

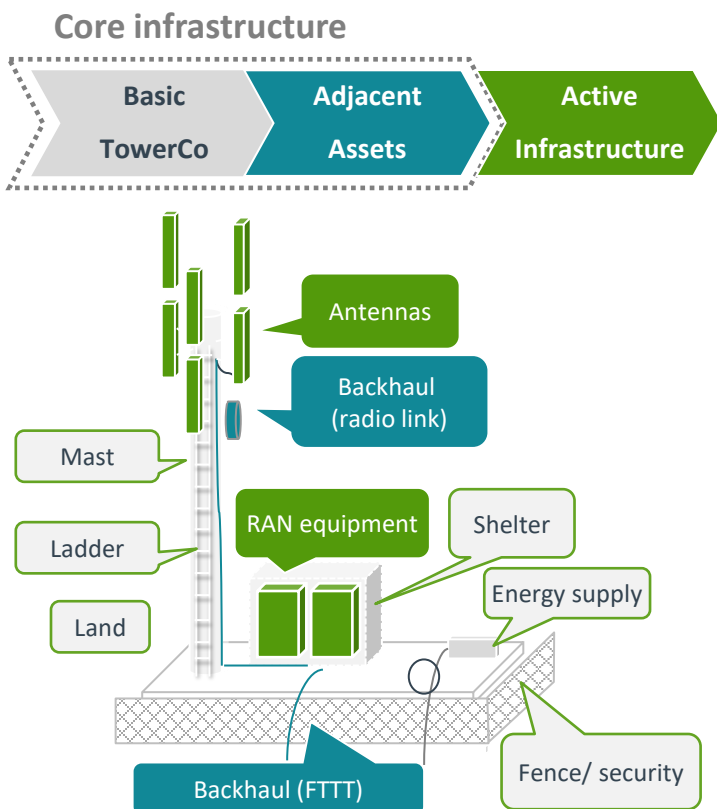


# Introducing the Augmented TowerCo

From passive infra provider to global infrastructure partner

Agreement with Cyfrowy Polsat to acquire c.7,000 sites and deploy up to c.1,500 sites

*Model open to all players thanks to Cellnex's neutrality and proven track record providing end-to-end services <sup>(1)</sup>*



Tower economics

- ✓ Anchor tenant – Long-term MSA (c.€10Bn backlog)
- ✓ Business model
  - Visibility of cash flows
  - Open to all players
  - Inflation-linked
  - BTS model for new Capex
  - Low double-digit returns
- ✓ Exposure to active infrastructure – Commensurate and consistent with tower business model

*Cellnex to enable the 5G mutualization among MNOs, boosting efficiencies  
To be replicated in markets where Cellnex has more than one anchor client*

(1) Cellnex has extensive experience managing broadcasting and mission critical networks

## Replicating the tower economics in a 5G world

### Global infra partner

*The Augmented TowerCo*

*One more step in the value chain (passive and active infrastructure)*

*Expanding the traditional TowerCo model and building 5G capabilities*

### Further strengthening our industrial proposition

*Strengthening Cellnex's value proposition beyond pure real estate*

*Proven track record providing end-to-end solutions: operational excellence according to network critical services*

### Cellnex as the natural and neutral partner of choice

*Open to all MNOs due to Cellnex's market share (2 anchor tenants per market)*

*5G to accelerate the sharing of new assets  
A new source of competitive advantage*

### Second step in Poland

*New follow-on agreement in a key market*

*Building on relationship with two anchor tenants in Poland*

### 100% tower economics

*Backlog, inflation link, sharing without restrictions, maintenance capex of c.4% revenues. Expansion capex (BTS & RAN equipment upgrades) to follow our BTS model (deployment of more capex in exchange for incremental revenues)*

### Fully compliant with M&A investment criteria

*EV of c.€1.6Bn <sup>(1)</sup> and Expected Adjusted EBITDA of c.€330Mn (IFRS 16) and RLFCF of c.€150Mn <sup>(1)</sup> on a run rate basis <sup>(2)</sup>  
Backlog increase of c.€10Bn to c.€110Bn*

**Neutrality the main feature of the Augmented TowerCo**  
**First mover advantage, as we did with Galata in 2015**

(1) Assuming an FX rate of 4.47PLN / EUR

(2) Management estimate based on the assumption that all sites are actually transferred to Cellnex or built and transferred to Cellnex by 2030

## Key Project Terms

- Agreement to acquire 99.99% of Polkomtel Infrastruktura, owned by Cyfrowy Polsat:
  - c.7,000 sites with an initial tenancy ratio of c.1.2x, c.55% ground-based masts and c.45% rooftops
  - BTS program of up to 1,500 sites to be deployed by 2030
  - Backhaul infrastructure: c.11,300 km of fiber (no FTTH exposure) and national network of microwave radio links
  - Active infrastructure: RAN equipment providing c.37,000 radio carriers covering all bands available to Polish MNOs providing all technologies (2G, 3G, 4G and 5G)
- Inflation-linked MSA with Cyfrowy Polsat: initial term of 25 years with subsequent 15-year automatic renewals on an all-or-nothing basis

## Key Financials

- Enterprise Value of c.€1.6Bn <sup>(1)</sup>
- Additional expansion Capex could reach up to c.€600Mn (including BTS program and RAN equipment upgrades) by 2030
- Expected Year 1 financials (2022) <sup>(1) (2)</sup>: c.€280Mn revenues, c.€190Mn EBITDA (IFRS16), c.€70Mn rental costs, c.€80Mn RLFCF
- Expected run rate financials (2030) <sup>(1) (2)</sup>: c.€445Mn revenues, c.€330Mn EBITDA (IFRS16), c.€105Mn rental costs, c.€150Mn RLFCF
- Acquisition to be financed with available cash
- Closing subject to customary regulatory approvals and expected in Q4 2021

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(2) Management estimate based on the assumption that all sites are actually transferred to Cellnex or built and transferred to Cellnex by 2030