



Telefonica and Liberty Global announce CEO and CFO for proposed UK joint venture between O2 and Virgin Media

Lutz Schüler to be appointed Chief Executive Officer and Patricia Cobian to be appointed Chief Financial Officer of the combined company upon completion of the transaction

Madrid, Spain and Denver, Colorado – April 6, 2021

Liberty Global and Telefonica today announced their intention to appoint Lutz Schüler as Chief Executive Officer and Patricia Cobian as Chief Financial Officer of the proposed 50-50 joint venture combining Virgin Media and O2. The merger is subject to approval by the Competition and Markets Authority (CMA) in the UK.

Lutz Schüler joined Virgin Media in 2018 as Chief Operating Officer and has been CEO at Virgin Media since June 2019. Prior to that, Schüler spent more than seven years as CEO of Unitymedia GmbH, Liberty Global's highly successful German operation, which was sold to Vodafone in 2018. During his tenure at Virgin Media he has transformed business performance with the acceleration of 1 Gig broadband, the rollout of new entertainment and smart WiFi services and the market's first fixed-mobile bundles. Schüler is a 27-year veteran of the telecoms industry, beginning his career at T-Mobile Deutschland in 1994 and later serving in various senior management roles, including Chief Operating Officer, with Telefonica's O2 German subsidiary from 1998 to 2010.

Patricia Cobian is currently Chief Financial Officer for O2, a position she has held since 2016. During a 15-year career with Telefonica she has held a number of senior management positions. Before taking on her current role, Cobian was Director for Business Development in Telefonica Europe, where she led strategy, marketing innovation and played a key role in a number of partnerships, spectrum auctions, infrastructure sharing deals and key acquisitions and divestitures in the region. She also led the post-merger integration planning of Telefonica Deutschland with ePlus. Before joining Telefonica, Cobian was a consultant with the TMT and Corporate Finance practices of McKinsey & Company.

Mike Fries, CEO of Liberty Global, and José Maria Alvarez-Pallete Lopez, CEO of Telefonica, commented: "We are about to embark on an exciting new chapter for Virgin Media and O2, and Lutz and Patricia are the right leaders to deliver on our ambition to create the UK's national connectivity champion. Together they will build a strong, diverse and dynamic team that will bring more choice,

more value and world-class innovation to over 46 million fixed and mobile customers and the broader consumer and enterprise market.”

They continued: “Lutz is a unique talent and a perfect fit for the new combined company. He has extensive experience in fixed and mobile and a fantastic track record at both Liberty and Telefonica driving transformation and growth. Together, Virgin Media and O2 will need to quickly capitalize on strategic opportunities in network expansion, digitalization, convergence, 5G and video – all areas where Lutz has a strong background and a clear vision. We couldn’t have a better leader steering us through these critical and exciting times.”

Lutz Schüler, commenting on his upcoming role, said: “I’m both humbled and proud to be appointed CEO of this powerful combination between Virgin Media and O2, and I’m excited that we are getting closer to realizing our vision of creating a true connectivity champion in the UK. I have enormous respect for Mark and appreciate the partnership we’ve developed as we prepare both businesses to come together as one and I’m very enthusiastic about working with Patricia as CFO. She is an extremely talented leader and together we will build a strong, high performing team.”

José Maria Alvarez-Pallete Lopez, CEO of Telefonica, added: “I would like to place on record my appreciation for the exceptional leadership of Mark Evans, the current CEO of O2. Since his appointment in 2016, the business has established itself as the UK’s number one network by scale and customer satisfaction and delivered five consecutive years of profit growth. Valuation grew by £3bn, making this deal possible. He has also played an instrumental role for the Telefónica Group and our strategy. Mark will remain in his post until completion.”

Mark Evans said: “I am proud to have served Telefonica, O2, its employees and customers, especially as CEO over the last five years, and have enjoyed the journey immensely. It has been both a personal and professional honour to have established O2 as the UK’s number one mobile network and most compelling brand. I’m confident the joint venture I helped bring to the table will come to fruition and go on to establish itself as the national connectivity champion the UK deserves. In Liberty Global, Telefonica has found a first-class partner, and together their brand portfolio and their remarkable employees have an exciting future ahead.”

Liberty Global and Telefonica announced the joint venture last May, bringing together Virgin Media, the U.K.’s fastest broadband network, and O2, the country’s largest and most admired mobile platform. The combination will create a stronger fixed and mobile competitor in the U.K. market, supporting the expansion of Virgin Media’s giga-ready network and O2’s 5G mobile deployment for the benefit of consumers, businesses and the public sector. The joint venture is expected to deliver substantial synergies valued of more than £6 billion on a net present value basis after integration costs and will create a nationwide integrated communications provider with £11 billion of revenue.

To find out more and to follow our progress, visit www.nationalconnectivitychampion.co.uk

About Telefonica

Telefónica is one 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 344 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 Liberty Global

Liberty Global (NASDAQ: LBTYA, LBTYB and LBTYK) is one of the world's leading converged video, broadband and communications companies, with operations in seven European countries under the consumer brands Virgin Media, Telenet, UPC, the combined Sunrise UPC, as well as VodafoneZiggo, which is owned through a 50/50 joint venture. Our substantial scale and commitment to innovation enable us to invest in the infrastructure and digital platforms that empower our customers to make the most of the digital revolution.

Liberty Global delivers market-leading products through next-generation networks that connect customers subscribing to 49 million broadband, video, fixed and mobile telephony services across our brands. We also have significant investments in ITV, All3Media, ITI Neovision, LionsGate, the Formula E racing series and several regional sports networks. For more information, please visit www.libertyglobal.com

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