

Cellnex Telecom Capital Markets Day

Updates on Next Chapter strategy centred on four strategic pillars

New leverage target and new approach to shareholder remuneration policy

New guidance disclosed up to 2027

London and Barcelona, 5 March 2024. Cellnex Telecom (“Cellnex” or “the Company”), Europe’s largest operator of wireless telecommunications infrastructure, presents today its Capital Markets Day in London, UK and [online here](#).

Cellnex's Chairperson, Anne Bouverot, along with the Executive Leadership Team –Marco Patuano, CEO; Vincent Cuvillier, CSO; Simone Battiferri, COO; Raimon Trias, CFO; and Juan José Gaitán, Head of Investor Relations– will share updates on the next stage of Cellnex’s growth strategy and the path to achieve new short and medium-term financial targets.

The event will begin promptly at 13:00 GMT. Access instructions and materials are available on [Cellnex’s Capital Markets Day](#) as well as [Investor Relations website](#).

Next Chapter of Cellnex’s strategy

“The growing demand for connectivity in Europe demonstrates Cellnex's vital role as an efficient and neutral infrastructure platform, helping our customers with their infrastructure deployments while taking into account the environmental impacts. With an experienced and energised management team, Cellnex has an ambitious roadmap for growth and value creation that is fully supported by the Board of Directors,” **said Anne Bouverot, Chair of Cellnex’s Board of Directors.**

“We are embarking on the next chapter of Cellnex’s growth, building on the solid foundation since our IPO in 2015. Guided by a strong commitment to our customers, our shareholders, and sustainability, we are now focused on improving efficiency, simplifying the portfolio and the business, and capturing essential growth opportunities,” **said Marco Patuano, CEO of Cellnex.** “This new approach will allow us to balance investments and return significantly more cash to shareholders from 2026 onwards, while strengthening our position as Europe’s leading independent tower company.”

Following a period of extraordinary growth since its IPO in 2015, Cellnex in 2022 committed to a new business strategy focused on strengthening the company's balance sheet, securing an Investment Grade rating (BBB-) from Standard & Poor's, accelerating the company's organic growth, and generating net positive cash flow from 2024, the latter has already been achieved in 2023.

Building on the progress made towards this strategy, Cellnex is today updating the next chapter of this growth story, centred around four strategic pillars:

- **Simple:** Cellnex is undertaking a strategic portfolio review to focus on core markets and businesses and divest from non-core business lines that exhibit limited growth potential for the company. The aim is to reduce operational complexity, strength the balance sheet, and enhance the credit rating, laying the ground for stronger results and future organic expansion, boosting an improvement in the shareholders return.

- **Focused:** Cellnex aims to prioritise co-tenancy growth, complemented by Build-to-Suit (BTS) projects for its customer. The goal is to achieve a tenancy ratio of 1.64 in 2027 to maximise the value of existing assets. While towers remains the core part of the business, Cellnex will invest in selected business lines - DAS (Distributed Antenna Systems), SCs (Small Cells) & RAN (Radio Access Network) as a service; and wholesale fibre, connectivity & housing services – aiming to grow these from 11% to 15% of total revenues by 2027.
- **Efficient:** The company will launch a comprehensive efficiency plan to improve the EBITDAaL margin by 500 basis points to 64% in 2027. This will be achieved by a combination of optimising lease costs, segmenting the tower portfolio, improving efficiency in operations and management, as well as driving digital transformation and improvements in productivity. The lease cost optimization will be pursued through the creation of a dedicated vehicle specialized in the land acquisition in selected countries; the vehicle will initially count on 10,000 sites and the potential entry of minority investors has not been ruled out.
- **Responsible:** Cellnex remains steadfast in its commitment to strong governance and the incorporation of Environmental, Social, and Governance (ESG) principles within its strategic framework. The company is dedicated to achieving its ESG Strategy 2025 targets and to fostering continuous improvement, consolidating its leading position as one of the most sustainable telecoms infrastructure operator globally.

Short and medium term guidance

Cellnex is reiterating its commitment to its 2025 guidance and is disclosing a new guidance for 2024 and a medium term guidance for 2027.

