades que resulten de la escisión total de MásMóvil Broadband, S.A.U. (MMBB) y Orange Espagne Comunicaciones Fijas, S.L.U. (OSFI), para separar los negocios aportados al Proyecto FibreCo de los que permanecen dentro del Grupo Masorange.

Simultáneamente con la contribución, se firmará una serie de acuerdos entre Masorange y FibreCo para la prestación de servicios de *bitstream*, servicios de operación y mantenimiento de infraestructura (O&M), así como ciertos derechos de uso sobre la red de banda ancha e infraestructura civil.

Se espera que esta transacción se complete durante la primera mitad de 2025. Como se mencionó anteriormente, en el momento de formulación de estas cuentas anuales abreviadas, ambos socios estratégicos están en el proceso de seleccionar y determinar al inversor financiero que se incorporará al Proyecto FibreCo. Adicionalmente, a 31 de diciembre de 2024, están pendientes de obtención las aprobaciones relevantes de las diferentes autoridades.



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Anexo I - Participación en empresas del grupo

Denominación social	Domicilio social	Actividad	Auditor	Accionista	Tipo de participación	Porcentaje de participación	Porcentaje de derechos de voto	Método de consolidación	Capital	Reservas	Otras partidas de patrimonio neto	Resultado	Patrimonio Neto
Masorange HoldCo Limited	1 Bartholomew Lane, London, England, EC2N 2AX	Holding	KPMG	Lorca JVCo Limited	Directa	100%	100%	Global	48.891	192.163	3.548.789	(115)	3.798.726
Lorca Co-Borrower LLC	251 Little Falls Drive, 19008 Wilmington, Delaware, USA	Holding	-	Lorca Telecom BidCo, S.L.U.	Indirecta	100%	100%	Global	-	-	-	-	-
Lorca Telecom BidCo, S.L.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito de las telecomunicaciones	KPMG	Lorca Telecom BidCo, S.L.U.	Indirecta	100%	100%	Global	455.044	(1.943.338)	5.162.063	(1.41.620)	3.632.169
Lorca Telecom BidCo, S.A.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Desarrollo de actividades de financiamiento	KPMG	Lorca Telecom BidCo, S.L.U.	Indirecta	100%	100%	Global	(70)	2.555	(2.030)	827	1.282
Masorange FinCo PLC	1 Bartholomew Lane, London, England, EC2N 2AX	Desarrollo de actividades de financiamiento y servicios en el ámbito de las telecomunicaciones	KPMG	Lorca Telecom BidCo, S.L.U.	Indirecta	100%	100%	Global	(14)	(73)	(43)	52.210	52.080
Orange Espagne Distribución, S.A.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito de las telecomunicaciones	KPMG	Lorca Telecom BidCo, S.L.U.	Indirecta	100%	100%	Global	597.665	1.489.320	929.419	(143.988)	2.872.416
Inversiones en telecomunicaciones, F.C.R.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito de las telecomunicaciones	KPMG	Orange España, S.A.U.	Indirecta	100%	100%	Global	60	1.697	141	245	2.143
Orange Mediación de Seguros, S.L.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Distribución de seguros	-	Orange España, S.A.U.	Indirecta	100%	100%	Global	3	-	300	(349)	(46)
Orange España Servicios de Telemarketing, S.A.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito del telemarketing	KPMG	Orange España, S.A.U.	Indirecta	100%	100%	Global	100	4.325	1.169	220	5.814



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Denominación social	Domicilio social	Actividad	Auditor	Accionista	Tipo de participación	Porcentaje de participación	Porcentaje de derechos de voto	Método de consolidación	Capital	Reservas	Otras partidas de patrimonio neto	Resultado	Patrimonio Neto
Orange España Virtual, S.A.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito de las telecomunicaciones	KPMG	Orange España, S.A.U.	Indirecta	100%	100%	Global	9.536	24.387	(3.747)	16.281	48.457
Jazztel Colombias, S.A.S.	Cra 56 No 9 - 09 piso 3 Edif. BOG-Américas, Bogotá, Colombia.	Servicios de centro de contacto	-	Orange España, S.A.U.	Indirecta	100%	100%	Global	906	2.070	1.000	408	4.382
Jazztel España, S.L.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Servicios de centro de contacto	KPMG	Orange España, S.A.U.	Indirecta	100%	100%	Global	3	(343)	742	347	748
Orange Spain Comunicaciones Fijas, S.L.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito de las telecomunicaciones	KPMG	Orange España, S.A.U.	Indirecta	100%	100%	Global	50.000	2.204.153	-	43.039	2.287.181
Suma Operador de Telecomunicaciones, S.L.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito de las telecomunicaciones	KPMG	Orange España, S.A.U.	Indirecta	100%	100%	Global	248	6.022	-	(293)	5.977
MásMóvil Ibercom, S.A.U.	Parque Empresarial Zurbatu, Edificio Esso, 2da planta (Gurpuzcoa) San Sebastián	Desarrollo de actividades y servicios en el ámbito de las telecomunicaciones	KPMG	Lorca Telecom BidCo, S.L.U.	Indirecta	100%	100%	Global	2.613	(478.910)	185.330	(119.443)	(408.410)
Xfera Móviles, S.A.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito de las telecomunicaciones	KPMG	MásMóvil Ibercom, S.A.	Indirecta	100%	100%	Global	1.000	563.825	56.348	(58.738)	586.434
MásMóvil Broadband, S.A.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito de las telecomunicaciones	KPMG	Xfera Móviles, S.A.U.	Indirecta	100%	100%	Global	5.000	305.617	245.981	(33.815)	522.983
Xtra Telecom, S.A.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito de las telecomunicaciones	KPMG	Xtra Móviles, S.A.U.	Indirecta	100%	100%	Global	377	46.913	22.166	17.883	87.349



