



# Capital Markets Day

March 5<sup>th</sup>, 2024

Next Chapter,  
a strengthened commitment

# Welcome to our Capital Markets Day, we're looking forward to sharing our view of Cellnex's future



**Anne  
Bouverot**  
Chairperson



**Marco  
Patuano**  
CEO



**Vincent  
Cuvillier**  
CSO



**Simone  
Battiferri**  
COO



**Raimon  
Trias**  
CFO



**Juan  
Gaitán**  
Head of Investor  
Relations



# Agenda for today

13:00

## WELCOME

13:05

## CELLNEX'S NEXT CHAPTER

Anne Bouverot - Chairperson  
Marco Patuano - CEO

13:25

## STRATEGIC POSITIONING

Vincent Cuvillier - CSO

13:55

## OPERATIONS

Simone Battiferri - COO

14:25

## NEW REPORTING, CAPITAL STRUCTURE AND ALLOCATION

Raimon Trias - CFO

14:55

## GUIDANCE

Juan Gaitán - Head of Investor Relations

15:10

## CLOSING REMARKS

Marco Patuano - CEO

15:20

## Q&A

# 01

## Cellnex's Next Chapter

Anne Bouverot - Chairperson

Marco Patuano - CEO





As Europe's leading operator of wireless telecommunications infrastructure, Cellnex is now fully focused on operational excellence and shareholder returns



Strengthened Board of Directors **governance and oversight...**

... and new leadership team **focused on operational performance**



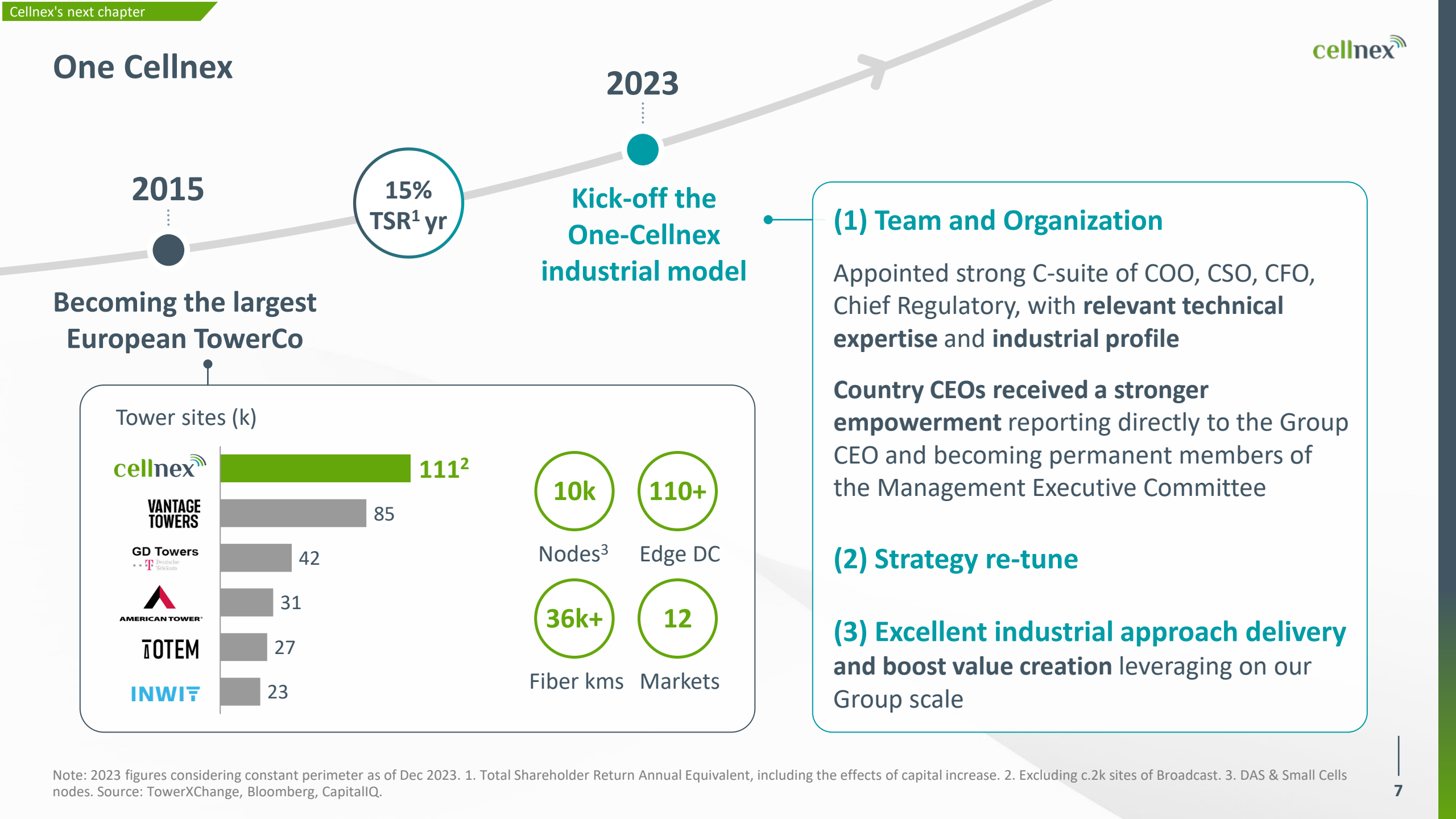
Reinforced governance rules, in particular for **capital allocation...**