€Mn	Actual 2023	Guidance 2024E ¹	Guidance 2025E ¹
Revenues (ex pass-through) ²	✔ 3,659	3,850 – 3,950	4,100 – 4,200
Adjusted EBITDA	✔ 3,008	3,150 – 3,250	3,400 – 3,500
RLFCF	✔ 1,545	1,650 – 1,750	2,000 – 2,050
FCF	✔ 150	250 – 350	350 – 450

1. Assuming current perimeter. 2. Revenues ex Pass-through is an APM, detailed in slide 82. Please refer to slide 2 for certain information on the limitations of APMs.

The company anticipates revenues, excluding pass-through, to reach EUR 4.5-4.7 billion by 2027, reflecting the strong backlog and co-location trends. Adjusted EBITDA is expected to improve to EUR 3.8-4.0 billion and EBITDAaL of EUR 2.85-3.05 billion, driven by reductions in operational complexity. Reflecting Cellnex’s continued robust operational performance, the Recurring Levered Free Cashflow (RLFCF) is forecast to be between EUR 2.1-2.3 billion while free cashflow (FCF) is EUR 1.1 and 1.3 billion.

€Mn	Actual 2023	Guidance 2027E ¹	CAGR (23-27)
Revenues (ex pass-through) ²	3,659	4,500 – 4,700	↑ +6%
Adjusted EBITDA	3,008	3,800 – 4,000	↑ +7%
EBITDAaL	2,157	2,850 – 3,050	↑ +8%
RLFCF	1,545	2,100 – 2,300	↑ +9%
FCF	150	1,100 – 1,300	↑ c.8x growth 23-27

1. Assuming current perimeter. 2. Revenues ex Pass-through is an APM, detailed in slide 82. Please refer to slide 2 for certain information on the limitations of APMs.

Cellnex will also unveil an **improved financial reporting framework** with more granular detail across business lines, including reporting on four business lines (up from three) and excluding pass-through costs from revenues. Cellnex will report revenues and adjusted EBITDA for the top five countries (up from three) and include more granular detail on CapEx.

New capital allocation framework, leverage target and new approach to shareholder remuneration policy

Cellnex will adopt a clear and disciplined capital allocation framework aimed at significantly increasing shareholder returns. **After achieving investment grade** in 2024 (target confirmed) the medium/long term Cellnex's **new leverage target** will be of **5.0-6.0x Net Debt / EBITDA IFRS 16**, giving the company additional resources to allocate to the shareholder remuneration and/or industrial growth. The proposed range will allow Cellnex to have the flexibility needed to adapt its strategy to different external scenarios, while remaining consistent with the commitment to investment grade.

With EUR 10 billion in planned available cash by 2030, the **new capital allocation will balance a combination of profit distribution via dividends (minimum of EUR 3 billion in dividends between 2026 and 2030), and/or share buybacks as well as investments in industrial growth opportunities (up to EUR 7 billion).**

Starting from 2026, shareholders can expect a **minimum dividend payment of EUR 500 million a year**, with a minimum annual grow rate of 7.5% in the years to follow. **Cellnex may consider earlier share buybacks and/or dividend payments contingent upon its leverage and rating.**

Future industrial growth opportunities will be subject to clear return criteria, based on a minimum equity Internal Rate of Return (IRR), tailored to the investment risk profile.

About Cellnex Telecom

Cellnex is Europe's largest independent operator of wireless telecommunications infrastructure, providing telecom operators access to a wide network of telecommunications infrastructure on a shared-use basis, contributing to reduce access barriers and improving services in the most remote areas. The company manages a portfolio of 138,000 sites, including planned rollouts up to 2030, across 12 European countries, with significant presence in Spain, France, the United Kingdom, Italy, and Poland. Listed on the Spanish stock exchange, Cellnex is a constituent of the IBEX 35 and EuroStoxx 100 indices and holds relevant positions in major sustainability indexes, including CDP, Sustainalytics, FTSE4Good, MSCI and DJSI Europe.

