

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN OR ANY OTHER JURISDICTION IN WHICH THE DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL



press release

The new acquisition strengthens company's position in Poland

Cellnex to acquire Polkomtel Infrastruktura

It operates both passive –telecom towers– and active infrastructure –voice and data transmission equipment and fibre to the tower.

The transaction involves an investment of c. €1.6 billion.

Once the agreement is finalised, Cellnex Group's backlog of contracted sales will increase by c. €10 billion to c. €110 billion.

Barcelona, 26 February 2021. Cellnex has reached an agreement with Cyfrowy Polsat to acquire 99.99% of its telecommunications infrastructure subsidiary Polkomtel Infrastruktura. It operates the group's passive infrastructure (c.7,000 telecommunication towers and sites) and active infrastructures (c.37,000 radio carriers covering all the bands used by 2G, 3G, 4G and 5G; c. 11,300 km of fibre backbone and fibre-to-the-tower backhaul, and a national network of microwave radiolinks).

The agreement involves an investment of €1.6 billion by Cellnex, plus an additional programme to roll out up to c. 1,500 sites, as well as investments in active equipment, mostly for 5G, for a further c. €600 million over the next 10 years. The transaction will be financed with available cash.

Cellnex CEO Tobias Martinez highlighted “that we celebrate both a long-term strategic partnership with one of the most significant players in the polish telecommunications market, as well as the relevance and strategic value of an agreement which involves two main derivatives. First, it allows Cellnex to rapidly consolidate and reinforce its position in Poland following the recent announcement to acquire towers and sites from Play. Secondly, it exemplifies our commitment to evolving the traditional tower operator model towards an integrated telecommunications infrastructure management model, combining the operation of passive elements (towers) and active elements such as transmission equipment, radio links and fibre-to-the-tower.

“This is nothing new for Cellnex,” **continues the CEO of Cellnex**, “in several markets –e.g. France–, we have already signed agreements to roll out and operate the fibre backbone and backhaul; to manage 'data centres' (voice and data traffic concentrators) that will be part of the 5G 'edge computing' ecosystem; or to operate distributed antenna systems (DAS) in sports and commercial venues, hospitals, transport networks, etc. Our expansion into active infrastructure is undoubtedly a qualitative leap and heralds a new reality for the company that broadens the development and growth options for Cellnex in Europe within telecommunications infrastructures.”

“Our intention to partner with Cellnex in the further development of our mobile network is intended to allow for even faster and more cost-efficient deployment of modern connectivity services for our customers,” says **Mirosław Błaszczuk, CEO of Cyfrowy Polsat and Polkomtel**. “In order to work, learn or entertain themselves, our customers need reliable networks which will require more and more 5G-equipped sites.

In addition, **Maciej Stec, vice-president responsible for strategy, Cyfrowy Polsat and Polkomtel**, highlighted that “we believe active and passive network sharing is crucial for the provision of mobile connectivity in the future and mobile players have to follow this direction in order to provide high end-user experience. Our partnership with Cellnex allows for densifying the network of sites used by our customers by applying a cost-efficient approach. As a leading European telecommunication infrastructure provider Cellnex will look to optimize mobile network investments in Poland with benefits for our customers and the environment we live in.”

Additional EBITDA¹ under IFRS16, and once both the acquisition and the roll-out of the new sites have been completed, will be €330 million, while Recurring Leveraged Free Cash Flow (RLFCF) will rise by €150 million. The finalisation of the operation is subject to the relevant regulatory and administrative authorisations.

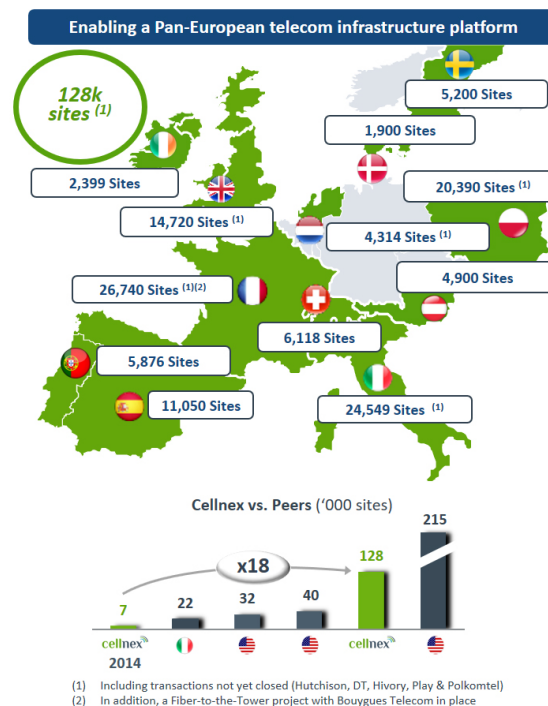
In terms of the backlog of contracted sales, the integration of Polkomtel Infrastruktura represents an estimated increase of c. €10 billion for the group, bringing the total to c. €110 billion. Cellnex and Cyfrowy Polsat have agreed a 25-year service contract with subsequent renewals for 15-year periods.

