

# 2020

Junta General de Accionistas  
Annual Shareholders' Meeting



cellnex<sup>®</sup>



# Franco Bernabè

Chairman



**1 COVID-19 global scenario**

**2 Highlights 2019**

**3 Corporate governance**

**4 Value creation and responsible management**

# 1 COVID-19 global scenario

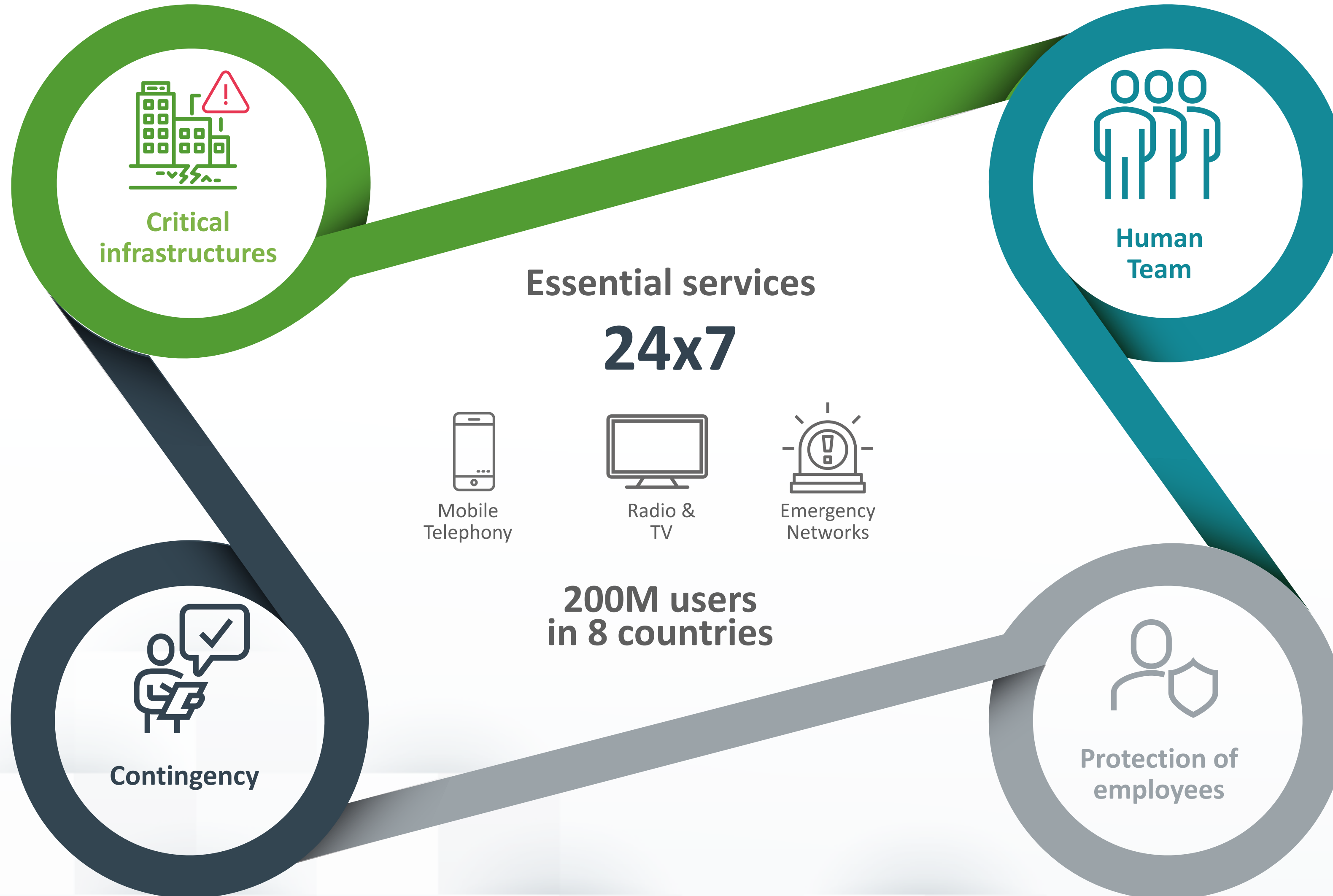


## An exceptional context





# Crisis management

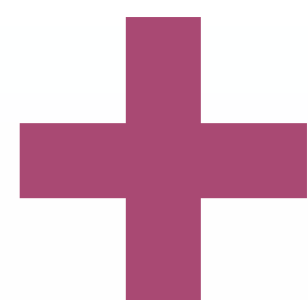




# Lines of action against the crisis



Emergency  
response



Impact  
mitigation

Collaboration with social  
entities



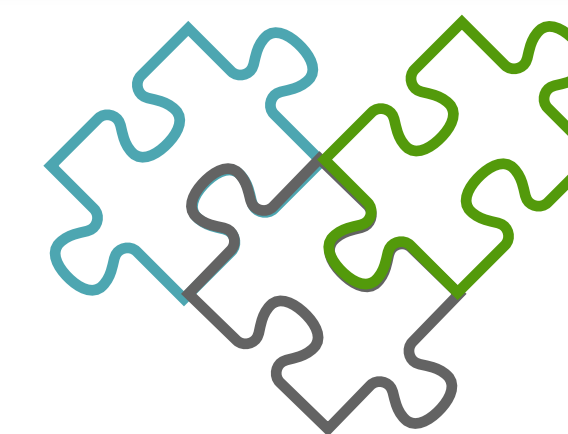
Developing solutions in the  
emergency phase



Financing clinical research for the  
treatment of COVID-19



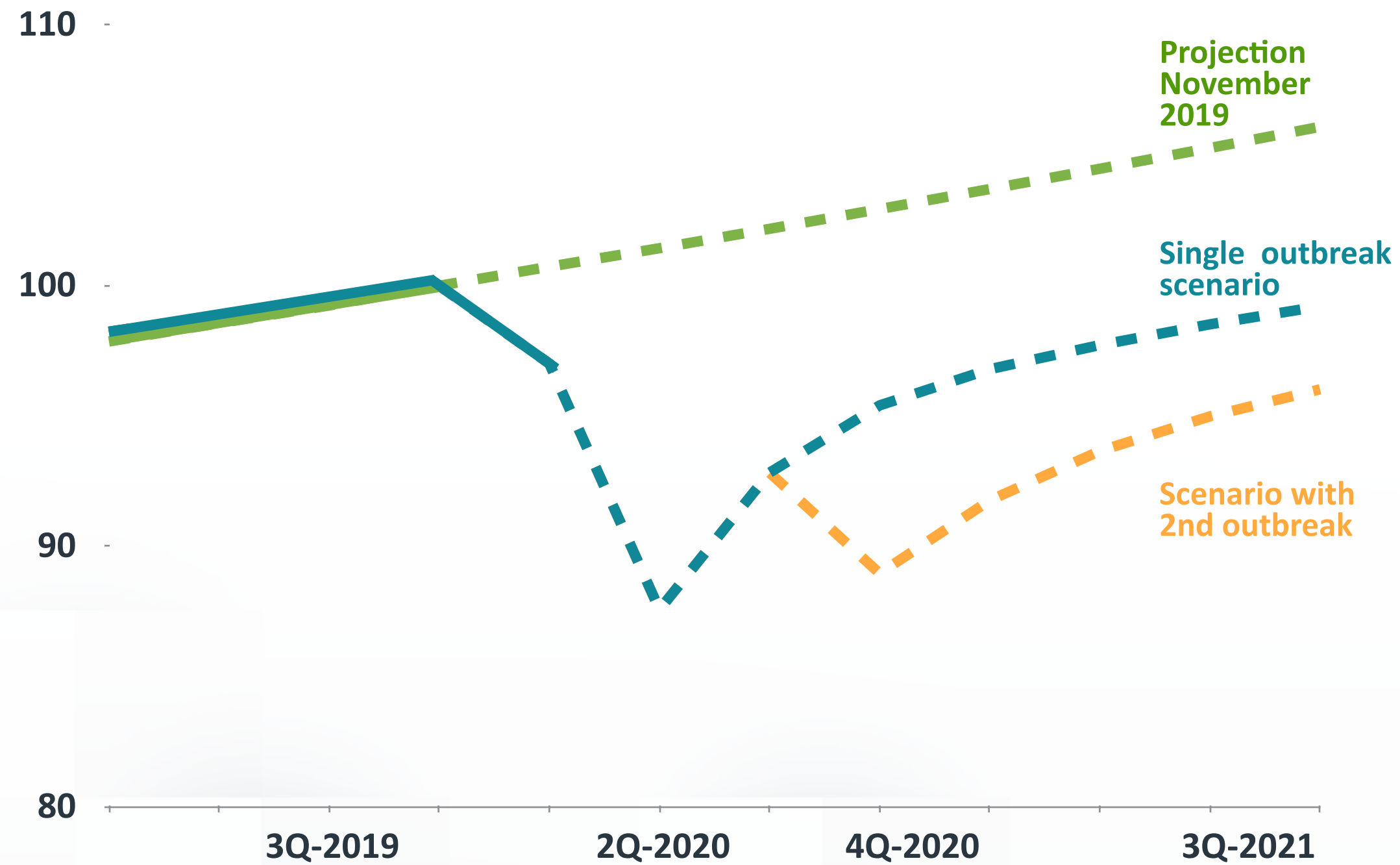
Support for social action and digital  
inclusion projects



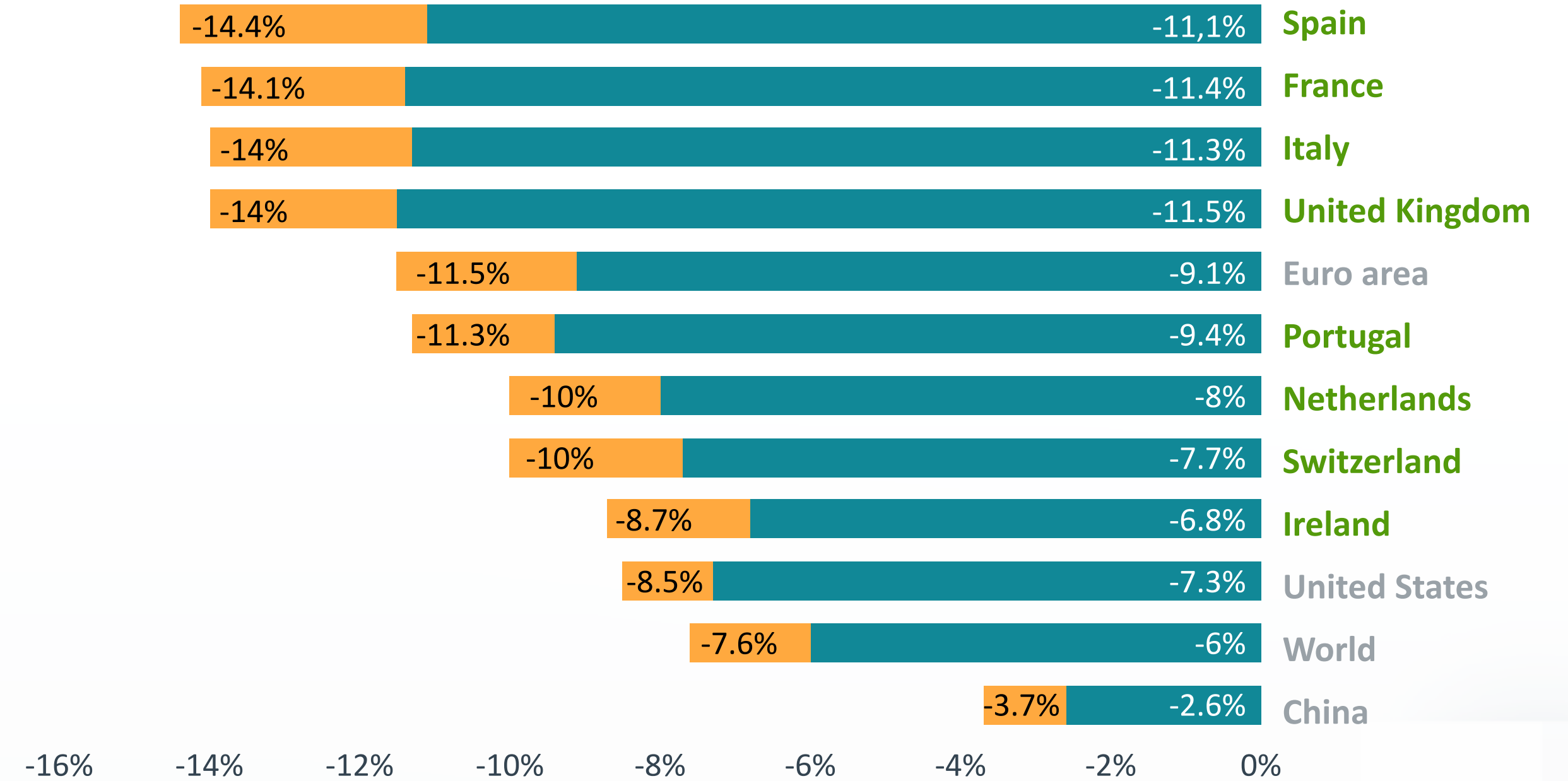


# Macroeconomic environment

World GDP, 4Q-2019 index = 100



Estimated GDP 2020



**A more complex crisis, more uncertain, genuinely global**

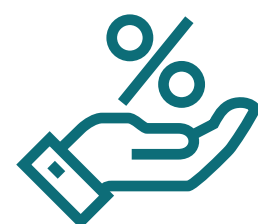
Source: OECD Economic Outlook, June 2020



# 2 Highlights 2019



## Solid organic and perimeter growth



**+7€Bn**

**Investment  
committed**



**+28,000**

**New assets**

Acquired + Build-to-Suit (BTS)