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Denominación social	Domicilio social	Actividad	Auditor	Accionista	Tipo de participación	Porcentaje de participación	Porcentaje de derechos de voto	Método de consolidación	Capital	Reservas	Otras partidas de patrimonio neto	Resultado	Patrimonio Neto
Embou Nuevas Tecnologías, S.L.U.	Avenida Juan Pablo II, 35 50009 Zaragoza	Servicios de consultoría y asesoramiento empresarial en el ámbito de las telecomunicaciones y las nuevas tecnologías	KPMG	Xfera Móviles, S.A.U.	Indirecta	100%	100%	Global	10	(952)	1.216	(2.468)	(2.194)
Pepeworld, S.L.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Holding	-	Xfera Móviles, S.A.U.	Indirecta	100%	100%	Global	720	(1.789)	-	(136)	(1.204)
Pepe Energy, S.L.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Suministro de electricidad	-	Pepe World, S.L.U. y Xfera Móviles, S.A.U.	Indirecta	100%	100%	Global	100	4.480	-	(419)	4.161
Pepamobile, S.L.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Servicios de telecomunicaciones; Servicios de TI; desarrollo, venta y distribución de programas y materiales de TI	KPMG	Pepe World, S.L.U. y Xfera Móviles, S.A.U.	Indirecta	100%	100%	Global	60	40.937	639	10.526	52.162
The Bymovil Spain, S.L.U.	Polígono Mies de Molladar D-9, Cantes (Cantabria)	Comercialización y venta de materiales electrónicos y periféricos	KPMG	Xfera Móviles, S.A.U.	Indirecta	100%	100%	Global	20	60.049	-	5.925	65.994
Senior Telecomunicaciones y Servicios Avanzados S.L.	Paseo del Club Deportivo, Pozuelo de Alarcón, 28223 Madrid	Presitación y/o comercialización de servicios y/o asistencia de telemedicina	-	Xfera Móviles, S.A.U.	Indirecta	82%	82%	Global	833	(2.312)	1.721	(128)	114
Guuk Telecom, S.A.U.	Parque Empresarial Zuzatu, Edificio Esca, 2da planta N° 8 (Guitizcoa) San Sebastián	Actividades y servicios en el ámbito de las telecomunicaciones	-	Xfera Móviles, S.A.U.	Indirecta	100%	100%	Global	141	(9.749)	6.395	7	(3.206)



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Denominación social	Domicilio social	Actividad	Auditor	Accionista	Tipo de participación	Porcentaje de participación	Porcentaje de derechos de voto	Método de consolidación	Capital	Reservas	Otras partidas de patrimonio neto	Resultado	Patrimonio Neto
Spotting Developments, S.L.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 8, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito de las telecomunicaciones	-	Xfera Móviles, S.A.U.	Indirecta	100%	100%	Global	1.028	(871)	530	19	706
Xfera Financía Establecimiento Financiero de Crédito, S.A.	Paseo Melancólicos 14, 28005 Madrid	Préstamos y créditos personales	Mazars	Xfera Móviles, S.A.U.	Indirecta	49,00%	49,00%	Puesta en equivalencia	47.250	(11.758)	-	(7.540)	27.952
Spotting Brands Technologies, S.L.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Servicios de telecomunicaciones	-	Xfera Móviles, S.A.U.	Indirecta	100%	100%	Global	14.353	(16.484)	13.417	17.996	29.282
Almanas Sur, S.L.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 8, 28223 Pozuelo de Alarcón (Madrid)	Servicios de telecomunicaciones	-	Spotting Brands Technologies, S.L.	Indirecta	100%	100%	Global	72	(196)	180	212	278
SPF Franquicia Tarifa, S.L.U.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 8, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito de las telecomunicaciones	-	Spotting Brands Technologies, S.L.	Indirecta	100%	100%	Global	15	(122)	42	(41)	(106)
Energía Colectiva, S.L.U.	Calle Joan D'Austría, 28 - plas 3 y 4, Valencia, (Valencia)	Suministro de electricidad	KPMG	Xfera Móviles, S.A.U.	Indirecta	100%	100%	Global	10	(5.987)	4.570	2.091	704
Ucles Infraco, S.L.	AVENIDA EUROPA, 19 - 1 A y B, Pozuelo de Alarcón, 28224 Madrid	Actividades y servicios en el ámbito de las telecomunicaciones	PwC	Más Móvil Broadband, S.A.	Indirecta	49,90%	49,90%	Puesta en equivalencia	4	(94.965)	222.299	(24.964)	102.374
Comlocal, S.L.	Parque Empresarial La Finca, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Actividades y servicios en el ámbito de las telecomunicaciones	-	Xfera Móviles, S.A.U.	Indirecta	100%	100%	Global	1.497	(947)	-	(140)	410
Soluciones Valencianas i Noves Technologies, SL	Calle Mallorca, parcela C1, Despecho 106 P.I. La Reva Ribarroja del Turia 48190 (Valencia)	Actividades y servicios en el ámbito de las telecomunicaciones	-	Comlocal, S.L.	Indirecta	100%	100%	Global	3	1.185	-	516	1.704