Capital increase of up to 7 billion

To continue reinforcing its own resources to finance growth, Cellnex announced on 3 February that it plans to carry out a capital increase of up to €7 billion, fully underwritten by JP. Morgan AG, Barclays Bank Ireland PLC, BNP Paribas, Goldman Sachs Bank Europe SE acting as Global Coordinators and Joint Bookrunners. This will take place following the renewal of the delegation to the Company's Board of Directors of the power to increase capital by the Ordinary General Meeting of Shareholders.

With the announced increase, Cellnex forecasts that it can finance a portfolio of projects of up to c. €18 billion in the 18 months following completion. A 50% of this portfolio is already committed through the agreement announced today to acquire Polkomtel Infrastruktura, and those announced on 3 February to acquire the assets of Hivory in France, and on 21 January to integrate the towers and Deutsche Telekom locations in the Netherlands.

¹ Annually adjusted



About Cellnex Telecom

Cellnex Telecom is Europe's leading operator of wireless telecommunications and broadcasting infrastructures with a portfolio of more than 128,000 sites, 75,000 of which are already in the portfolio, and the rest in the process of finalisation or planned roll-outs up to 2028. Cellnex operates in Spain, Italy, Netherlands, France, Switzerland, the UK, Ireland, Portugal, Austria, Denmark, Sweden and shortly in Poland. Cellnex' s business is structured in four major areas: telecommunications infrastructure services; audio-visual broadcasting networks, security and emergency service networks and solutions for smart urban infrastructure and services management (Smart cities and the "Internet of Things" (IoT)).

The company is listed on the continuous market of the Spanish stock exchange and is part of the selective IBEX 35 and EuroStoxx 600 indices. It is also part of the FTSE4GOOD and CDP (Carbon Disclosure Project) and "Standard Ethics" sustainability indexes. Cellnex's reference shareholders include Edizione, GIC, ADIA, Canada Pension Plan, CriteriaCaixa, Blackrock & Wellington Management Group.

For more information: <https://www.cellnextelecom.com>

Corporate Affairs Department
Corporate communication



Tel. +34 935 021 329
comunicacion@cellnextelecom.com

cellnextelecom.com/press

IMPORTANT NOTICE

The information contained herein is not for release, publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia), Canada, Australia or Japan or any other jurisdiction in which the distribution or release would be unlawful.

These written materials do not constitute an offer to sell, or a solicitation of offers to purchase or subscribe for, securities in the United States. The securities referred to herein have not been, and will not be, registered under the Securities Act of 1933, as amended, and may not be offered, exercised or sold in the United States absent registration or an applicable exemption from registration requirements. There is no intention to register any portion of the offering in the United States or to conduct a public offering of securities in the United States.

The issue, exercise or sale of securities in the offering are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

The information contained herein shall not constitute an offer to sell or the solicitation of an offer to acquire, nor shall there be any sale of the securities referred to herein, in any jurisdiction in which such offer, solicitation or sale would be unlawful. Investors must neither accept any offer for, nor acquire, any securities to which this document refers, unless they do so on the basis of the information contained in the applicable prospectus once approved by the Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores, the "CNMV"). Once approved by the CNMV, the prospectus will be available on the Company's website (www.cellnextelecom.com) and on the CNMV's website (www.cnmv.es) and will also be available for inspection at the CNMV's premises and at Cellnex's registered office (Juan Esplandiú 11-13, 28007 Madrid, Spain).

The Company has not authorized any offer to the public of securities in any Member State of the European Economic Area other than Spain. With respect to each Member State of the European Economic Area other than Spain (each, a "Relevant State"), no action has been undertaken or will be undertaken to make an offer to the public of securities requiring publication of a prospectus in any Relevant State. As a result, the securities may only be offered in Relevant States (a) to any legal entity which is a qualified investor as defined in Article 2 (e) of the Prospectus Regulation (each, a "Qualified Investor"); or (b) in any other circumstances which do not require the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Regulation. For the purposes of this paragraph, the expression an "offer of securities to the public" means a communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe for those securities.

In addition, the Company has not authorized any offer to the public of securities in the United Kingdom and no action has been undertaken or will be undertaken to make an offer to the public of securities requiring publication of a prospectus in the United Kingdom. Accordingly, this communication is only being distributed to, and is only directed at persons who are outside the United Kingdom or, in the United Kingdom, persons who are Qualified Investors, as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, who (i) have professional experience in matters relating to investments who fall within the definition of "investment professionals" within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), or (ii) are high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). Any investment or investment activity to which this communication relates will, in the United Kingdom, only be available to, and will only be engaged in with, relevant persons. Any person in the United Kingdom who is not a relevant person must not act or rely on this document or any of its contents.