**3.7€Bn**

**Capital increases**

1.2€Bn    March 2019

2.5€Bn    November 2019

**c. 99%**

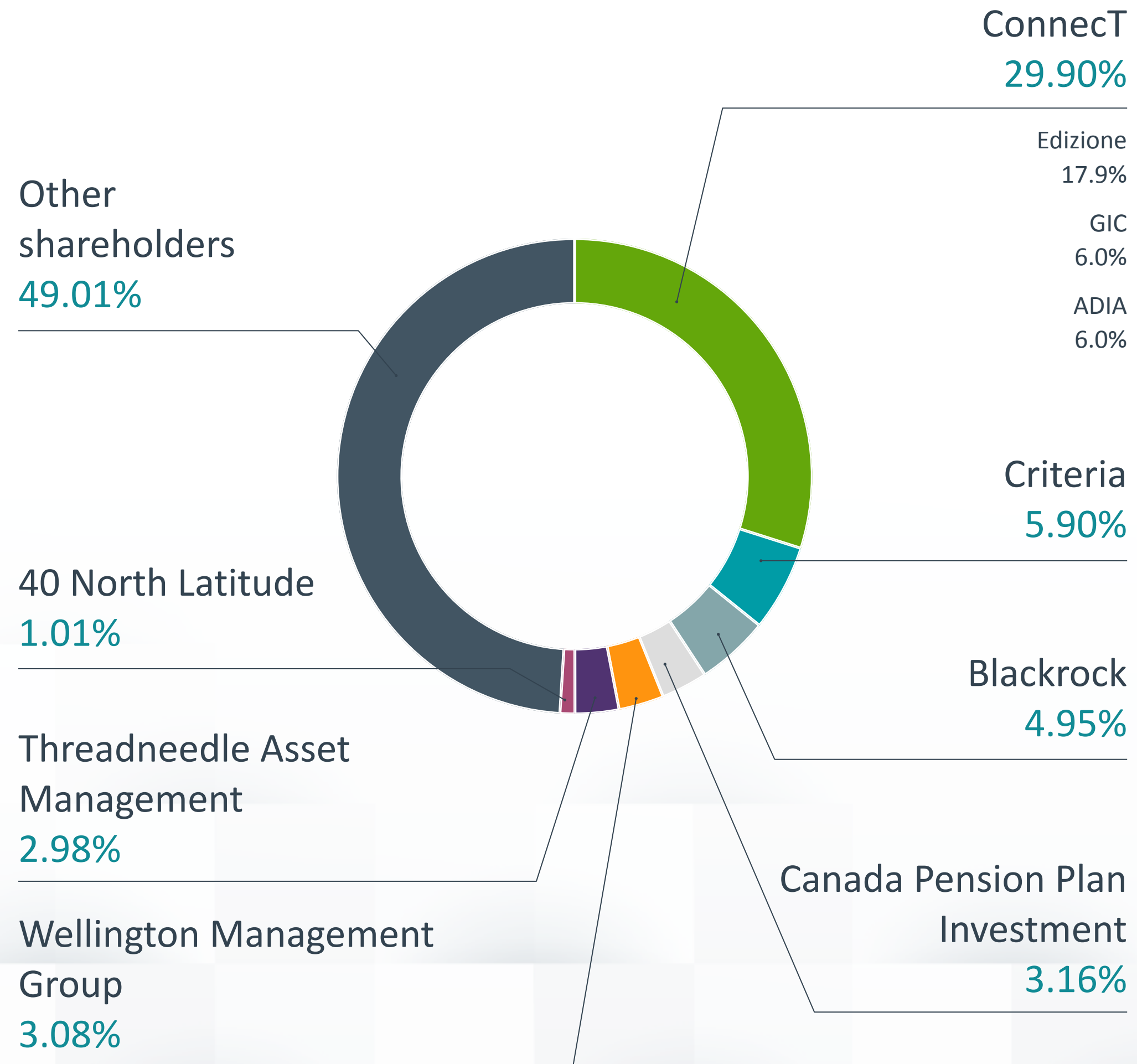
**rights subscription**

**Europe,  
a market full of opportunities**

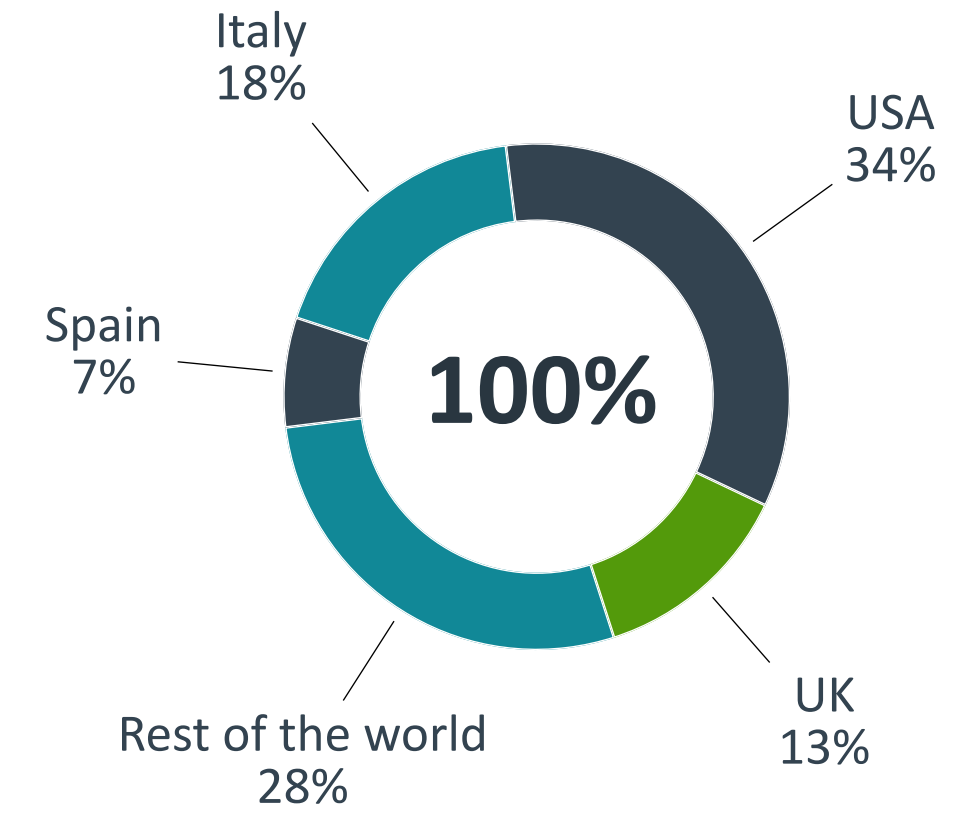


# 3 Corporate governance

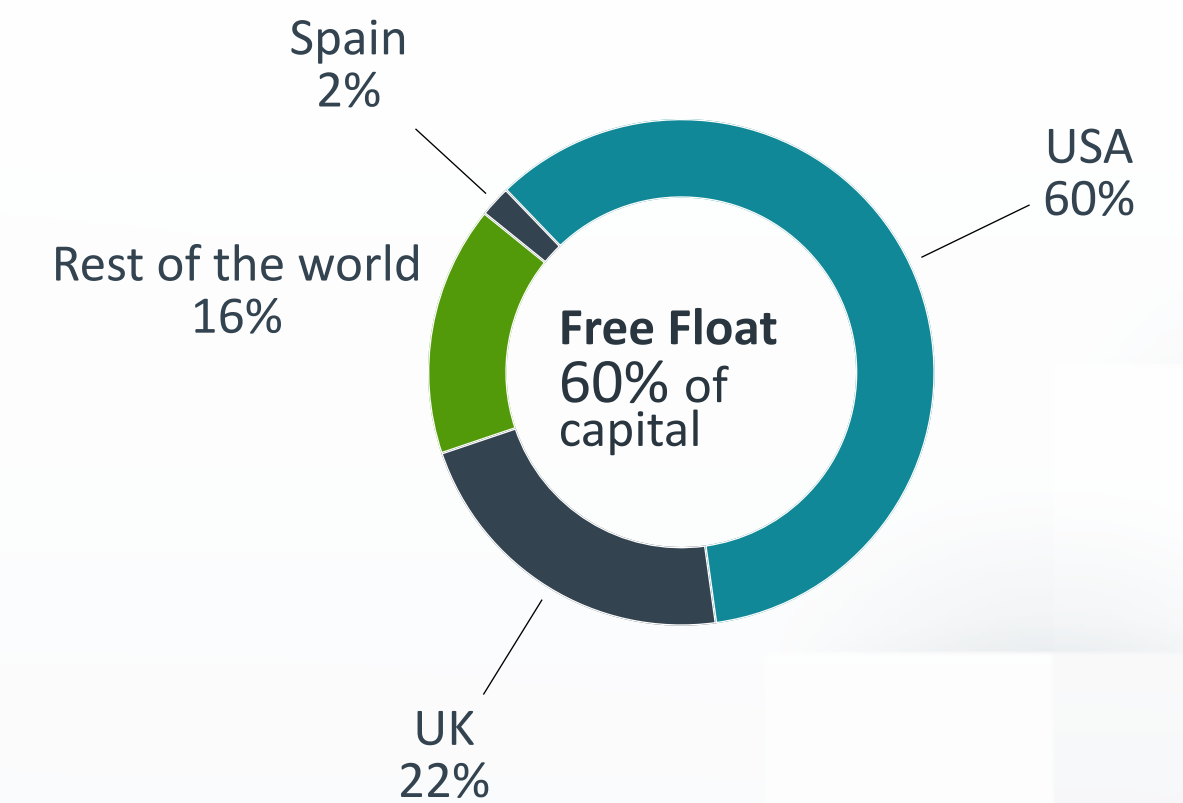
# Shareholder structure AGM 2019



## Holdings by geographical origin

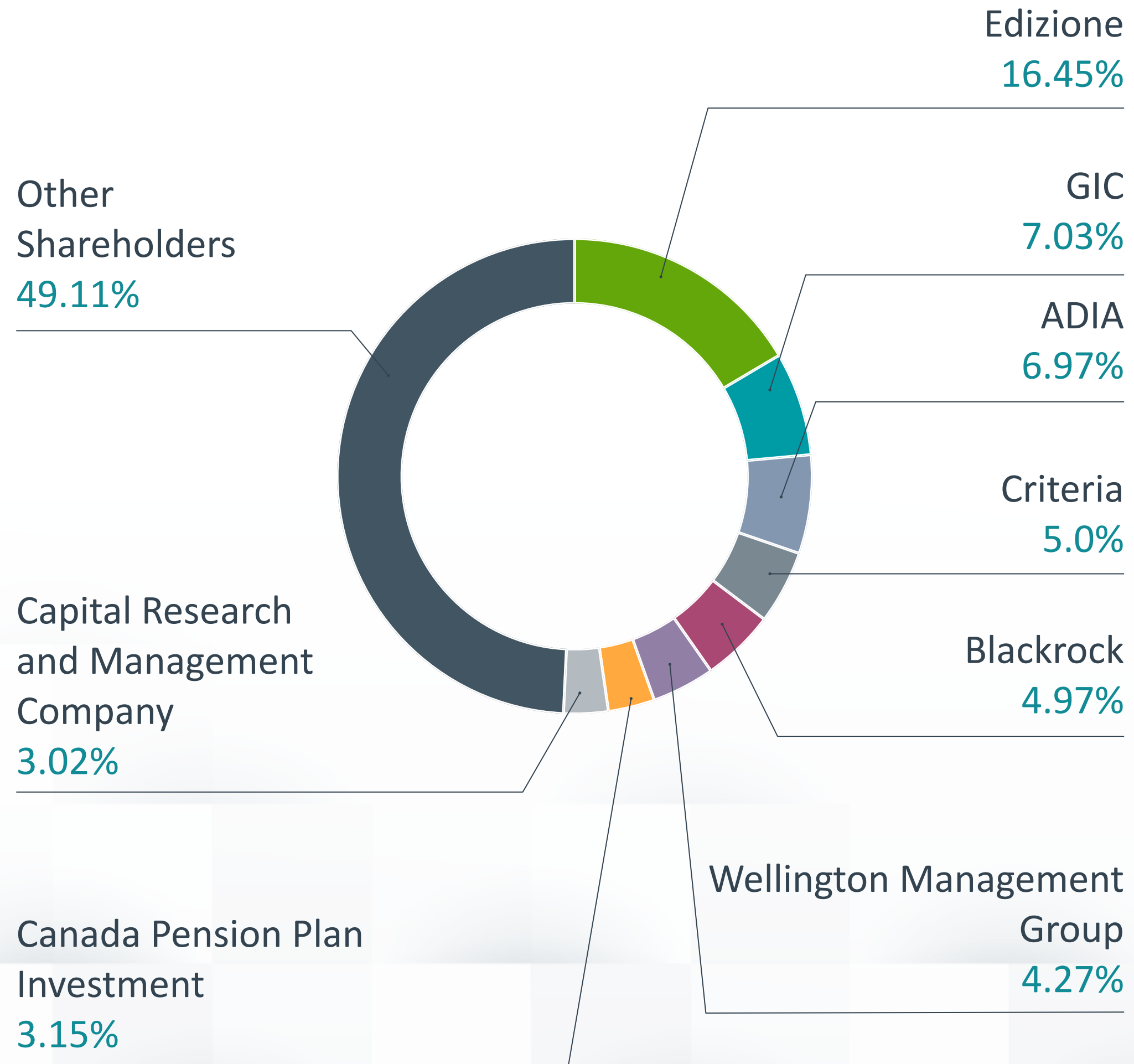


## Holdings by geographical origin of the Free Float

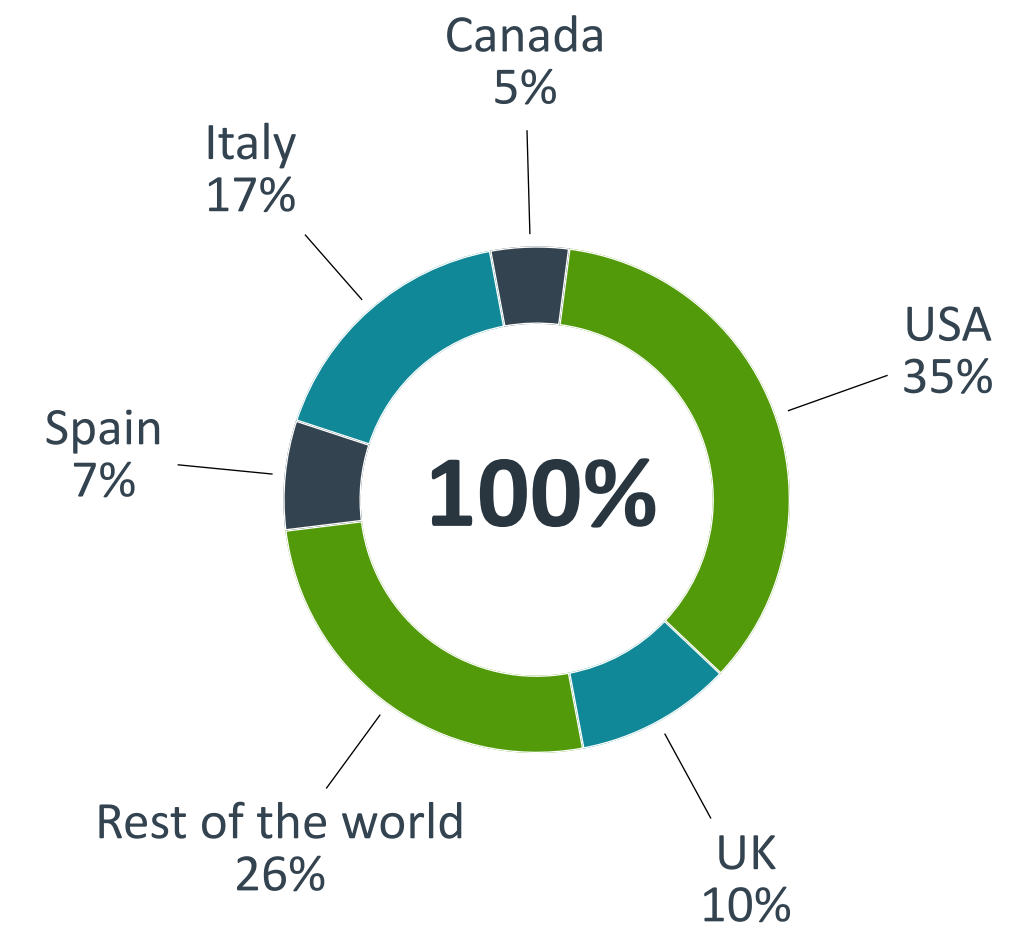




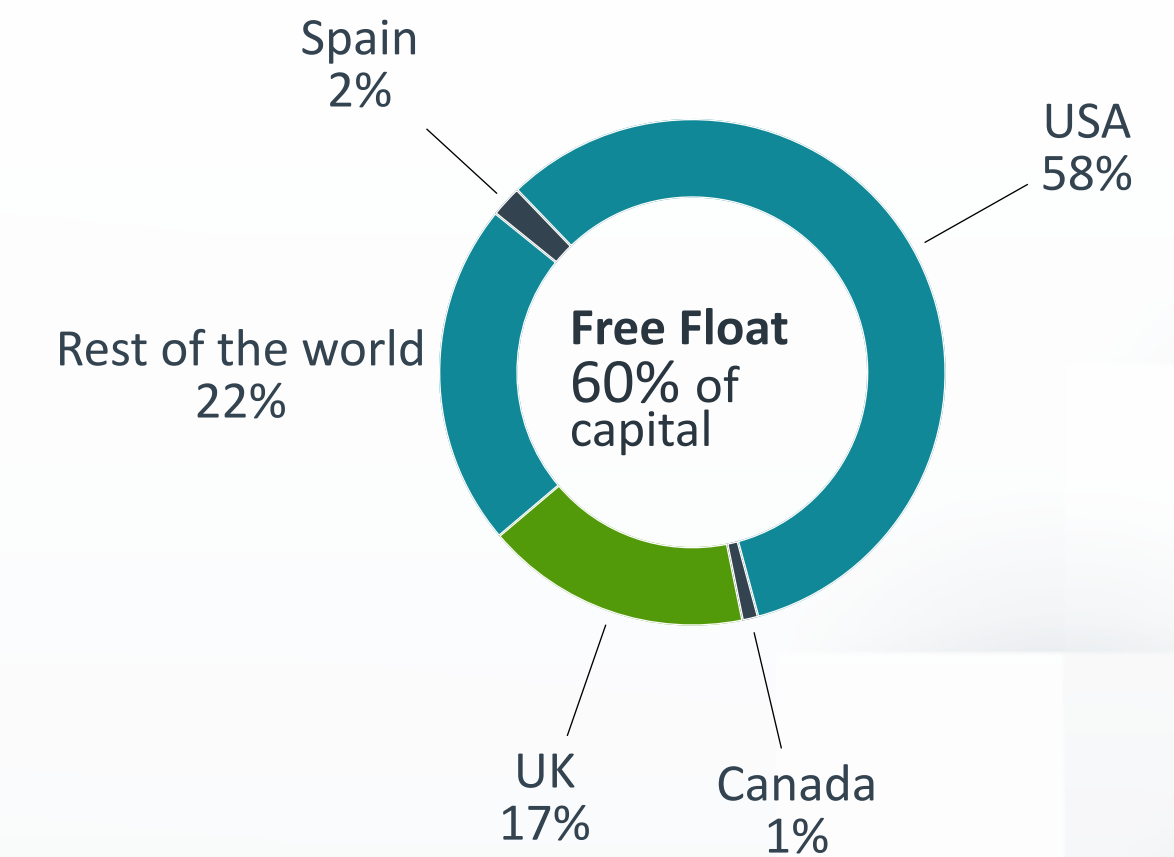
# Shareholder structure AGM 2020 (July)



## Holdings by geographical origin



## Holdings by geographical origin of the Free Float



# Changes in the Board

May 2019

 **RESIGNATION**

- John Benedict McCarthy (P)

June 2019

 **RESIGNATION**

- Marco Patuano (P)

