

CITYFIBRE INFRASTRUCTURE HOLDINGS LIMITED

2020 MID-YEAR UPDATE

2020 has seen significant development of CityFibre's full fibre network build programme, with construction under way in 29 cities and live services established in 22 at the end of September. CityFibre has also completed its first city-wide network-build project committed to in its strategic partnership with Vodafone. The network in Stirling has passed over 17,500 premises, rolled out in less than 18 months after construction began.

In March CityFibre completed the acquisition of FibreNation from TalkTalk, and at the same time secured TalkTalk as a wholesale customer across CityFibre's network in both consumer and business markets. The acquisition of the full fibre network builder has enabled CityFibre to increase its rollout ambition from 5 million to up to 8 million premises, supporting an investment programme of up to £4 billion. TalkTalk also becomes CityFibre's latest major customer with long-term commitments of both residential and business customers.

CityFibre has been awarded a multi-million-pound contract by Three to connect an additional 1,300 key mobile masts across 59 towns and cities. Under an agreement announced earlier this year, CityFibre became a preferred provider of backhaul connectivity outside London for Three and has already supported the rollout of 5G at more than 100 locations across the country. This latest deal will more than triple Three's initial commitment and will see CityFibre's Full Fibre infrastructure continue to underpin its national 5G rollout.

CityFibre has also commenced its 'Accelerated Tenders Award Programme' which will award a further 29 build contracts to both existing and new construction partners before the end of the year. Once awarded, these will bring CityFibre's total committed build contracts to approximately £2.5bn, equating to a rollout to 5m premises. In due course, CityFibre plan to extend this rollout to a total of up to 8m premises, with plans that they are substantially completed by 2025 in line with the government's target of nationwide coverage by that date.

Most recently, CityFibre has announced that it has appointed Bechtel, one of the world's leading engineering, construction and project management companies, to support the rapidly accelerating mobilisation of its build-projects across many more towns and cities in the coming years. Bechtel is best known for the delivery of major infrastructure projects across the globe and has extensive experience in the communications infrastructure market.