... to ensure consistent execution of the new strategy



Management's Long Term Incentive Plan strongly aligned with **shareholder value creation** (TSR, FCF and ESG)

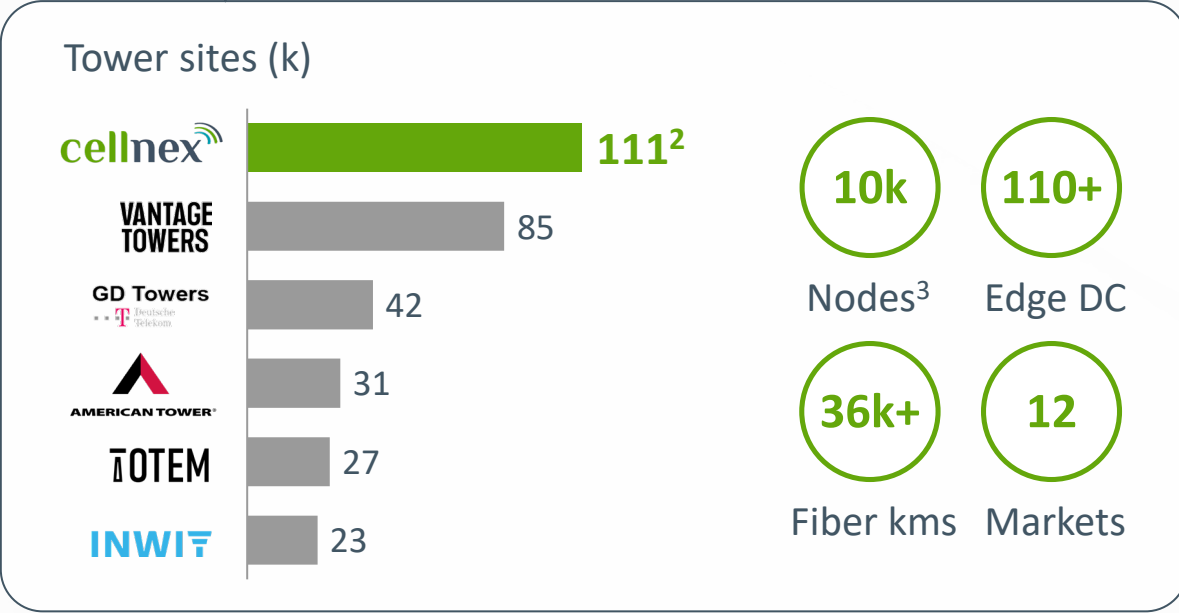
# One Cellnex



**2015**  
Becoming the largest European TowerCo

15%  
TSR<sup>1</sup> yr

**2023**  
Kick-off the One-Cellnex industrial model



- (1) Team and Organization**  
Appointed strong C-suite of COO, CSO, CFO, Chief Regulatory, with **relevant technical expertise and industrial profile**  
**Country CEOs received a stronger empowerment** reporting directly to the Group CEO and becoming permanent members of the Management Executive Committee
- (2) Strategy re-tune**
- (3) Excellent industrial approach delivery and boost value creation** leveraging on our Group scale

Note: 2023 figures considering constant perimeter as of Dec 2023. 1. Total Shareholder Return Annual Equivalent, including the effects of capital increase. 2. Excluding c.2k sites of Broadcast. 3. DAS & Small Cells nodes. Source: TowerXChange, Bloomberg, CapitalIQ.