For more information: <http://www.cellnex.com/>

Disclaimer

The information and forward-looking statements contained in this document have not been verified by an independent entity and the accuracy, completeness or correctness thereof should not be relied upon. In this regard, the persons to whom this document is delivered are invited to refer to the documentation published or registered by Cellnex Telecom, S.A. and its subsidiaries ("Cellnex") with the National Stock Market Commission in Spain (Comisión Nacional del Mercado de Valores). All forecasts and other statements included in this document that are not statements of historical fact, including, without limitation, those regarding the financial position, business strategy, management plans, estimated investments and capital expenditures, pipeline, priorities, targets, outlook, guidance, objectives for future operations and run rate metrics of Cellnex (which term includes its subsidiaries and investees), are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors (many of which are beyond Cellnex's control), which may cause actual results, performance or achievements of Cellnex, or industry results, to be materially different from those expressed or implied by these forward-looking statements. These forward-looking statements are based on numerous assumptions regarding Cellnex's present and future business strategies, performance by Cellnex's counterparties under certain of Cellnex's contracts and the environment in which Cellnex expects to operate in the future which may not be fulfilled. No representation or warrant, express or implied is made that any forward-looking statement will come to pass. In particular, this document contains information on Cellnex's targets, outlook and guidance, which should not be construed as profit forecasts. There can be no assurance that these targets, outlook and guidance will be met. Accordingly, undue reliance should not be placed on any forward-looking statement contained in this document. All forward-looking statements and other statements herein are only as of the date of this presentation. None of Cellnex nor any of its affiliates, advisors or representatives, nor any of their respective directors, officers, employees or agents, shall bear any liability (in negligence or otherwise) for any loss arising from any use of this document or its contents (including any forward-looking statement), or otherwise in connection herewith, and they do not undertake any obligation to provide the recipients with access to additional information or to update this document or to correct any inaccuracies in the information contained or referred to herein.

To the extent available, the industry and market data contained in this document has come from official or third party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. In addition, certain of the industry and market data contained in this document come from Cellnex's own internal research and estimates based on the knowledge and experience of Cellnex's management in the market in which Cellnex operates, and is subject to change. Certain information contained herein is based on Cellnex's management information and estimates and has not been audited or reviewed by Cellnex's auditors. Recipients should not place undue reliance on this information. The financial information included herein has not been reviewed by Cellnex's auditors for accuracy or completeness and, as such, should not be relied upon. Certain financial and statistical information contained in this document is subject to rounding adjustments. Accordingly, any discrepancies between the totals and the sums of the amounts listed are due to rounding.

This document is addressed to analysts and to institutional or specialized investors only and should only be read together with the supporting excel document published on the Cellnex website. The distribution of this document in certain jurisdictions may be restricted by law. Consequently, persons to which this document is distributed must inform themselves about and observe such restrictions. By receiving this document the recipient agrees to observe any such restrictions.

Neither this document nor the historical performance of Cellnex's management team constitute a guarantee of the future performance of Cellnex and there can be no assurance that Cellnex's management team will be successful in implementing the investment strategy of Cellnex.

Nothing herein constitutes an offer to sell or the solicitation of an offer to purchase any security and nothing herein may be used as the basis to enter into any contract or agreement.

Note on Alternative Performance Measures (APMs)

This document contains, in addition to financial information prepared in accordance with International Financial Reporting Standards (“IFRS”) and derived from our financial statements, alternative performance measures (“APMs”) as defined in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 (ESMA/2015/1415en) and other non-IFRS measures (“Non-IFRS Measures”). These financial measures that qualify as APMs and non-IFRS measures have been calculated with information from Cellnex Group; however those financial measures are not defined or detailed in the applicable financial reporting framework nor have been audited or reviewed by our auditors.

We use these APMs and non-IFRS measures when planning, monitoring and evaluating our performance. We consider these APMs and non-IFRS measures to be useful metrics for our management and investors to compare financial measure of historical or future financial performance, financial position, or cash flows. Nonetheless, these APMs and non-IFRS measures should be considered supplemental information and are not meant to substitute IFRS measures. Furthermore, companies in our industry and others may calculate or use APMs and non-IFRS measures differently, thus making them less useful for comparison purposes.

For further details on the definition and explanation on the use of APMs and Non-IFRS Measures please see the section on “Alternative performance measures” of Cellnex Telecom, S.A. Consolidated Financial Statements and Consolidated Management Report for the twelve-month period ended 31 December 2023 (prepared in accordance with IAS 34), published on 29 February 2024. Additionally, for further details on the calculation and reconciliation between APMs and Non-IFRS Measures and any applicable management indicators and the financial data of the corresponding reported period, please see the backup excel file published on 29 February 2024 by Cellnex Telecom, S.A. All documents are available on Cellnex website (www.cellnex.com).

For more information you can find the CMD presentation in:

- [Capital Markets Day site](#)
- [Investor Relations site](#)