

Cellnex now operates in ten European markets

Cellnex closes the acquisition of CK Hutchison's assets in Austria, Ireland and Denmark

After receiving the green light from the Austrian and Irish competition authorities, the company has already closed the acquisition of the first 7,050 towers and sites out of the total 24,600 that made up CK Hutchison's portfolio in Europe

In November 2020 Cellnex had announced the agreement to acquire the Hutchison towers and sites in Austria, Ireland, Denmark, Sweden, Italy and the United Kingdom for a total investment of €10 billion

Sweden, Italy and the UK will follow in the coming months

The agreement also covers the roll-out of up to 5,250 sites over the next eight years with an associated investment of up to €1.4 billion, including other initiatives

Once the closing process is concluded in the six countries and the planned roll-outs performed, Cellnex will have around 103,000 towers and telecommunications sites

Barcelona, 11 January 2021. Cellnex Telecom has announced that it has closed the acquisition of CK Hutchison's telecommunications tower assets in Austria, Denmark and Ireland, three of the six countries covered by the agreement announced on 12 November. With this move, the company has now consolidated 7,050 sites out of the total of 24,600 included in the agreement. The total value of the operation is €10 billion and the agreements also cover the roll-out of up to 5,250 new sites over the next eight years, with an additional investment of €1.4 billion.

Deal's Key facts and figures

The overall amount of transactions in the six countries stands at €10 billion: €8.6 billion in cash and €1.4 billion in shares representing an approximately 5% stake in the company. Cellnex has agreed to pay cash for the operations in the three countries in which the agreement has already been closed, and in Italy and Sweden as well, while in the United Kingdom payment will involve both cash and new Cellnex shares once the transaction is concluded in that country.

The deal was structured into six separate transactions - one for each country. The plan was to stagger the closing of the various operations, and to do this separately as soon as each of the established conditions were met (such as the aforementioned authorisation from the competition authorities, where required).

CK Hutchison will enter Cellnex's capital structure only after the operation in the United Kingdom has been fully concluded.

Cellnex has concluded and will conclude long-term service contracts with CK Hutchison in the various countries for an initial period of 15 years, extendible for a further 15, and subsequent periods of five years.

Estimated additional EBITDA will be around €970 million - under IFRS16 and once the acquisitions have been concluded and the new roll-outs performed, including the company's estimates on leases to third parties and efficiencies -, while free and recurring cash flow will grow by around €620 million.

In terms of sales, group turnover will increase €1.2 billion to €3.8 billion once all planned roll-outs are complete.

The upshot of these pan-European agreement in terms of backlog, or sales volume contracted by Cellnex, is an increase of €33 billion to reach €86 billion.

Three new markets and reinforcement of the project in Italy, Ireland and the UK

Under the agreed terms, Cellnex will enter three new markets: Austria, Sweden and Denmark, extending its operations to a total of twelve European countries, while also consolidating its presence in key markets such as Italy, Ireland and the UK, in which the volume of assets under management will double.

Of the total 24,600 sites to be acquired, 8,900 correspond to Italy; 6,000 to the UK¹; 1,150 to Ireland; 2,650 to Sweden; 1,400 to Denmark and 4,500 to Austria.

Of the up to 5,250 additional sites to be rolled out over the next eight years, 1,100 are planned in Italy, 600 in the UK, 100 in Ireland, 2,550 in Sweden, 500 in Denmark and a further 400 in Austria.

About Cellnex Telecom

Cellnex Telecom is Europe's leading operator of wireless telecommunications and broadcasting infrastructures with a portfolio of c.70,000 sites including forecast roll-outs up to 2028. Cellnex operates in Spain, Italy, Netherlands, France, Switzerland, the UK, Ireland, Portugal, Austria and Denmark.

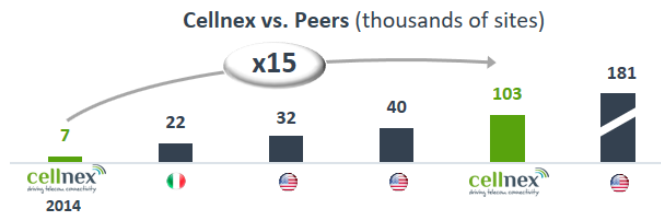
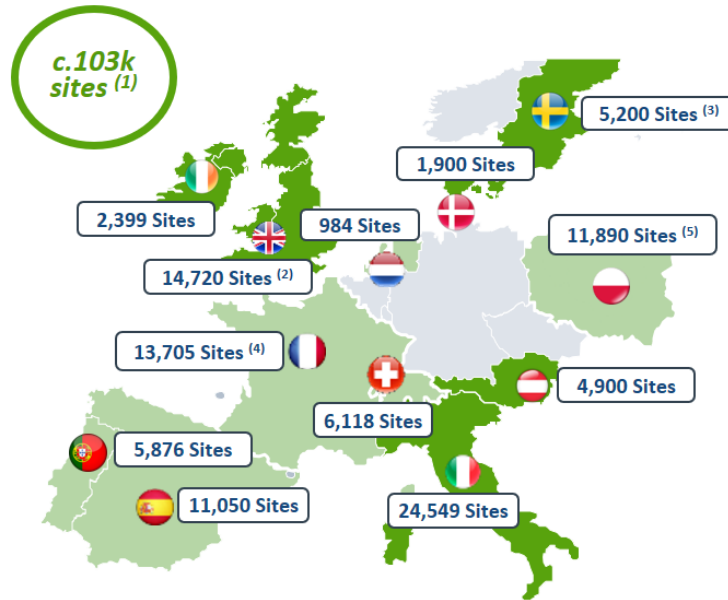
Cellnex's business is structured in four major areas: telecommunications infrastructure services; audio-visual broadcasting networks, security and emergency service networks and solutions for smart urban infrastructure and services management (Smart cities e the "Internet of Things" (IoT)).

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, CriteriaCaixa, Blackrock, Wellington Management Group and Canada Pension Plan.

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

¹ Interests in/or derived from 6,000 sites in the United Kingdom

Enabling a pan-European telecom infrastructure platform



(1) Expected sites per country as per Q3 2020 results presentation + CKH towers deal
 (2) Cellnex would only acquire the economic risks and rewards referenced to CKH's interest in its passive infrastructure portfolio in the UK
 (3) A relevant proportion of CKH sites in Sweden are managed under a joint venture upon certain conditions being met
 (4) In addition, there is a Fiber-to-the-Tower project with Bouygues Telecom
 (5) Transaction not yet closed