

Press Release

Telefónica Infra agrees with Asterion Industrial Partners the acquisition of a 20% stake in Nabiax in exchange for the contribution of four Data Centers

- The transaction perimeter covers four Data Centers with an installed service capacity of 9.9 megawatts (MW).
- The agreement includes a long-term housing services agreement which will enable Telefónica Group to maintain intact its commercial offer and leadership in connectivity and cloud services.

Madrid, 10 May, 2021. Telefónica has signed an agreement with Asterion Industrial Partners, leading independent investment management firm, for the contribution of four Data Centers (DCs) currently owned by the Telefonica Group (two in Spain and two in Chile) to Nabiax, Colocation and Housing service provider and owner of the eleven Data Centers sold by Telefónica in 2019. As a result of this contribution, Telefónica Infra will receive a 20% stake in Nabiax, establishing an important strategic partnership with the company's current shareholder, Asterion and its coinvestors, who retain the remaining 80% of the share capital.

The transaction includes an agreement for housing services in the four DC's under equivalent terms and conditions as those established in the prior transaction (initial term of ten years). The transaction does not include the sale of servers owned by Telefónica, nor the management and access to customers hosted on them. Telefónica will therefore continue to provide and manage the services that it has been offering to its customers from these DCs and will maintain the direct relationship with such customers.

The agreement announced today allows Telefónica to crystallize the value of its infrastructure assets, while preserving intact Telefónica's commercial positioning, client relationships and leadership in cloud, hosting and housing services provided to corporate customers. Additionally, through the 20% stake that Telefónica Infra will hold in Nabiax, Telefónica retains exposure to a global data center platform with attractive growth prospects participating in the company's value upside.

Furthermore, Nabiax and Telefónica will continue developing their existing commercial cooperation and will explore new joint business opportunities, such as new services, edge computing and data centre automation.

Telefónica, S.A.

Dirección de Comunicación Corporativa

Tel: +34 91 482 38 00 email: prensatelefonica@telefonica.com

saladeprensa.telefonica.com

Closing of the transaction is subject to the corresponding regulatory approvals and certain administrative procedures and is expected to take place in two phases (one in relation with the Spanish DCs and a second one in relation with the Chilean DCs).

About Telefónica

Telefónica is one of the largest telecommunications service providers in the world. The company offers fixed and mobile connectivity as well as a wide range of digital services for residential and business customers. With over 345 million customers, Telefónica operates in Europe and Latin America. Telefónica is a 100% listed company and its shares are traded on the Spanish Stock Market and on those in New York and Lima.

About Telefónica Infra

Telefónica Infra, a fully owned unit of Telefónica Group, manages stakes in infrastructure vehicles alongside financial investors. Its objectives include crystallizing the value of Telefónica's infrastructure assets and know how through dedicated management and increased focus, partnering with leading financial investors to co-invest in growth opportunities involving flexible partnership structures and business models. Telefónica Infra's investment portfolio currently comprises a 50.01% stake in Telxius (telxius.com) and a 40% stake in Unsere Grüne Glasfaser (www.ugg.tech). In March, the creation of FiBrasil was signed, and Telefónica Infra will hold a 25% stake once the relevant authorizations are obtained.

Telefónica, S.A.

Dirección de Comunicación Corporativa

Tel: +34 91 482 38 00 email: prensatelefonica@telefonica.com

saladeprensa.telefonica.com