 **APPOINTMENT**

- Mamoun Jamai (P)

July 2019

 **APPOINTMENT**

- Franco Bernabè (P)  
(Chairman)

March 2020

 **RESIGNATION**

- Carlo Bertazzo (P)

April 2020

 **APPOINTMENT**

- Christian Coco (P)

June 2020

 **RESIGNATION**

- Elisabetta de  
Bernardi (P)

ASM - July 2020

- Ratification and  
re-election of  
new directors



# Board Structure



7/12

Independent Directors — 60%



3/11 (\*)

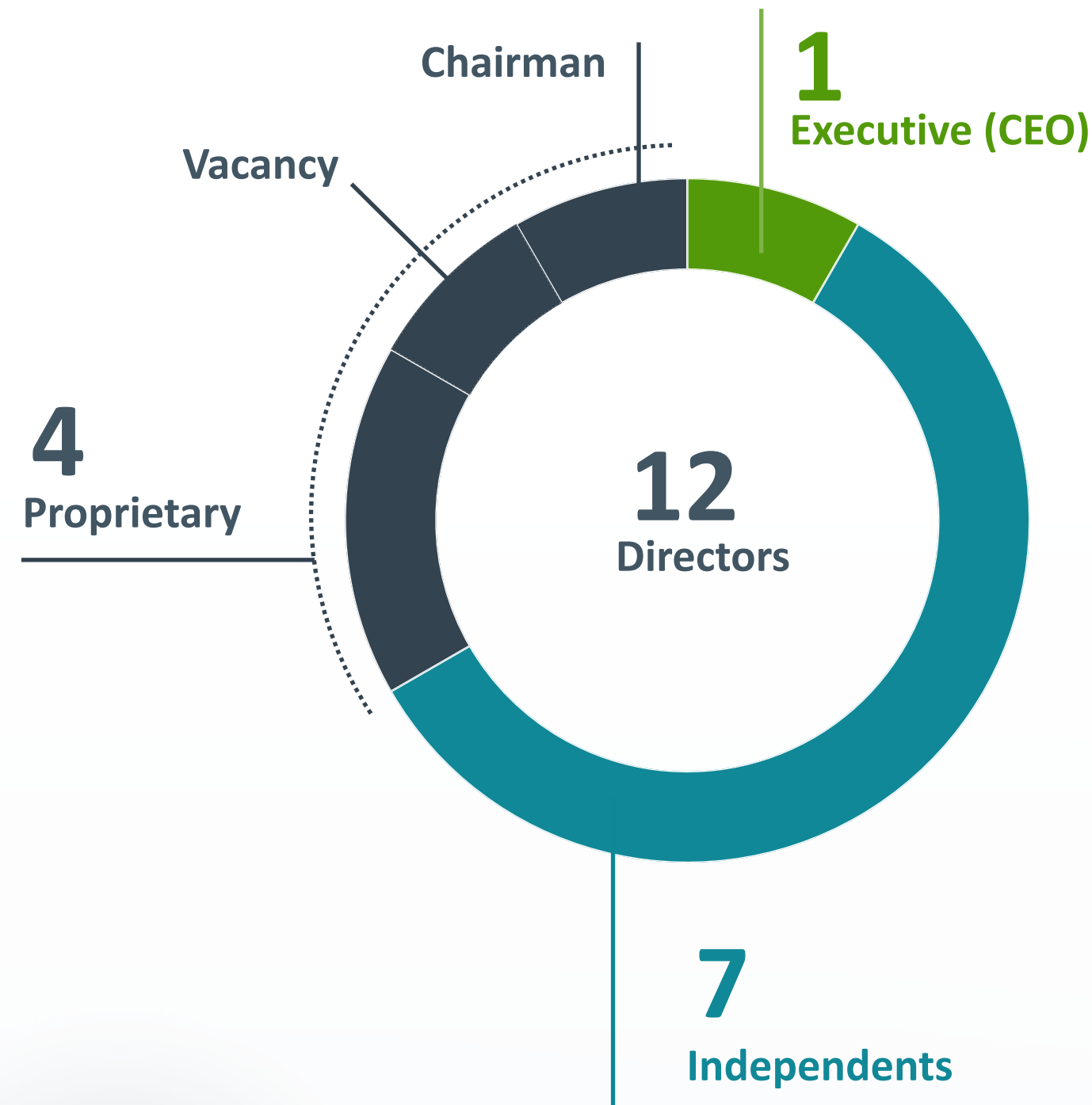
Female directors — 28%



6 Nationalities



Experience and knowledge of the sector



**ACC** ▶ 4 Directors

1 Proprietary

3 Independents ▶ 1 Chairman : 1 x1

**ARC** ▶ 5 Directors

1 Proprietary

4 Independents ▶ 1 Chairman : 2 x2

(\*) There is currently a Director position vacant

# 4 Value creation and responsible management

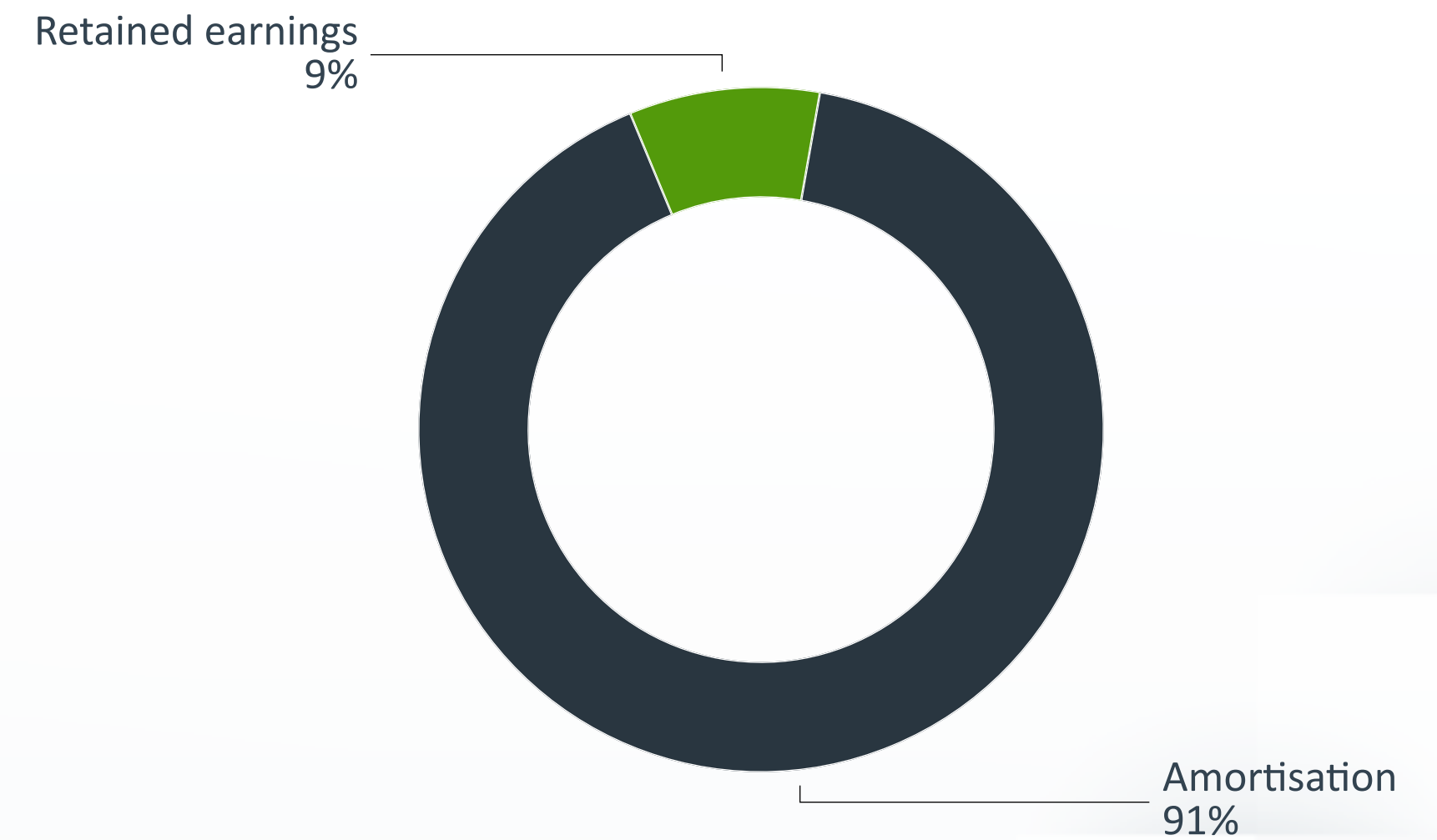
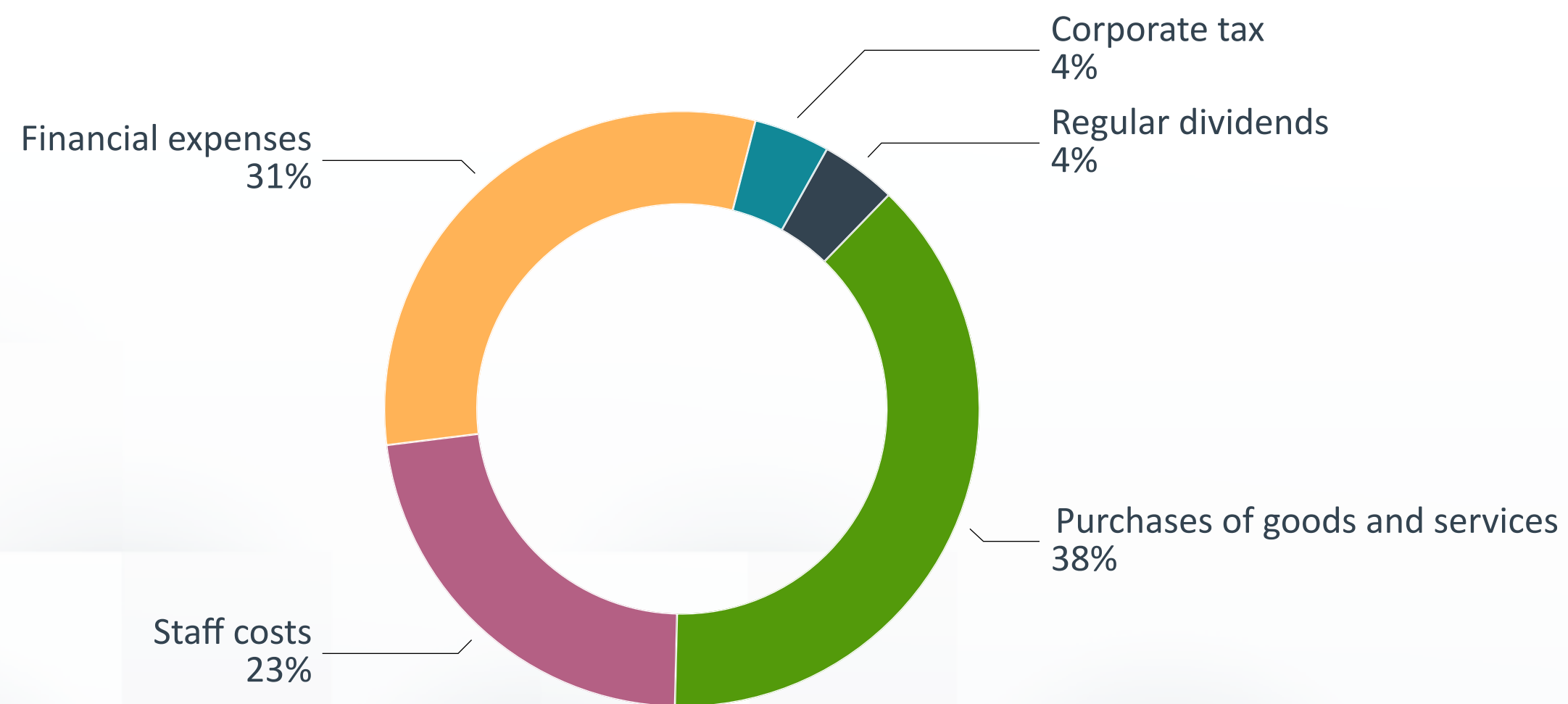


