press release

Cellnex places € 1.5 billion convertible bonds due in 2031

The shares underlying the bonds are initially equivalent to 3.2% of Cellnex's share capital

- **The bonds**, with a principal amount of €100,000, **are expected to be issued on 20 November 2020, will have a maturity date of 20 November 2031 and will carry a coupon of 0.75% per annum (0.25% after tax)**.
- **The conversion price** at which the bonds may be converted into Cellnex shares **has initially been set at €97.07, representing a premium of 70% over the placement price per existing share determined on the concurrent delta placement of existing shares of Cellnex** carried out by J.P. Morgan Securities plc and Morgan Stanley & Co. International plc in order to hedge the market risk of certain subscribers of the bonds.
- **As a result of the agreed redemption price, the effective conversion price will be €104.2241.**
- This issuance allows **Cellnex to increase its average debt maturity up to c. 6.5 years, to place its average cost of borrowing at c. 1.5%** (drawn debt) **and to strengthen its liquidity position, which will stand at c. €9.7 billion following the issuance**.
- Cellnex will use the net proceeds of the issue for **general corporate purposes, including financing of M&A transactions** (please see Pipeline of the Rights Issue Prospectus of July 2020).
- **This issuance** of convertible bonds **follows on from previous issuances for €800 million** performed in two tranches - €600 million in January 2018, tapped by a €200 million issuance in January 2019 - **falling due in 2026 and for €850 million** in July 2019 and **falling due in 2028**, respectively.

Madrid, 6 November 2020. Cellnex Telecom has set the conditions for a new issue of senior unsecured convertible bonds of the company. The placement stands at €1.5 billion. The shares underlying the bonds are initially equivalent to 3.2% of the company's share capital.

The initial conversion price of the bonds, which is subject to customary adjustments, has been set at €97.07, equivalent to a premium of 70% over the placement price per existing share of Cellnex determined on the concurrent delta placement carried out byJ.P. Morgan Securities plc and Morgan Stanley & Co. International plc.

This issuance follows on from previous convertible bond offerings performed by the company since its IPO in 2015, one for €800 million and performed in two tranches - an initial €600 million placement in January 2018, tapped by an additional €200 million placement in January 2019 which consolidated and formed a single series with that of January 2018 – falling due in 2026, and a second one for €850 million in July 2019 falling due in 2028, respectively.

Commenting on the characteristics of this new issuance, **José Manuel Aisa, Cellnex Chief Financial Officer and M&A Director**, underlined "the excellent market reaction to this new issuance of convertible bonds. This comes on top of the excellent response by our shareholders and the market to the recent capital increase of €4 billion carried out last August. We are taking advantage of favourable market conditions to shore up the structure of our balance sheet, our company's liquidity and the conditions of our borrowing in terms of cost and average life in the face of the strong M&A pipeline of Cellnex."

"We will continue to stay ahead" **added Cellnex's CFO**, "to adapt the size and efficiency of our balance sheet to the company's financial needs, providing ourselves with the resources we need to meet the planned investments and a sufficient margin to continue analysing the various opportunities that the market can offer".

The bonds will carry a fixed annual coupon of 0.75% payable annually in arrear. Any bonds that have not been converted, redeemed, repurchased or cancelled at maturity will be redeemed in full at an accreted principal amount (principal amount plus a premium) equal to 107.37% of the principal amount of the bonds. This will imply a yield to maturity of 1.375% per annum. Besides, the bonds may be converted into ordinary shares of Cellnex should their holders so decide. Cellnex may also opt to redeem all (but not some) of the bonds if after 11 December 2028 the market value of the underlying shares per €100,000 principal amount of the bonds exceeds 150% of the accreted principal amount of the bonds (as specified in the terms and conditions) during a specified period of time, or, at any time, if more than 85% of the aggregate principal amount of the bonds originally issued have been converted and/or redeemed or purchased and cancelled.

The issuance will be rated by Fitch, with an expected BBB-. The bonds are expected to be admitted to trading on the *Freiverkehr* (Open Market) of the Frankfurt Stock Exchange.

In the context of the issuance, Cellnex has committed to a lock-up 90 days from the issue date in relation to the shares and related securities, subject to certain exceptions. In accordance with the agreement subscribed as part of its IPO and the previous convertible bonds issuance, these exceptions include, from 30 to 90 calendar days (inclusive) from the issuance date, the issuance (or otherwise transfer or disposal) of shares, as part of M&A activities, representing no more than 50% of the company's capital stock at the date of issuance.

The issuance has been coordinated by a bank syndicate led by J.P. Morgan Securities plc, BNP Paribas, Goldman Sachs International and Morgan Stanley & Co. International plc as Joint Global Coordinators and Joint Bookrunners, Crédit Agricole Corporate and Investment Bank, HSBC, Jefferies International Limited and Société Générale as Joint Bookrunners, and Banco de Sabadell, S.A., Banco Santander, S.A., CaixaBank, S.A., Citigroup Global Markets Limited, Commerzbank AG, Deutsche Bank AG, IMI – Intesa Sanpaolo, Mediobanca – Banca di Credito Finanziario S.p.A., Mizuho International plc, SMBC Nikko Capital Markets Limited and UniCredit Corporate & Investment Bank as Co-Bookrunners.

About Cellnex Telecom

Cellnex Telecom is Europe's leading operator of wireless telecommunications and broadcasting infrastructures with a portfolio of 61,000 sites including forecast roll-outs up to 2027. Cellnex operates in Spain, Italy, Netherlands, France, Switzerland, United Kingdom, Ireland and Portugal. Cellnex's business is structured in four major areas: telecommunications infrastructure services, audiovisual 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, CDP (Carbon Disclosure Project) and "Standard Ethics" sustainability indexes. Cellnex's reference shareholders include Edizione, GIC, ADIA, CriteriaCaixa, Blackrock, Wellington Management Group and Canada Pension Plan.

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