

Monday 14 December

## **G.Network to invest over £1bn in London broadband rollout following successful fundraise from USS and Cube Infrastructure Managers**

- Universities Superannuation Scheme Limited (“USS”) agrees to become a joint controlling shareholder and invest £295m of new equity in G.Network (the “Company”)
- Cube Infrastructure Managers (“Cube”) has invested in G.Network over the past two years extending its network to cover over 150,000 premises in central London and will remain as co-controlling shareholder alongside USS jointly to develop further G.Network.
- Debt facility of up to £745m secured from four banks, including extendable credit facility
- G.Network plans to roll out full fibre broadband to 1.4 million premises, reaching 13 London boroughs over five years
- Over 1,250 jobs expected to be created

Full fibre broadband operator, G.Network, plans to invest over £1bn in rolling out connectivity in London following a successful fundraise. The fundraise includes a new equity investment by USS, the UK’s largest private pension scheme by way of assets, of up to £295m over 6 years in G.Network’s parent; as well as debt secured from four banks of up to £745m, contingent on passing certain milestones.

G.Network digs streets to install brand new, state-of-the-art, contiguous full fibre broadband infrastructure in the capital, offering both residential and business customers ultra-fast speeds. The Company is building its network on an ‘Open Access’ principle, so that other providers can offer connections to their customers using G.Network infrastructure in future. G.Network is currently working with eight local authorities and will bring its rollout to a further five, aiming to connect at least 80% of premises in each.

In the next five years, the Company plans to dig around 4,500km of streets, reaching approximately 1.4 million London premises, including many in underserved areas. The rollout is expected to create more than 1,250 new jobs, in addition to the c.a. 250 staff already employed by the Company, whilst bringing competitively-priced high speed broadband to residents and businesses.

Completion of the fundraise is expected to take place in the next few days.

Commenting on the investment, Sasho Veselinski, G.Network Chief Executive Officer, said, “High speed, reliable connectivity is critical to the home and work lives of Londoners. That’s why G.Network is undertaking a fundamental upgrade of the capital’s telecoms infrastructure from copper to fibre. We are rebuilding London’s broadband from the fibre up, bringing first-class connectivity to residents and businesses without expecting them to pay more. We’re very pleased to be working with USS, Cube and our banking partners on this project, and look forward to many years of successful partnership.”

The Secretary of State for Digital, Culture, Media & Sport, Oliver Dowden said, “This fantastic investment in our capital is a welcome boost to the government’s national mission to revolutionise Britain’s digital infrastructure. It will give London a much-needed helping hand as we race to build back better from the impact of Covid and upgrade broadband speeds for well over a million premises while also creating hundreds of new jobs.”

The Mayor of London, Sadiq Khan, said: “This additional investment is great news for our city and will mean new jobs in infrastructure and faster internet speeds for Londoners at home and at work. At a time when so many are reliant on good connectivity, we’re encouraging more investment in full fibre by working with London’s 32 boroughs and TfL to provide better access across the capital.”

USS Investment Management CEO, Simon Pilcher, said: “This transaction is the latest in a series of new investments by USS in the UK, highlighting our commitment to long-term domestic investment particularly where we can identify supportive regulatory and Government policy. We look forward to partnering with the G.Network management team and Cube to provide Londoners with the first class fibre network they need whilst generating long-term returns to provide a better financial future for our members.”

Cube Managing Partner, Henri Piganeau, said: “We are known as pioneers among infrastructure funds for investing early in fibre open-access networks, long before fibre became the “fourth utility” and have over the last decade accompanied the growth of several European infrastructure operators. G.Network represents a compelling proposition for the enormous number of businesses and residents in London, who are chronically under-served by existing connectivity infrastructure. The partnership with USS will allow accelerating the growth of the Company into becoming the open-access network for Central London, serving all telecom operators”.

Rothschild & Co acted as principal financial advisor to G.Network in connection with the transaction. DC Advisory acted as financial adviser to USS. DLA Piper UK LLP and Clifford Chance LLP acted as legal advisers to G.Network in connection with the equity and debt aspects of the transaction, respectively. Linklaters LLP acted as legal advisers to USS.

-- ENDS --

**About G.Network:**

G.Network is a full fibre broadband provider. The Company is installing brand new, fibre optic connections directly to residents and businesses across London. With G.Network infrastructure, residents and businesses are able to access reliable 100% fibre connections with guaranteed download and upload speeds.

G.Network connections range from 100 Megabits per second (Mbps) to 10 Gigabits per second (10 Gbps), with tariffs currently starting from £22 per month.

The current London average download speed is approximately 66 Mbps<sup>1</sup>. The service is priced competitively so that customers benefit from superior fibre connectivity at the same or even lower cost than current copper-based services.