# Value generated and distributed to stakeholders

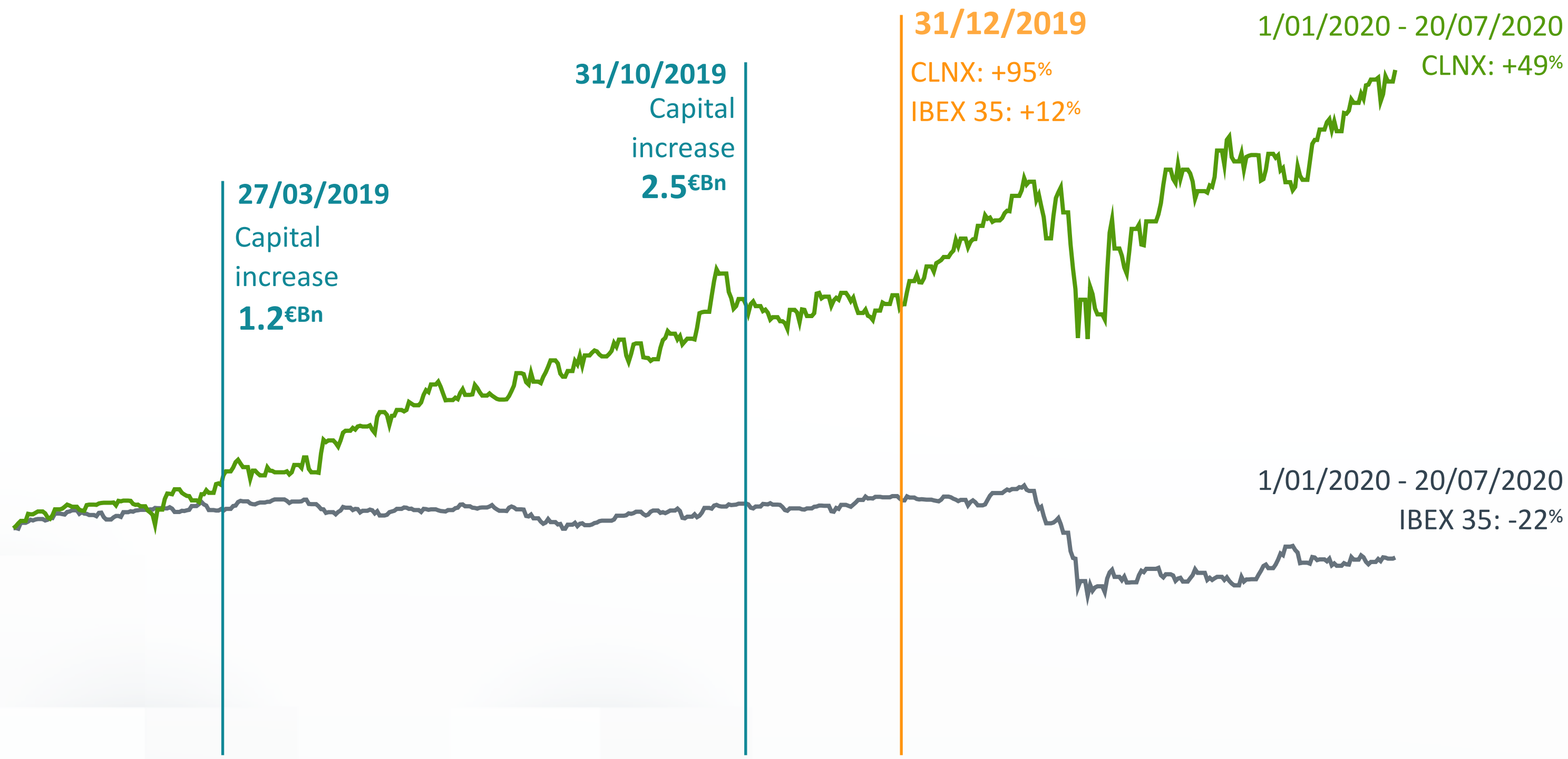
**c. 583€Mn**  
Economic value distributed

**c. 1,035€Mn**

**c. 452€Mn**  
Economic value withheld



# CLNX shares and the market



Index 1/1/2019 = 100

**REVALUATION SINCE IPO**  
2015-2020

|                         |                        |
|-------------------------|------------------------|
| <b>+366%</b><br>Cellnex | <b>-33%</b><br>IBEX 35 |
|-------------------------|------------------------|

**SHAREHOLDER ANNUALIZED RETURN SINCE IPO**

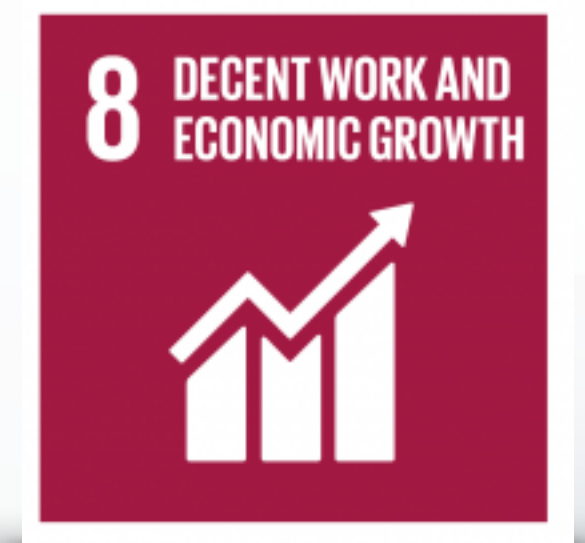
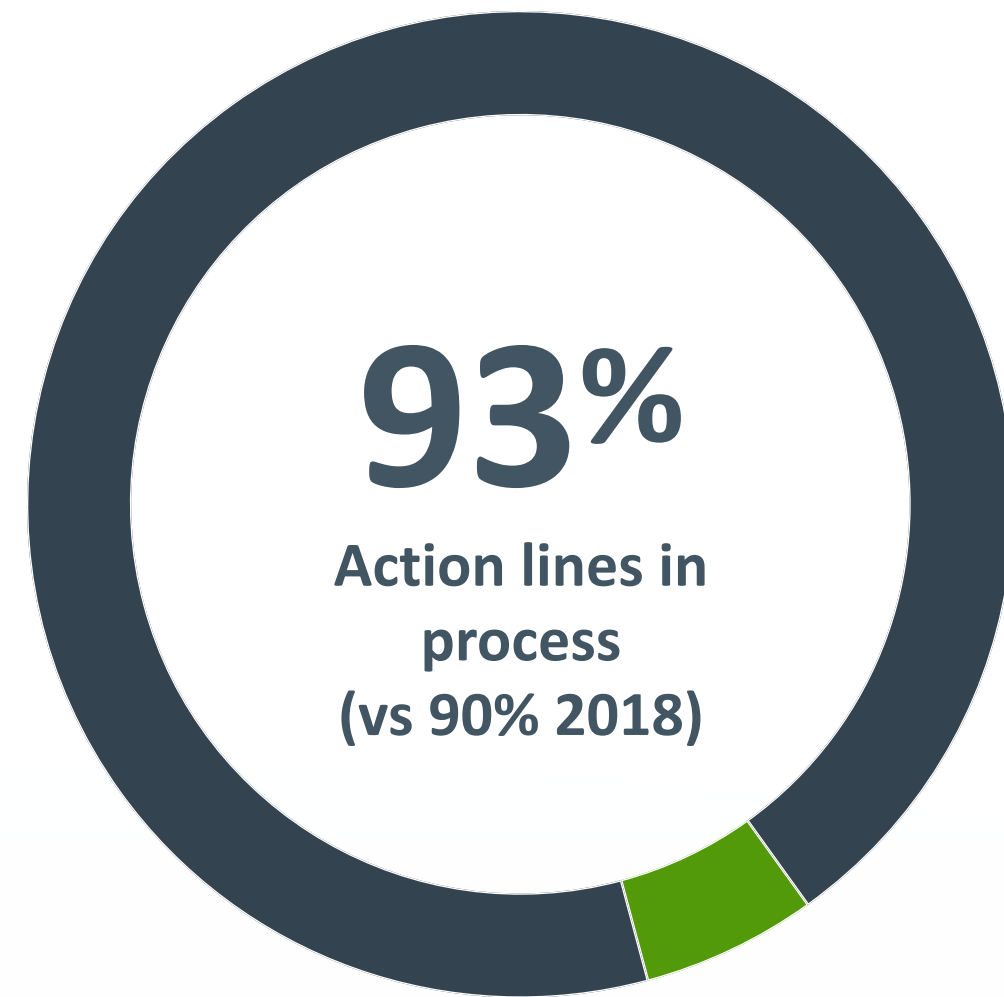
**35%**

**DIVIDEND**

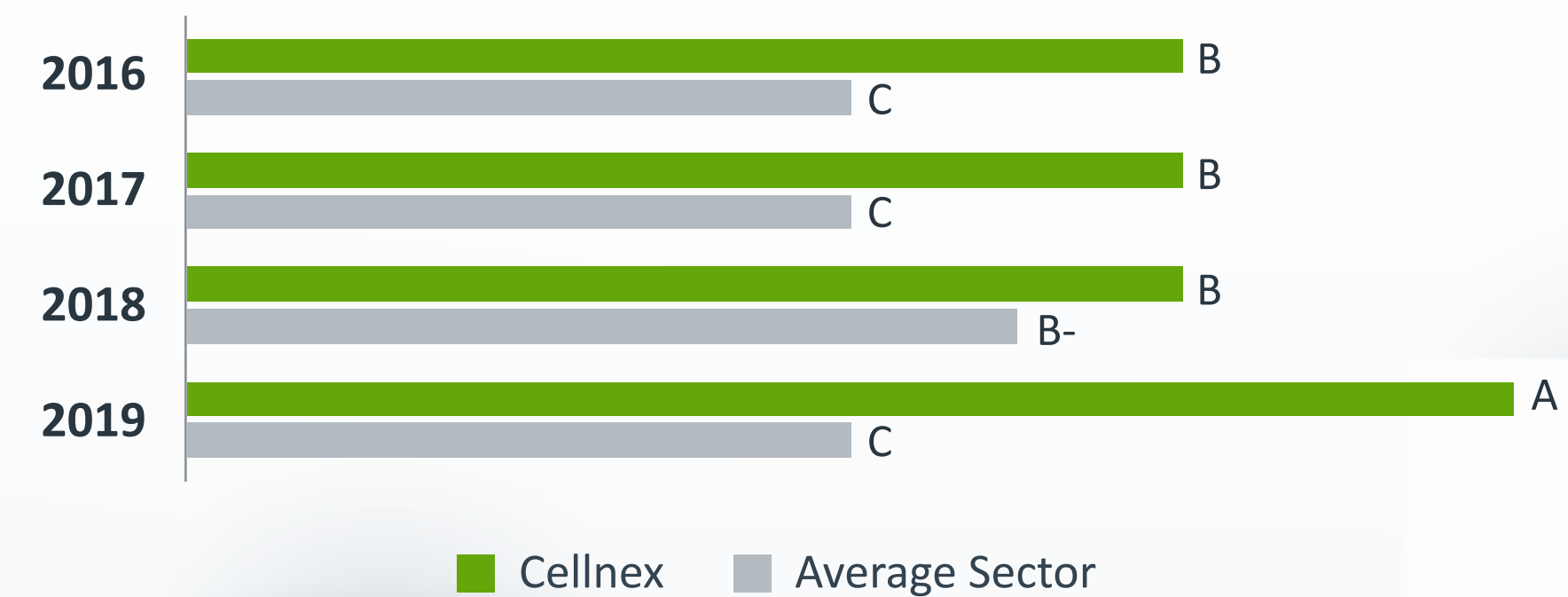
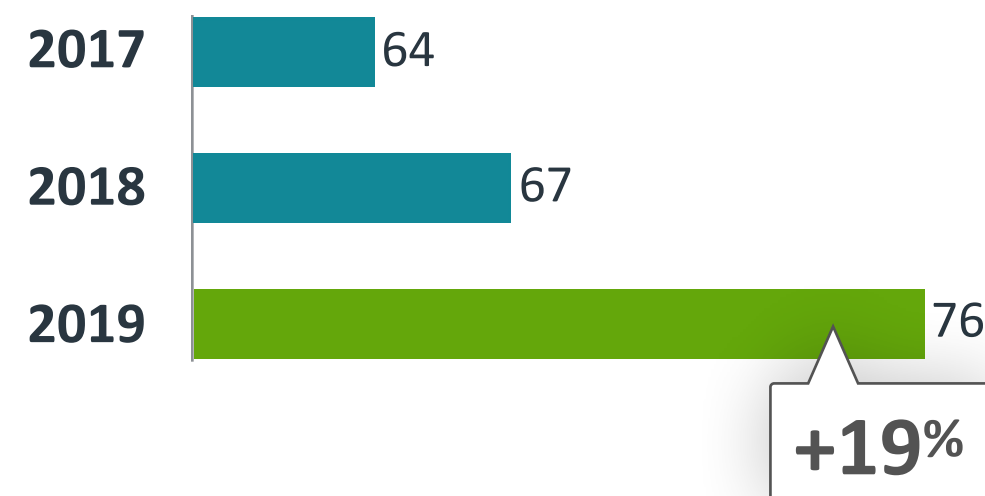
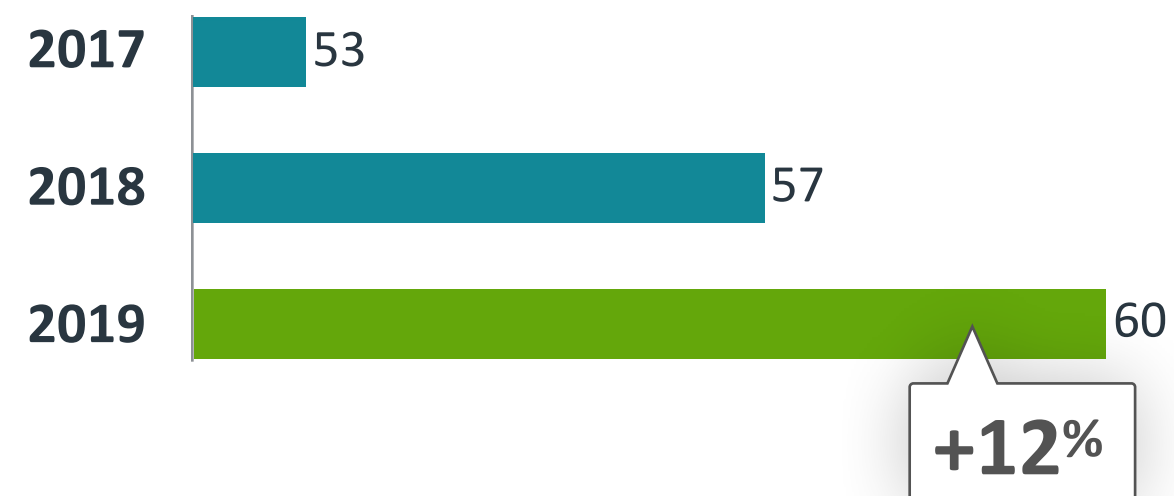
**0.03067€/share**  
Paid on 29<sup>th</sup> June



