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## Cellnex to increase its share capital by 2.5 billion euros

The Board has approved the increase in order to support the acquisition of the Arqiva's Telecoms division –announced today--, as well as Cellnex's active projects pipeline

- **The share capital increase, with preferential subscription rights for current shareholders, amounts to €2.5 billion representing 29% of the share capital before the capital increase and 22.5% thereafter.**
- **The subscription price will be €28.85 for each New Share**, with a c.19.6% discount to TERP (theoretical ex-rights price) based on the dosing price of the shares on October 7th 2019: €37.91
- **Since its IPO in May 2015, Cellnex has announced investments or commitments to invest of approximately € 10.8 billion** for the acquisition or construction of up to 42,700 sites that run up to 2027 in the seven European countries in which it operates. These are in addition to the approximately 10,000 sites that the company already had at that time.
- **ConnectT**, holder of 29.9% of the share capital of Cellnex, **has committed to subscribe its corresponding shares in the capital increase.** Similarly, **Canada Pension Plan Investment Board (4,95%), Permian Investment Partners (0,94%), as well as the Board directors and members of senior management who currently hold shares (0,06%), have committed to subscribe their respective shares in the capital increase.**
- The preferential subscription period shall last for fifteen days following publication in the BORME.
- **Last March Cellnex performed a capital increase of € 1.2 billion which was supported by 98.8% of the holders of preemptive rights** and demand by investors was more than sixteen times the supply of new shares.

**Madrid, October 8<sup>th</sup>, 2019.-** Cellnex Telecom has informed the Spanish National Securities Market Commission (CNMV) of the decision adopted by the Board of Directors to execute a capital increase with preferential subscription rights, for an amount of €2.5 billion. The decision has been taken under the delegation obtained at the General Shareholders' Meeting held on 9 May 2019.

The funds from the capital increase will be used to support the acquisition of the Arqiva's Telecoms division – announced today--, as well as Cellnex's active projects pipeline.

**Cellnex President Franco Bernabè** underlined the Board's support "for the Company's strategy of sustained growth which, in just four years since the IPO, has allowed the Company to extend its operations to seven European markets, more than doubling its key metrics and positioning the Company as the industry leader in Europe among telecommunications infrastructure operators. Since its IPO, Cellnex has announced investments worth nearly €10.8 billion –including today's announced deal for the acquisition of Arqiva's Telecoms division in the UK–, and

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has a portfolio of projects that will allow this growth to continue, maintaining and reinforcing the interest of investors and shareholders in a project which has provided a total shareholder return of 193% since May 2015.”

**Tobias Martinez, Chief Executive Officer of Cellnex, said that** “strengthening the Company’s available resources will provide us with greater strength to finance growth as we pursue new opportunities.”

**The CEO of Cellnex added:** “Beyond today’s announcement for the acquisition of Arqiva’s Telecoms division, we continue to analyse growth prospects in practically all the markets in which we operate. The aim is to consolidate and expand our position in the seven countries - following the recent incorporation of Ireland in September - in which we are present while remaining attentive to projects that may arise in other European markets.

This includes growth opportunities related to the infrastructure ecosystem required for the roll-out of 5G. The 5G system opens up new avenues of development linked to rolling out optical fibre to the tower and to small cells (known as backhauling); the deployment and densification of networks based on small cells and distributed antenna systems (DAS); and also the potential to house data processing centres in strategic sites that allow this processing capability to be brought closer to data sending points and to users, thereby realising the real-time communication objectives demanded by critical applications based on 5G.”

### **Technical data on the Capital Increase. Preferential subscription right**

The capital increase will be implemented through the issuance and sale of approximately 86.7 million ordinary registered shares at a subscription price (nominal plus share premium) of €28.85 for each new share. The Capital Increase will amount to an actual aggregate of €2.5 billion, or any lesser amount which may result from an incomplete subscription. The subscription price implies a discount of c. 19.6% to TERP (theoretical ex-rights price) taking into consideration the share price at yesterday’s close of the market.

All Cellnex’s shareholders who have acquired shares up to October 10th 2019 and whose transactions have been registered in Iberclear up to October 14th 2019 (both inclusive) shall be assigned preferential subscription rights. Each share currently in circulation shall grant the right to receive a preferential subscription right. In turn, 31 rights shall be required to subscribe 9 new shares. The preferential subscription period shall last fifteen calendar days from the day after publication of the Capital Increase in the BORME (Official Gazette of the Business Register). The preferential subscription rights shall be negotiable within the Spanish Stock Exchange Interconnection System and may be transferred and exercised in accordance with the conditions and the restrictions indicated in the corresponding prospectus to be registered with the Spanish Stock Exchange Commission in the following days.

The New Shares shall confer on their holders the same political and economic rights as the ordinary shares of the Company currently in circulation, from the date on which the Company declares the Capital Increase to be subscribed and disbursed.

Likewise, and regarding the dividend policy, the company confirms the maintenance of the policy in its current terms.

Cellnex has entered into an underwriting with Morgan Stanley, Goldman Sachs International and J.P. Morgan as Joint Global Coordinators and Joint Bookrunners, Banca IMI, Banco Santander, BNP PARIBAS, Caixa-Bank BPI, Citi, Deutsche Bank, HSBC and Mediobanca as Joint Bookrunners, and Banco Sabadell and Société Générale as Co-Leads (together, the “**Underwriters**”). In this sense, any New Shares not subscribed during the subscription period, other than any committed shares, as described below, shall be subscribed by the Underwriters under customary conditions for these transactions. Cellnex has agreed on a lock-up of 90 days after the date on which the underwriting agreement is signed, inclusive, subject to the customary exceptions. In addition, subject to certain limitations, following the 45<sup>th</sup> calendar day from the

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date on which the underwriting agreement is signed Cellnex may issue, transfer or dispose shares representing no more than 50% of its share capital in the context of a merger or acquisition undertaken by the Company.

Connect, holder of 29.9% of the share capital of Cellnex, has committed to subscribe its corresponding shares in the capital increase. Similarly, Canada Pension Plan Investment Board (4,95%), Permian Investment Partners (0,94%), as well as the Board directors and members of senior management who currently hold shares (0,06%), have committed to subscribe their respective shares in the capital increase.

The terms and conditions of the Capital Increase and the procedure for subscription and payment of the New Shares shall appear in the corresponding prospectus to be registered with the Spanish Stock Exchange Commission in the following days. Cellnex shall request admission to trading of the New Shares on the Continuous Market of the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges.

### **About Cellnex Telecom**

Cellnex Telecom is Europe's leading operator of wireless telecommunications and broadcasting infrastructures with a projected portfolio of 53,000 sites including forecast roll-outs up to 2027. Cellnex operates in Spain, Italy, Netherlands, France, Switzerland, the United Kingdom and Ireland.

Cellnex's business is structured in four major areas: telecommunication infrastructures 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 IBEX35 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 Connect, with a 29.9% stake in the share capital, as well as CriteriaCaixa, Blackrock, Wellington Management Group and Canada Pension Plan, holding smaller stakes.

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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 and where the Prospectus Regulation applies ("Member State"), no action has been undertaken or will be undertaken to make an offer to the public of securities requiring publication of a prospectus. As a result, the securities may only be offered in the Member States (a) to any legal entity which is a qualified investor as defined in the Prospectus Regulation; or (b) in any other circumstances which do not require the publication by the Company of a prospectus pursuant to the Prospectus Regulation. For the purposes of this paragraph, the expression an "offer of securities to the public" means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to exercise, purchase or subscribe the securities, as the same may be varied in that Member State, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and of the Council, of 14 June 2017, on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

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