# To deliver value creation

2024+

## Next Chapter

### (1) Operational Value Creation

- ») **Secure** short and long-term growth
- ») Efficient operations improving EBITDAaL **margins to 64%** by end of 2027
- ») **Increase cash conversion** from top line to **FCF**  
FCF 2027 = **c.8x FCF 2023**

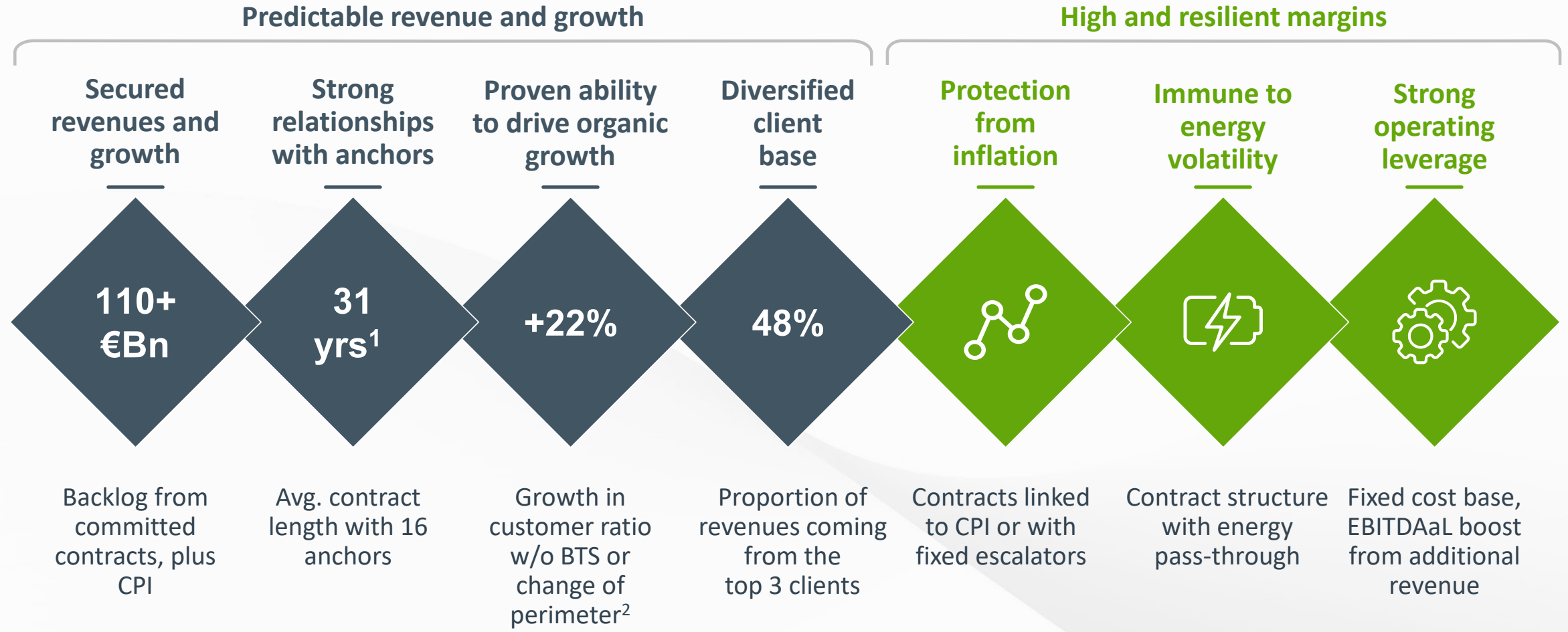
### (2) Shareholder Value

- ») Set long-term leverage target of **5.0-6.0x Net Debt/Ebitda** by 2025-2026
- ») Make available **>€10Bn cash resources** by 2030
  - Allocate minimum **c.€3Bn to dividends until 2030** starting paying in 2026 at the latest
  - Devote the remaining **>€7Bn to buybacks, extraordinary dividends and industrial business opportunities**, giving priority to value creation / shareholder return

### (3) Disciplined and rigorous approach to Capital Allocation

- ») **Articulate investments by Golden Rules**
  - Return > WACC + Risk premium (country, business, safety margin)
- ») **Capital Allocation Committee**
  - Members with strong expertise in capital allocation
  - Stringent delegation thresholds

# A success story with highly predictable revenues and resilient margins



BTS = Build to Suit

1. Considering contractual renewal on an all-or-nothing basis, same calculation methodology as backlog. 2. Considers growth from 2017-2023, weighted according to portfolio size.