# Roll-out of the CSR Master Plan 2016 - 2020



# Advances in ESG indices

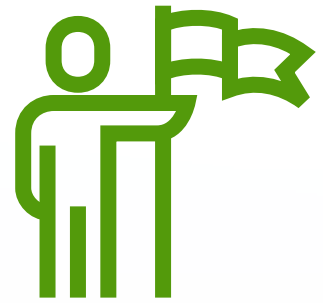




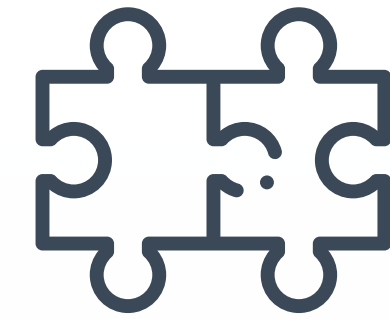
## Cellnex, a project with identity



**Commitment  
& empathy**



**Resilience  
& proactivity**



**Diversity  
& inclusion**





**Tobias Martinez**

CEO



**1** Key indicators and figures 2019

**2** 2019, a transformational year

**3** 1H 2020

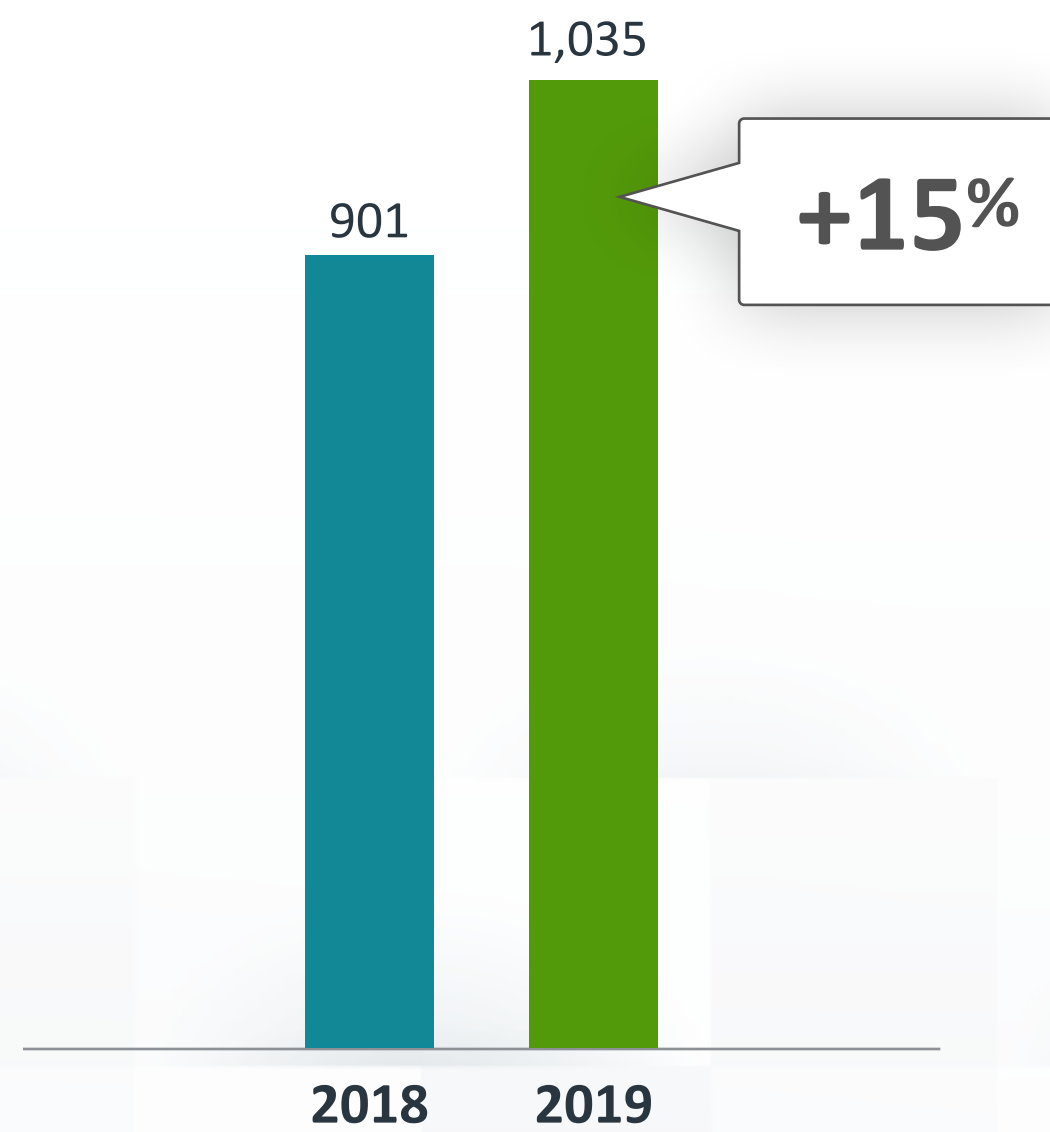
**4** The Cellnex Opportunity

# 1 Key indicators and figures 2019

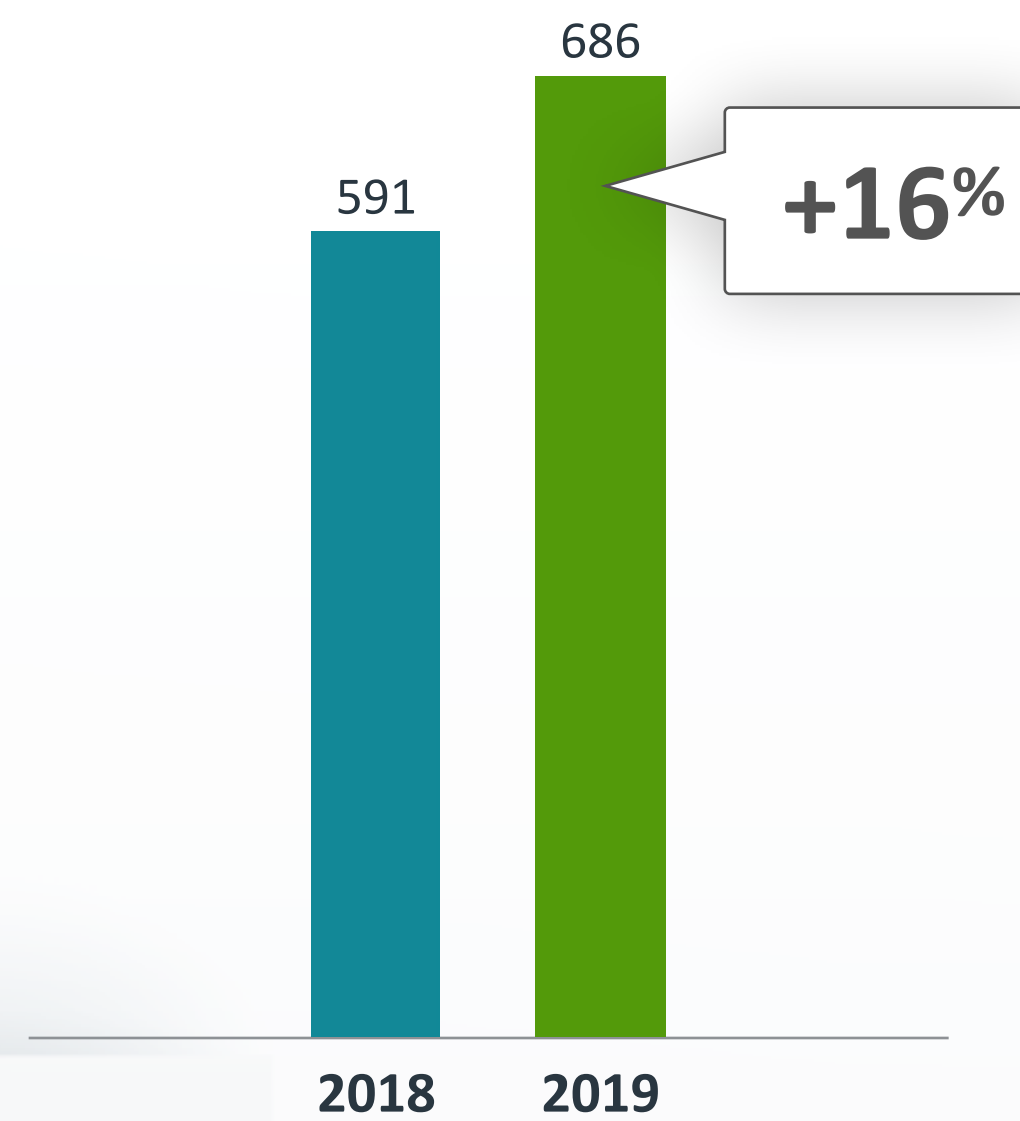


# Financial indicators: double-digit growth

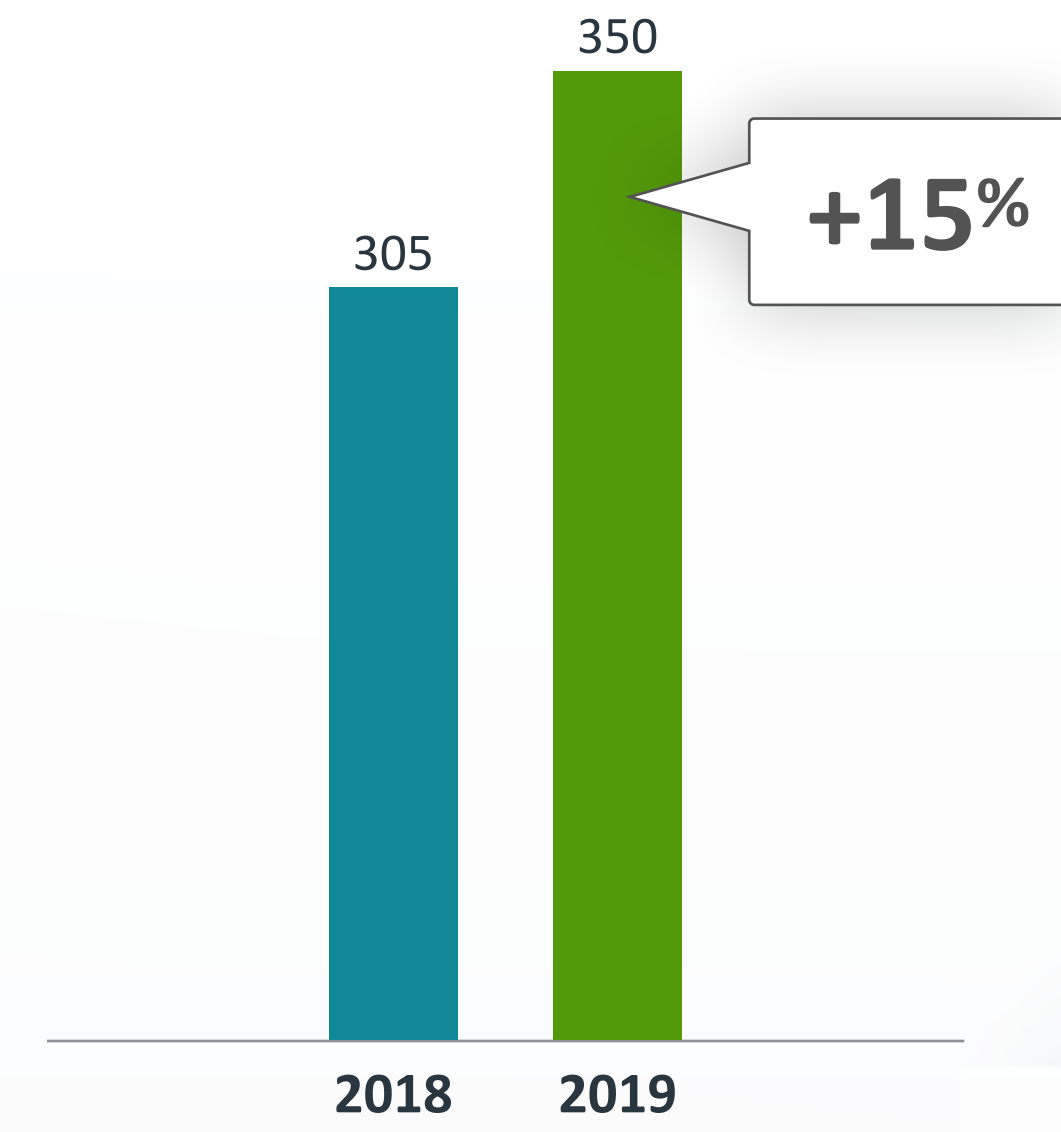
Income (€Mn)