MASORANGE, S.L.

Memoria de las cuentas anuales abreviadas al 31 de diciembre 2024

(expresado en miles de euros)

Denominación social	Domicilio social	Actividad	Auditor	Accionista	Tipo de participación	Porcentaje de participación	Porcentaje de derechos de voto	Método de consolidación	Capital	Reservas	Cifra partidas de patrimonio neto	Resultado	Patrimonio Neto
Kaixo Bonido Telecom, S.A.U.	Parque Empresarial La Finsa, Paseo del Club Deportivo, 1, Edificio 7, 28223 Pozuelo de Alarcón (Madrid)	Desarrollo de actividades de financiamiento	KPMG	Lorca Telecom Bisco, S.A.U.	Indirecta	100%	100%	Global	(60)	161	-	38	139
Kaixo Telecom, S.A.U.	Parque Empresarial Zuzatu (San Sebastián)	Actividades y servicios en el ámbito de las telecomunicaciones	-	MásMóvil Ibercom, S.A.	Indirecta	100%	100%	Global	120	384.871	1.575.908	(1.488)	1.858.410
MásMóvil Mediación de Seguros S.L.	Parque Empresarial La Finsa, Paseo del Club Deportivo, 1, Edificio 8, 28223 Pozuelo de Alarcón (Madrid)	Distribución de seguros	-	Xtera Móviles, S.A.U.	Indirecta	100%	100%	Global	3	(1.310)	1.610	(348)	(46)
Euskaltel, S.A.U.	CL Tecnológico, Diero (Bilbao)	Actividades y servicios en el ámbito de las telecomunicaciones	KPMG	Kaixo Telecom, S.A.	Indirecta	100%	100%	Global	535.936	14.129	354.342	(94.177)	810.238
R Cable y Telecabile Telecomunicaciones S.A.U.	Calle Real 85 (La Coruña)	Actividades y servicios en el ámbito de las telecomunicaciones	KPMG	Euskaltel, S.A.U.	Indirecta	100%	100%	Global	40.144	(15.118)	43.674	(74.925)	(6.225)
Bizkaia TopCo S.A.	Calle Gran via Diego Lopez de Haro 41-1, Bilbao, Bizkaia	Actividades y servicios en el ámbito de las telecomunicaciones	KPMG	Euskaltel, S.A.U.	Indirecta	49%	49%	Puesta en equivalencia	10	(30)	188.740	(3)	168.717
Masbusinessinnovations, S.L.	Parque tecnológico Elkarte, edificio 80 (Diero)	Actividades y servicios en el ámbito de las telecomunicaciones	-	Euskaltel, S.A.U.	Indirecta	100%	100%	Global	3	-	-	-	3
Data Center Euskadi, S.L.	Plaza Pio Baroja 3, 1º, 48001, Bilbao (Bizkaia)	Actividades y servicios en el ámbito de las telecomunicaciones	-	Euskaltel, S.A.U.	Indirecta	10,83%	21,25%	Puesta en equivalencia	9.600	(118)	114	(185)	9.431



Masorange, S.L.

Formulación de cuentas anuales del ejercicio 2024

Reunidos los Administradores de la sociedad Masorange, S.L. con fecha 28 de marzo de 2025 y en cumplimiento de los requisitos establecidos en el artículo 253.2 del Texto Refundido de la Ley de Sociedades de Capital y en el artículo 37 del Código de Comercio, proceden a formular las cuentas anuales abreviadas al ejercicio comprendido entre el 1 de enero de 2024 y el 31 de diciembre de 2024, que vienen constituidos por los documentos anexos que preceden a este escrito.

Firmantes:

Jean François Fallacher
(Presidente)

Meinrad Spenger
(Consejero Delegado)

Mari-Noëlle Jégo Laveissière

Miguel Juan Segura Martín

Laurent Vincent Joseph Martinez

Ignacio Cobo Bachiller

Ignacio de Orúe

Robert Sudo