# We are shifting focus to cement our leadership in the EU TowerCo industry

## Driving industrial value, securing healthy growth and yield

- Focus on organic growth, selective expansions, prudence with CapEx

*2015-2022*

### EU Tower market infancy

- Incipient **data driven growth**
- Large **portfolio availability**
- Low **cost of capital**

*Today*

### Established market

- Data traffic **growth** & significant 5G investments
- Fewer in-market **inorganic opportunities**
- Higher **cost of capital and inflation**
- MNO consolidation/network sharing** with limited risk

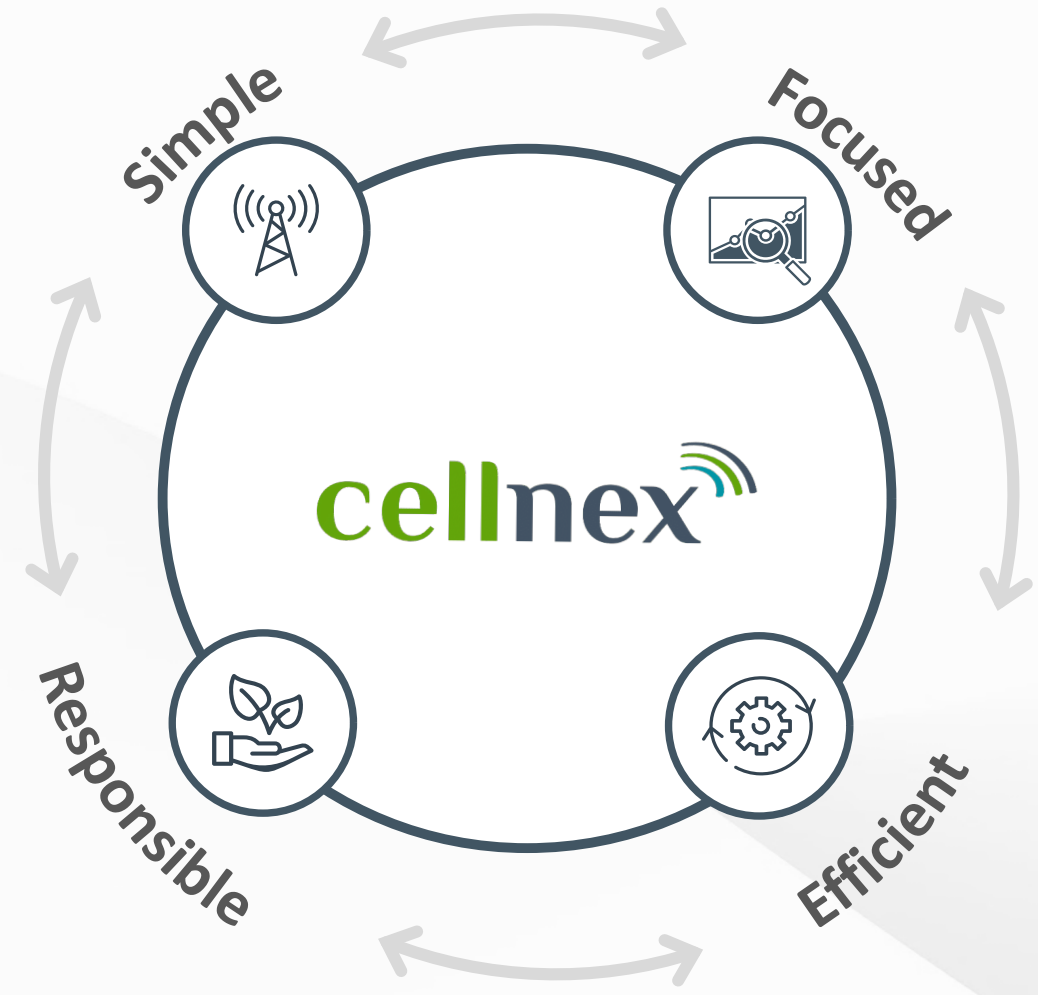
**Mainly inorganic growth**

**40+**  
deals

Since IPO  
in 2015



# We will execute our strategy with four pillars moving forward





# This chapter will set us on a path towards success and greater shareholder value

## Upholding our core values...



Neutral and independent



Industrial group approach across markets



Empowered & integrated teams



Customer-centric with focus on anchors

## ...delivering on our commitments...



Achieving **investment grade** by S&P by end of 2024

**Reiterating** our **2025 Guidance**

Setting **ambitious 2027 targets**

## ... and increasing shareholder value



**Long-term capital structure** guiding our **capital allocation strategy**

Expected increase in **RLFCF<sup>1</sup> per share** and a new approach to **shareholder remuneration<sup>2</sup>**

- Predictable
- Increasing over time
- Possible additional remuneration subject to capital structure

**Enhanced** financial and operational **disclosure**



1. Recurring Leveraged Free Cash Flow = RLFCF. 2. The formal dividend policy and its implementation is subject to approval by the competent bodies of the company.