EBITDA (€Mn)

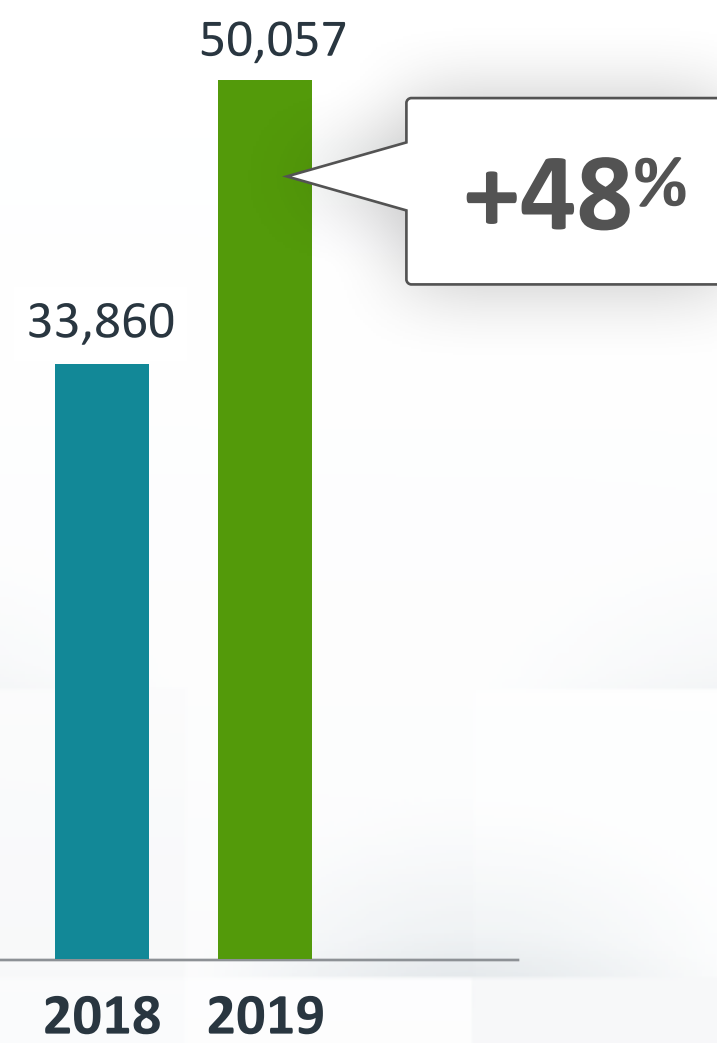


RLFCF (€Mn)



# Business indicators: solid growth

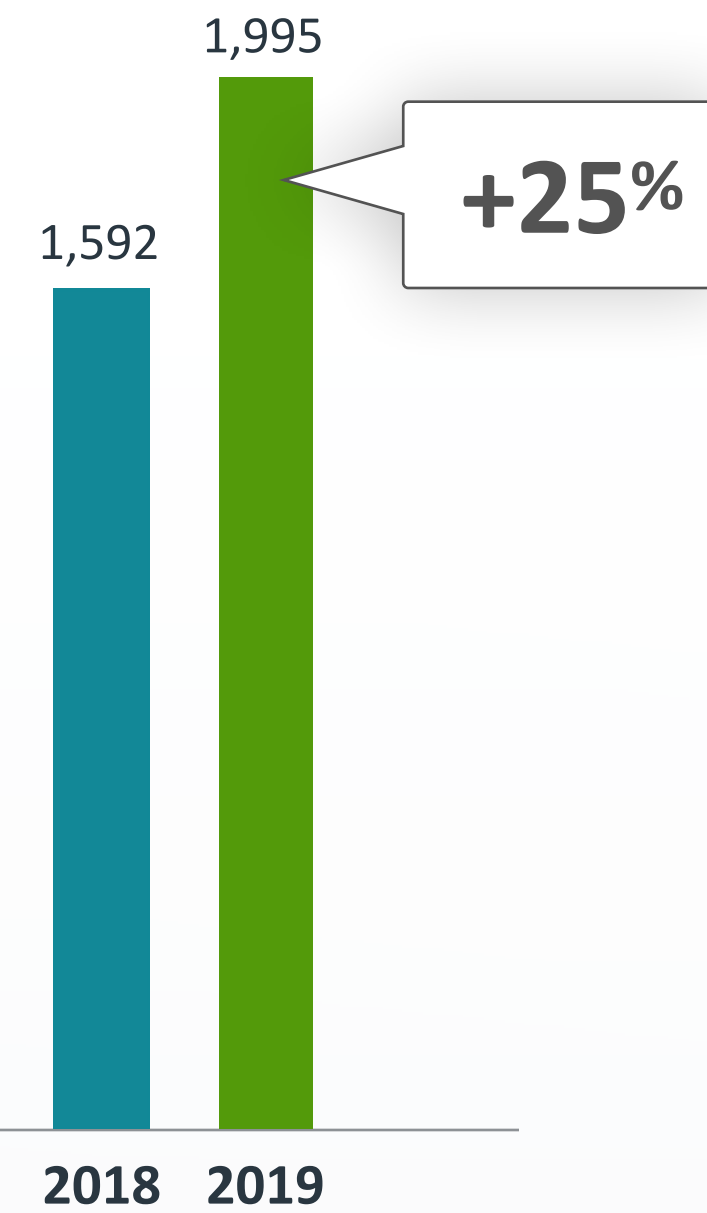
### Points of Presence (PoPs)



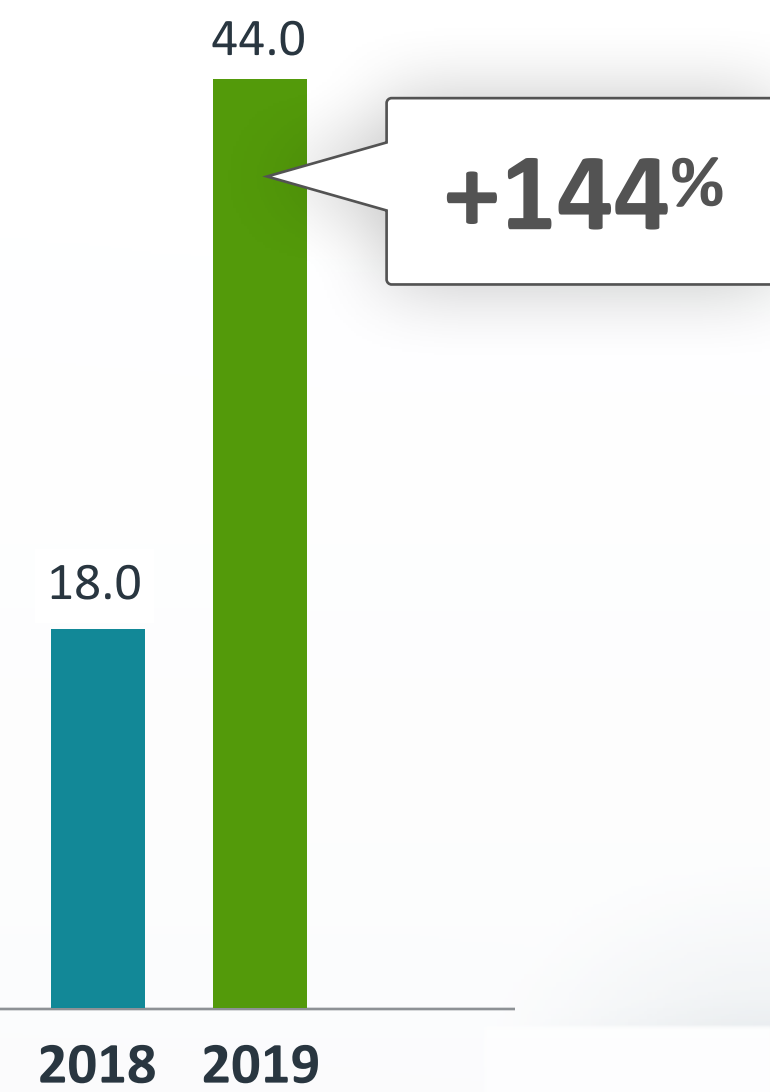
### Customer ratio (\*)



### Evolution of DAS nodes



### Sales under contract (backlog) €Bn



## 2019 summary income statement

| €Mn                                        | 2018       | 2019         |
|--------------------------------------------|------------|--------------|
| Audiovisual broadcasting infrastructure    | 233        | 235          |
| Telecommunications Infrastructure Services | 586        | 699          |
| Network services and others (DAS, IoT ...) | 82         | 101          |
| <b>Operating income</b>                    | <b>901</b> | <b>1.035</b> |
| Operating expenses                         | -311       | -349         |
| <b>EBITDA</b>                              | <b>591</b> | <b>686</b>   |
| Non-recurring expenses                     | -75        | -42          |
| Amortisation                               | -403       | -501         |
| <b>Operating result</b>                    | <b>113</b> | <b>142</b>   |
| Net financial profit                       | -149       | -197         |
| Income tax                                 | 18         | 36           |
| Attributable to non-controlling interests  | 3          | 9            |
| <b>Comparable net profit</b>               | <b>-15</b> | <b>-9</b>    |

