

Media release

Spanish Fibre business Onivia doubles in size, with new rural fibre network investment

- Macquarie Capital (Macquarie), Aberdeen Standard Investments (ASI) and Daiwa Energy & Infrastructure (DEI), investors behind Spain's Onivia Network have acquired a majority stake in a large rural Fibre-to-the-Home network from MasMovil.
- Onivia will commercialize this fibre to the home network – meaning Onivia's coverage has more than doubled in size to over 2.1m homes. The agreement means that this independent bitstream wholesaler now covers rural as well as urban areas. MasMovil will be the network's technological partner, carrying out both the deployment of new households and the operation and maintenance of the fibre optic network sold.
- As part of the agreement, MasMovil retains full ownership for its existing customers in the sold network and will continue to use it to support its customers. Another major Spanish internet service provider, Orange, is also an anchor customer on the network
- Macquarie Capital acted as sponsor, lead equity investor, sole debt arranger and sole financial advisor in the acquisition. ASI and DEI are also sponsors in the acquisition.

Madrid, 04 May 2021 – Onivia, Spain's first independent fibre network operator, is to double in size following the acquisition of a majority stake in a rural fibre-to-the-home (FTTH) network by Onivia's investors. Macquarie, with co-investors ASI and DEI, have completed the acquisition of a majority stake in a large Spanish rural fibre to the home network. This fibre network, which will cover around 1.1m building units in well over a thousand Spanish rural communities, was previously wholly owned by telecoms operator MasMovil.

This rural network currently provides wholesale access services in rural areas spread across Spain. MasMovil will retain a minority stake in the rural network and full ownership for its existing customers in the sold network. Roughly two thirds of the total planned size of the network has already been built out and the full rural network is expected to be completed by 2022.

This rural network will be commercialized by Onivia, an independent wholesale network operator, launched by Macquarie and ASI in early 2020, and joined by DEI in May 2020. MasMovil will be the network's technological partner, carrying out both the deployment of new households and the operation and maintenance of the fibre optic network sold. Onivia provides an alternative, independent source of wholesale fibre capacity for all internet service providers (ISPs) and smaller broadband businesses. The new network will complement Onivia's current coverage in Spain's five largest cities (Madrid, Seville, Valencia, Barcelona and Malaga), and provide Onivia with a national presence.

Spain has one of the most mature fibre markets in Europe with fibre-to-the-home (FTTH) coverage of 85% expected to grow to 95% by 2022, driven by rural deployments. Demand for ultrafast, reliable broadband in rural parts of Spain, is

expected to grow significantly over the next few years, as more workers take the opportunity to work remotely. In addition, the Spanish Government has put in place regulatory measures to encourage faster rural broadband deployment and requires operators to guarantee coverage of 30 Mbps or higher for at least 90% of citizens living in population units of less than 5,000 inhabitants¹.

MasMovil, Spain's fourth largest internet ISP, will continue to use the fibre network to serve its own customers. Another major Spanish ISP, Orange, is also an anchor customer of this independent fibre network.

Mark Bradshaw, Head of Infrastructure Projects, Europe & Americas at Macquarie Capital

said: "This transaction is another major investment from our expanding digital infrastructure development business, doubling the size of the Onivia network and giving the business a national footprint. The project provides us and our partners with another opportunity to deploy flexible balance sheet capital to grow this business – to help meet the constantly growing demand for reliable, ultra-fast internet connectivity across Europe, especially from rural communities."

Gershon Cohen, Global Head of Infrastructure at Aberdeen Standard

Investments, said: "The pandemic has accelerated the need to ensure that people and businesses are connected, particularly in more rural communities. Investing in fibre optic projects is crucial not only as we drive towards economic recovery, but also in seeking to redress the imbalance of social inequality. We are delighted to continue to support this significant investment opportunity in the Spanish fibre network, allowing us to expand our commitment to seek long term stable returns for our investors, whilst improving IT efficiency and sustainability thereby contributing to a greener future."

Morimasa Matsuda, Representative Director at Daiwa Energy & Infrastructure

said: "This project is representing dynamic evolution in Spanish telecom market. An independent and sizable FTTH wholesaler is essential for Spanish market to encourage broadband development. From this aspect, the transaction is also a very important step for Onivia. It is foreseeable that digital sector is growing fast and DEI will continuously make investments to the sector. Daiwa securities Group has strong initiatives towards Sustainable Development Goals (SDGs). With providing the faster internet access to people in Spain, the acquiring asset can definitely contribute to SDGs."

-ENDS-

Notes to Editors

About Macquarie Capital

Macquarie Group Limited is a diversified financial group providing clients with asset management and finance, banking, advisory and risk and capital solutions across debt, equity and commodities. Founded in 1969, Macquarie employs 16,356 people in 31 markets. At 30 September 2020, Macquarie had assets under management of £308.7 billion. For further information, visit www.macquarie.com.

¹ Source: European Commission, ["State aid: Commission approves €400 million of public support for very high-speed networks in Spain"](#)

Macquarie Capital specialises in infrastructure development with £18 billion currently under construction or development globally. Macquarie Capital's Infrastructure Principal and Projects business specialises in the development / construction of projects and investing in infrastructure businesses across transportation, social and digital infrastructure. The team also offers flexible, partnership capital to infrastructure companies to help fund capital expenditure, business expansion and acquisitions.

Over the past two years, the business has significantly increased its expertise in the digital infrastructure sector – and most recently increased its investment in the UK rural broadband business Voneus.

About Aberdeen Standard Investments

- Aberdeen Standard Investments is a global asset manager dedicated to creating long-term value for our clients. With over 1,000 investment professionals, we manage £456.9 billion* of assets worldwide and have clients in c.80 countries. (*as of 31 December 2020)
- We are high-conviction, long-term investors who believe teamwork and collaboration are the key to delivering repeatable, superior investment performance.
- Standard Life Aberdeen plc is headquartered in Scotland. It has over 1 million shareholders and is listed on the London Stock Exchange.
- You can access the Aberdeen Standard Investments media centre here: <https://www.aberdeenstandard.com/news-and-media>

About Daiwa Energy & Infrastructure

DEI is a core strategic subsidiary of Daiwa Securities Group Ltd., for exploring further investment opportunities in infrastructure assets, renewable energy and resource. The balance of investment is JPY 1,176 million (About EUR 900 million) at the end of March 2021.

Daiwa Securities Group has been a driving force for initiatives in addressing social issues through its continuous efforts in product development and provision for more than ten years. To accelerate our initiatives, Daiwa established the SDGs Promotion Committee chaired by Seiji Nakata (President and CEO of Daiwa Securities Group Inc.) and recently assigned Keiko Tashiro (Deputy President) as the Head of SDGs. DEI will continue to invest to digital infrastructure sector to promote these Goals. For further information, visit <https://www.daiwa-ei.jp/en/> .