G.Network already has deployments across Camden, Hackney, Hammersmith & Fulham, Islington, Lambeth, Kensington & Chelsea, Tower Hamlets and Westminster. The company has already passed 160,000 premises. With this new investment, the network is planned to expand to the London boroughs of Barnet, Haringey, Lewisham, Southwark and Wandsworth.

#### **About G.Network key personnel**

**Sasho Veselinski** is Co-Founder and CEO of G.Network. He is a telecoms entrepreneur with 20+ years of experience in the industry. He has significant experience of successfully building telecoms businesses, and a track record of effective deployment of metro and national telecom networks.

**David Sangster** is Co-Founder and COO of G.Network. David has spent his entire career in telecommunications. He started at Mercury, and then moved to Cable and Wireless, rising to run the UK and later the European Service Provider Business. He then moved to Airwave to run the UK business and held an advisory position at UK Broadband before co-founding G.Network.

**Sean Williams** is Chairman of G.Network. As Chief Strategy Officer for BT, Sean was at the forefront of the acquisition of EE and BT's fibre broadband strategy. He also previously served as a board director of Ofcom.

**Rupert Mussen** is CFO of G.Network. Rupert has over 20 years' experience in the TMT sector helping high growth companies achieve their business plans. Rupert was previously CFO of Sohonet, a network connectivity and cloud services provider. Before this, Rupert held senior finance roles at Vox Generation and Tube Lines.

#### **About USS**

Universities Superannuation Scheme (the "Scheme") was established in 1974 as the principal pension scheme for universities and other higher education institutions in the UK. It has more than 400,000 members across more than 340 institutions and is one of the largest pension schemes in the UK, with total fund assets of around £68 billion (as at 31 March 2020).

---

<sup>1</sup> G.Network analysis of Ofcom 'Connected Nations' data, 2019

The Scheme's trustee is Universities Superannuation Scheme Limited, a corporate trustee which provides scheme management and trusteeship from its offices based in Liverpool and London in the UK. The trustee company delegates implementation of its investment strategy to a wholly-owned investment management subsidiary company - USS Investment Management Limited - which provides in-house investment management and advisory services.

For more information on Universities Superannuation Scheme please go to [www.uss.co.uk](http://www.uss.co.uk).

### **About Cube Infrastructure Managers**

Founded in 2007, Cube Infrastructure Managers is an independent management company, focusing on equity investments in the European infrastructure space addressing the essential infrastructure needs of local public authorities and populations, together with a strong ESG commitment. Cube Infrastructure Managers has raised to date in aggregate €2.6 billion and manages three funds. Cube Infrastructure Fund and Cube Infrastructure Fund II are focusing on investments in regulated, brownfield infrastructure and target mainly three strategic markets, Public Transport, Energy Transition and Communication Infrastructure, with a “Buy & Grow” strategy. The Connecting Europe Broadband Fund is dedicated to investments in greenfield broadband infrastructure projects.

Cube was among the European pioneers when it invested in fibre optic networks, investing for the development of open-access fibre networks as early as 2011. Through its fund Cube Infrastructure Fund, it invested in Covage in France in 2011 (2.4 million homes) and has since then invested in the development of open-access network operators in Portugal, the UK, Croatia, Slovenia, Spain, Italy, the Netherlands and Czech Republic, either through Cube Infrastructure Fund II or through the Connecting Europe Broadband Fund. The investment in G.Network is by Cube Infrastructure Fund II.

[www.cubeinfrastructure.com](http://www.cubeinfrastructure.com)

### **Notes for editors**

Currently, only approximately 18% of premises in the capital have access to full fibre connections. This number will rise significantly in line with G.Network’s rollout. The UK government has pledged that every premises in the country will receive a ‘gigabit capable’ connection by 2025. According to the Internet Association, the full rollout of gigabit broadband across the UK would provide a boost to the economy of 0.7 percent of GDP by 2025, the equivalent of over £13bn, or an extra £217 per person a year.<sup>2</sup>

### **Media contacts**

G.Network

Mark Detre, Head of Communications and PR

---

<sup>2</sup> <https://uk.internetassociation.org/news/universal-gigabit-broadband-could-boost-uk-economy-by-217-per-person-every-year-new-research-shows/>

mark.detre@g.network  
020 8106 8722 / 07811 739742  
twitter.com/gnetworkcomms  
facebook.com/G.NetworkComms

USS  
Lucinda Kemeny, Head of Investment Communications  
lkemeny@uss.co.uk  
07958 924 188

Cube Infrastructure Managers  
Caroline Kragerud, Head of Investor Relations  
+352 24 87 34 68 43

Agnès Catineau, Xavier Mas  
CUBEIM@brunswickgroup.com / +33 1 53 96 83 83