Factors affecting the result

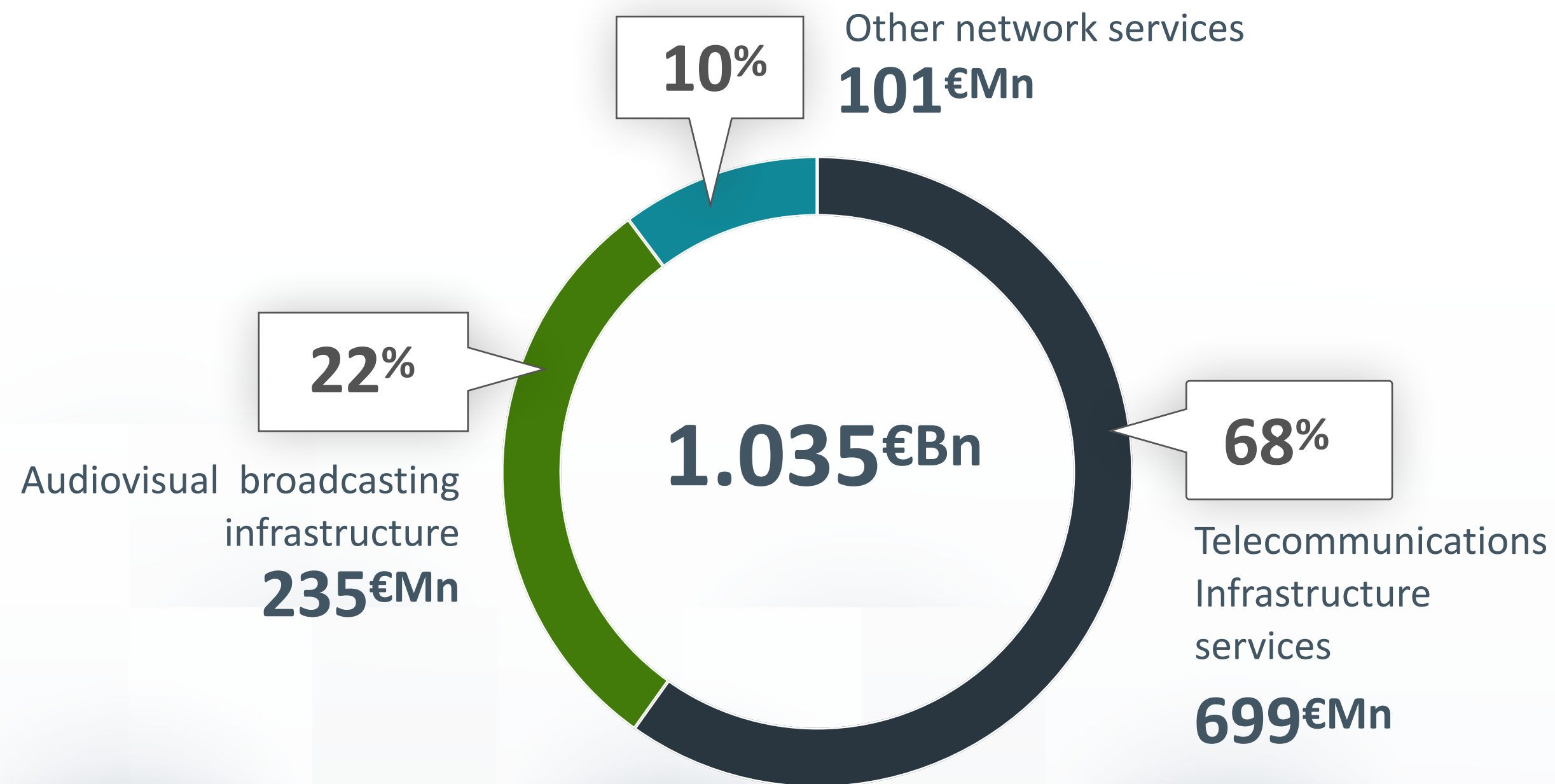
Amortisations +24.3%

Financial costs +32.1%

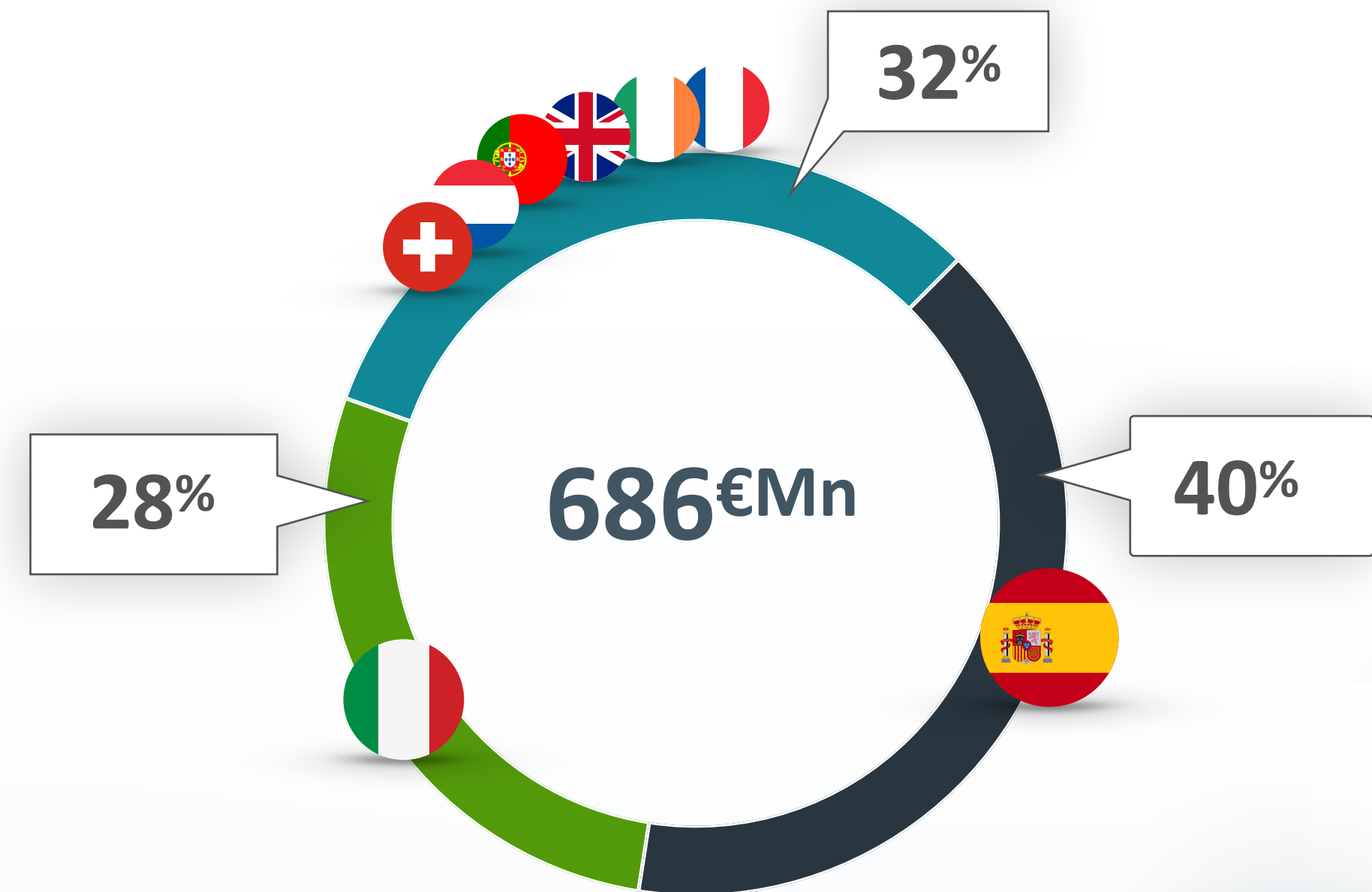


# 2019: revenue by business line and EBITDA by country

## Income by business line



## EBITDA by country



## 2019: investment applications for the year



# 2019, a transformational year



## Accessibility to financing

# Capital + Debt

Capital increases  
**3.7€Bn**

1.2€Bn - March 2019  
2.5€Bn - November 2019

**c. 99%** Preferential  
rights subscription

Convertible bond  
issues

**1.05€Bn**

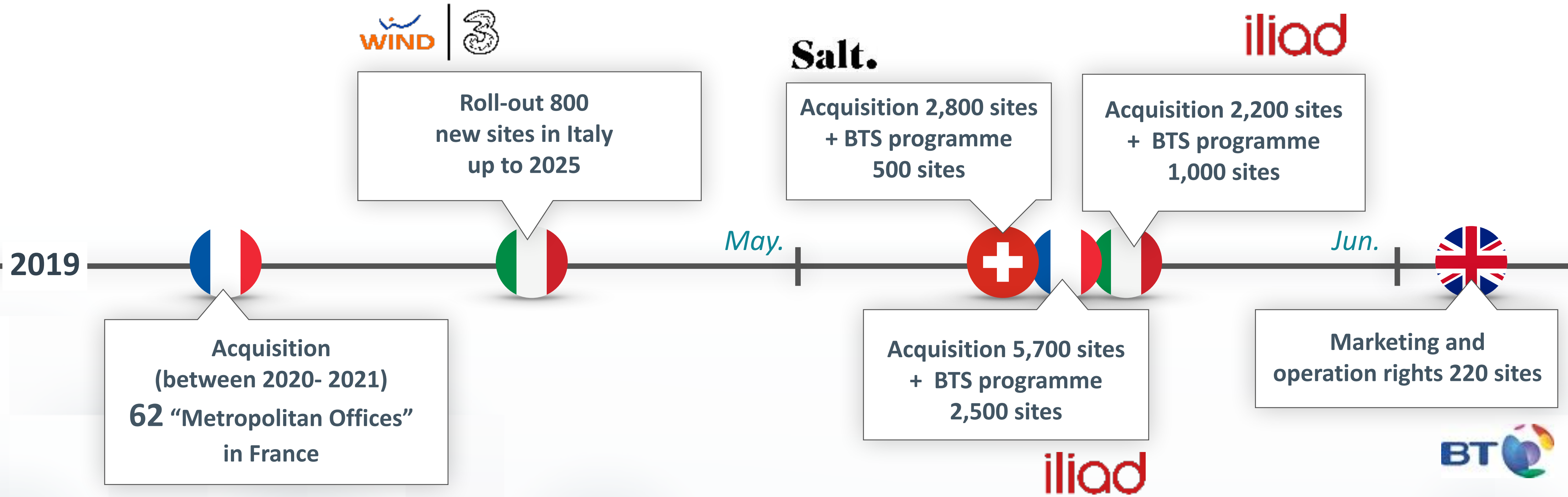
200€Mn - January 2019  
850€Mn - June 2019

**>5x** Oversubscription

Rating “investment Grade”  
BBB- (Fitch), BB+ (S&P)

# Inorganic growth

## Growth operations January - June 2019



# Inorganic growth

## Growth operations September 2019 - July 2020



Acquisition 546 sites  
+ roll out 600 new  
sites (Up to 2027)

Sep.



Integration 7,400 sites  
+ marketing rights 900 sites

arqiva

orange™

Acquisition  
1,500 sites

Dec.



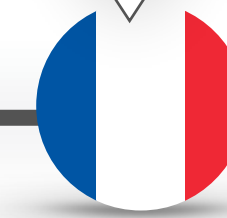
2020

Acquisition 3,000 sites  
+ BTS programme  
400 sites

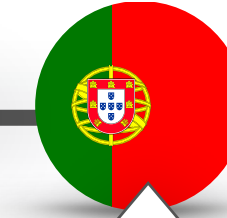
omtel

bouygues

FTTA network  
deployment



Apr.



Acquisition 2,000 sites  
+ BTS programme  
400 sites

NOS



# A growing project



c. 7,000  
sites



**x9**



**+30**  
agreements



**1H 2020**  
c. 61,000  
sites

 **1,146**  
sites

 **13,608**  
sites

 **8,135**  
sites

 **14,491**  
sites

 **982**  
sites

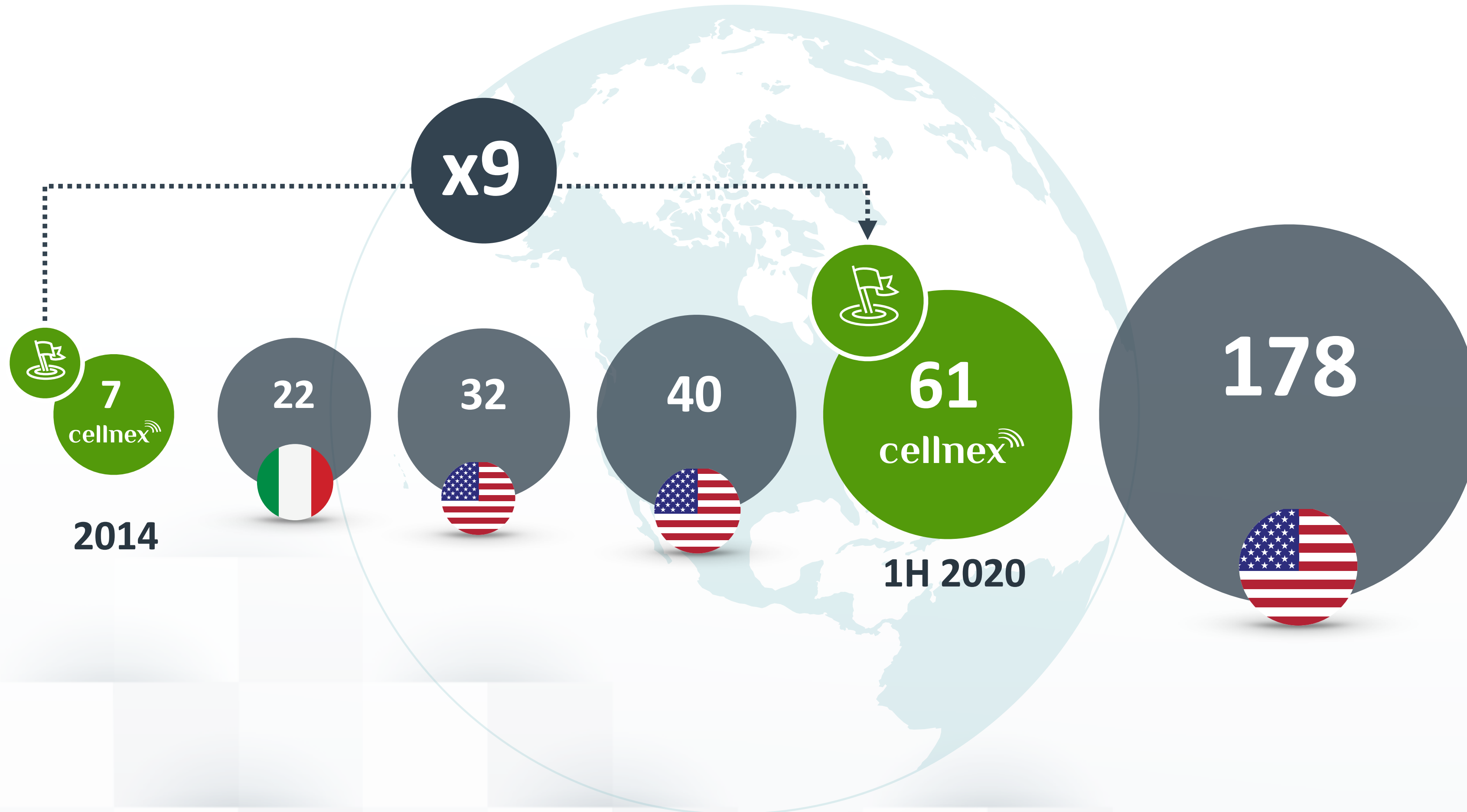
 **10,491**  
sites

 **6,118**  
sites

 **5,910**  
sites

# Inorganic growth

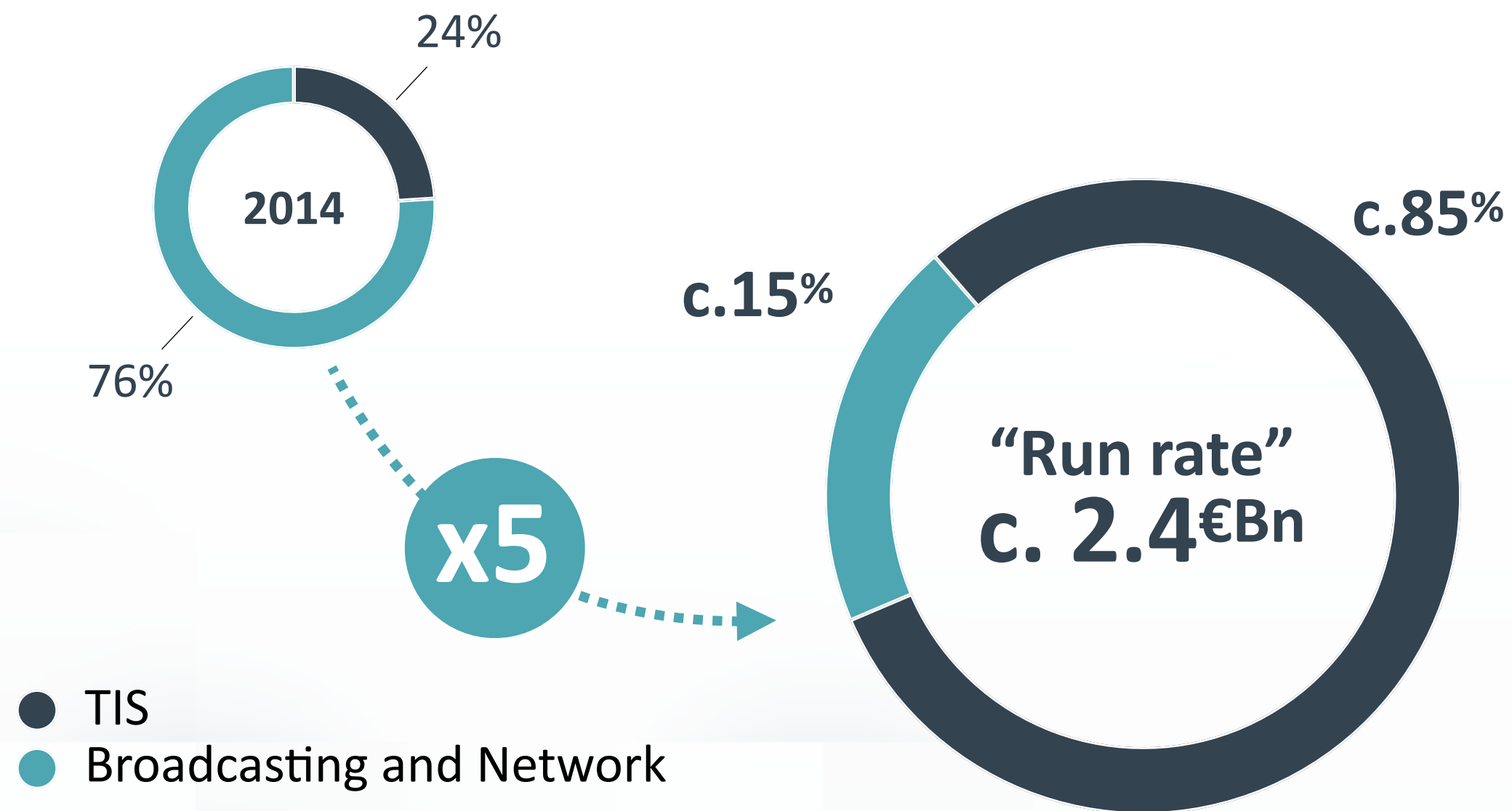
*Cellnex vs. comparable (thousands of sites)*



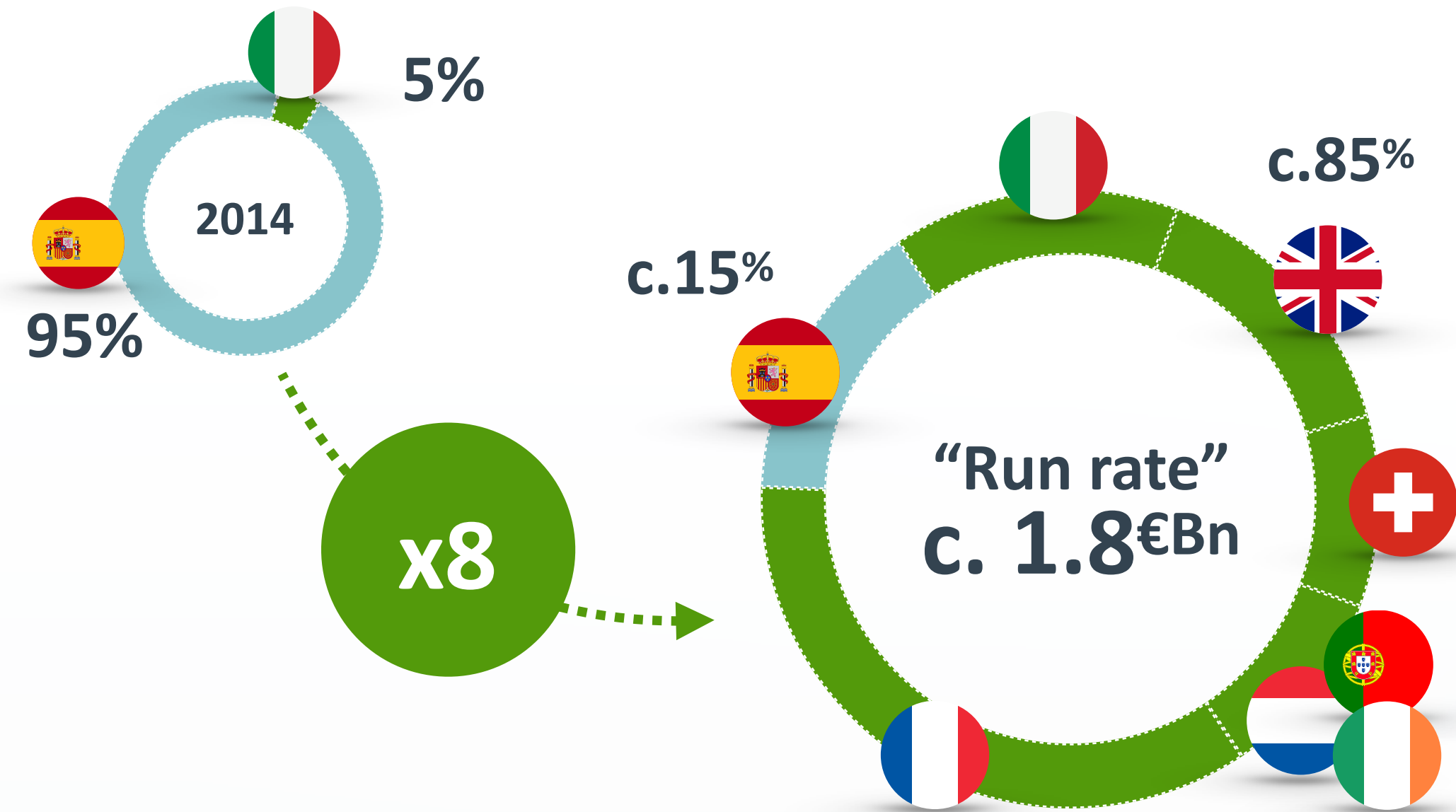
# 2014 - 2027

## Income and EBITDA projections

### Contribution of income by business lines



### Contribution to EBITDA by country



“Run rate”: includes the annualised contribution from acquisitions in 2019 and 2020, including the roll-out of sites committed up to 2027

## 5 years of Cellnex 31.12.2015 - 31.12.2019

Income  
**+69%**

EBITDA  
**+82%**

RLCFC  
**+80%**

Investments  
**>14€Bn**

Executed and committed until  
2027

A European project **present in 8 countries**, with two growth vectors:

- ✓ Deepening **internationalisation**
- ✓ Boosting roll-out of infrastructure and **5G ecosystem**

*The EBITDA for 2015 (377€Mn) is the result of the company's calculation of the application of IFRS 16, and has not been audited*



3 1H 2020

# 1H 2020, resilient execution

## Indicators on the rise

Income: **723€Mn** **+48%**

EBITDA: **527€Mn** **+64%**

RLFCF: **267€Mn** **+54%**

Backlog: **c.47€Bn**  
(including new agreements)

(Variation 1H 2020 vs 1H 2019)

## Organic growth

PoPs: **+c.60%**  
(+c.5% organic)

DAS nodes: **+c.20%**

## 2020 outlook

EBITDA: [**1.16€Bn - 1.18€Bn**] **+c.70%**

Previous guidance: [1.065€Bn - 1.085€Bn] **+c.60%**

RLFCF: **>70%**

Dividend: **+10%**

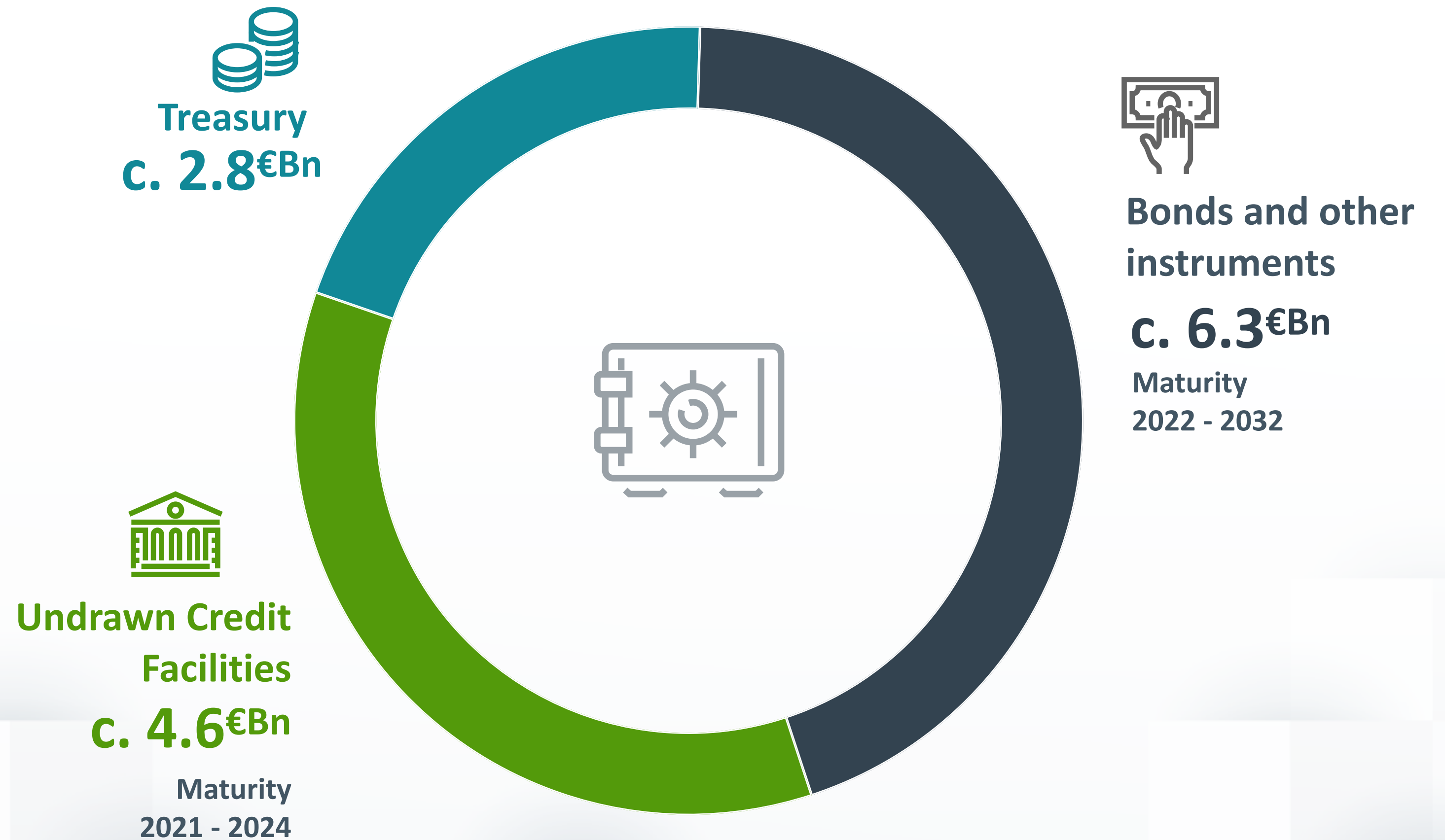
(Variation 2020 vs 2019)

# Financial structure as of June 30, 2020

- Net debt: c.3.5€Bn (excluding IFRS16 adjustments)
- Average maturity: 5.7 years

## Available liquidity 7.4€Bn

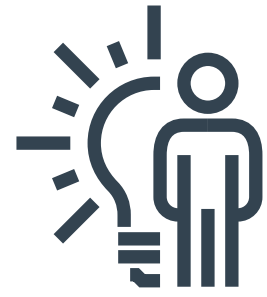
- Average cost of drawn debt: **1.7%**
- Average cost of total drawn and undrawn debt: **1.5%**



*Situation prior to the closing of the Arqiva deal in July 2020*

# 4 The Cellnex Opportunity





**Innovation,  
entrepreneurial culture  
and leadership skills**



**First neutral and  
independent operator in  
Europe**



**Industrial model and  
partnership with our  
clients**



**Rigour in investment  
criteria**



**Anticipation: Adding value  
to the 5G ecosystem**



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cellnex<sup>®</sup>



**Jaime Velázquez**  
Secretary

# Compliance with the Code of Good Governance

## 60/64 Recommendation



- **Recommendation 16:**  
**Proportional representation of Proprietary Directors out of the total of non-executive Directors**
  - In 2019 proprietary directors represented a percentage higher than their shareholding: 4 out of 11 (36% of the Board excluding the CEO vs. 29.9% stake)
  - The CNMV mitigates the strict criterion of proportionality when there are few significant shareholders (6 in the case of Cellnex, with more than 3%)



- **Recommendation 48:**  
**Separation Appointments and Remuneration Commission**
  - Not justified by workload
  - A separation may be considered in light of future developments in the Company



# Compliance with the Code of Good Governance

## 60/64 Recommendation



- **Recommendation 62:**  
**Shares given as remuneration may not be sold within a 3-year period**
  - Entitlement to shares received by the CEO is generated in a 3-year period, after which they may not be transferred for a further 2 years. This is considered a sufficient period of time in terms of loyalty and to avoid speculation



- **Recommendation 64:**  
**CEO compensation may not exceed 2 years' total compensation**
  - CEO compensation is for 2 years
  - In addition to this, there is compensation equivalent to 1 year through the "post-contractual" non-competition agreement

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## Proposed agreements

### Annual accounts Management Report 2019

1. Approval of individual and consolidated accounts (financial information)
2. Approval of non-financial information
3. Approval of the proposed application of profits
4. Approval of the management of the Board of Directors
5. Approval to distribute dividend against the issue premium

### Directors' remuneration

7. Executive Director's Remuneration
12. Advisory vote on the annual report on Directors' remuneration

### Ratification and re-election of directors

8. Maintain the number of Board members at twelve  
Ratifications and re-elections of Directors

### Re-election of auditors for FY 2021 to 2023

6. Re-election of auditors for the Company

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## The new directors



**Franco Bernabè**

- He combines an extraordinary experience in business leadership at the international level with his active and altruistic participation in social and cultural organisations.
- As CEO, he has led the restructuring and listing on the New York Stock Exchange of Eni, one of the main international oil companies. He was CEO and Chairman of Telecom Italia, Vice-president of Rothschild Europe, member of the board and Chairman of the Audit Committee of PetroChina for 14 years, member of the Supervisory Board of TPG Post Group in the Netherlands, member of the International Council of JP Morgan. He is a Senior advisor to Barclays Bank.
- He has worked altruistically in the main Italian cultural institutions, as President of the Venice Biennale, MART, the Quadrennial of Rome and the Italian Commission for UNESCO.
- Graduated with honours in Economic Policy from the University of Turin, and Doctor honoris causa in Environmental Sciences from the University of Parma.
- Awarded the Ordine al merito del lavoro by the President of the Italian Republic.



**Mamoun Jamai**

- Senior Portfolio Manager of the Infrastructure Division of ADIA (Abu Dhabi Investment Authority).
- Director of Infinity Investments SA and Anglian Water Group.
- Before joining ADIA in 2008, he had been part of the Bank of America Industrial team.
- Certified Financial Analyst (CFA) and Master in Finance from HEC de Paris.



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## The new directors



### Christian Coco

- He is Director of Industrial Investments at Edizione Srl. He is also a director of the companies of Grupo Edizione, Benetton Srl and CEO of Connect, as well as non-executive Chairman of Benetton Group Srl.
- He began his professional career in strategic planning in the energy sector and in 2002 he joined Mediobanca as in the procurement financing department. From 2007 to 2011 he worked in venture capital firms, focusing especially on investments in the infrastructure sector in Europe. Until he joined the Edizione Group in 2015, he was head of Planning, Control and M&A of the CIR Group of the De Benedetti family.
- Engineer from the Milan Polytechnic and postgraduate in Public Service Companies from the Milan MIP.



### Marieta del Rivero (renewal)

- She has 25 years' experience in leadership roles in the world of information and communications technology, mobility and the digital services industry.
- She has been Global Marketing Director at Telefónica and CEO of Nokia Iberia, as well as Marketing Director of Amena and Xfera Móviles. She was also a Senior Advisor at Ericsson and President of the International Women's Forum.
- She is currently an independent director of Gestamp Automoción and non-executive president of Pentacom. She is also a member of the advisory councils of the Mutualidad de la Abogacía and the technological incubator "Made in Mobile" and a member of the Board of the Spanish Association of Directors. She is also the Chair in Spain of the International Women's Forum and the Women Corporate Directors Foundation.
- She holds a degree in Economic and Business Sciences from the Autonomous University of Madrid (UAM), AMP from IESE and EP from Singularity University California.



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8. Maintain the number of Board members at twelve  
Ratifications and re-elections of Directors

## Delegation Board for capital increase and issuance of bonds and fixed income securities

9. Delegation in the Board of the power to increase share capital
10. Delegation in the Board of the power to issue bonds
11. Delegation of powers to formalise all agreements adopted by the General Meeting



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