# 02

**Strategic Positioning**  
Vincent Cuvillier - CSO







# Strategic Positioning

- Our **growth story** and **business model** strengths
- **Opportunities** and **challenges** ahead
- Our **evolving strategy** and the pillars to deliver on it
  - **Simple:** reviewing our portfolio to reduce complexity
  - **Responsible:** continue leading in ESG

# Cellnex is the Pan-European TowerCo leader

At IPO...

Today...

2



**12 markets**

2



**16 anchors**

14k

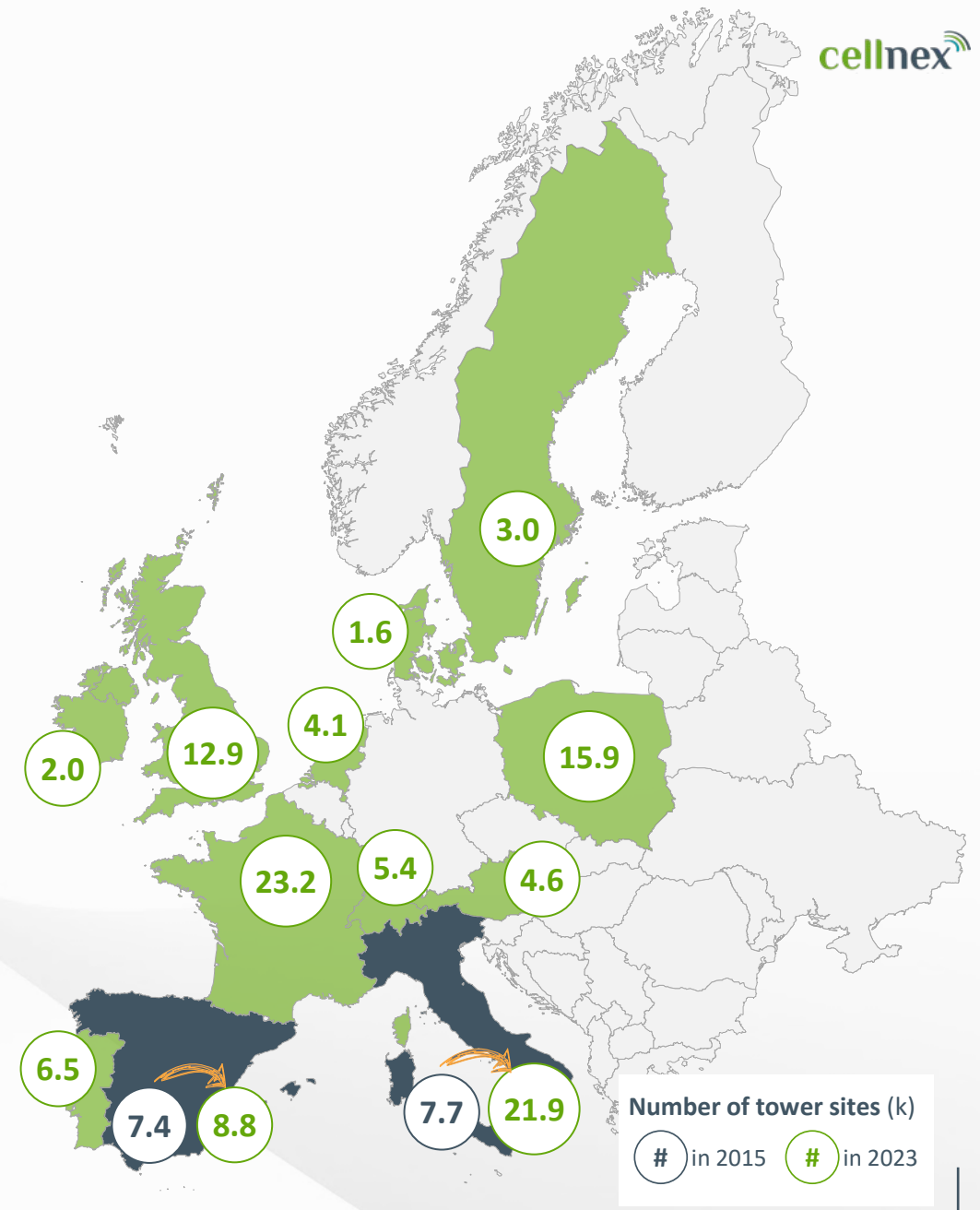


**111k tower sites<sup>1</sup>**

21k



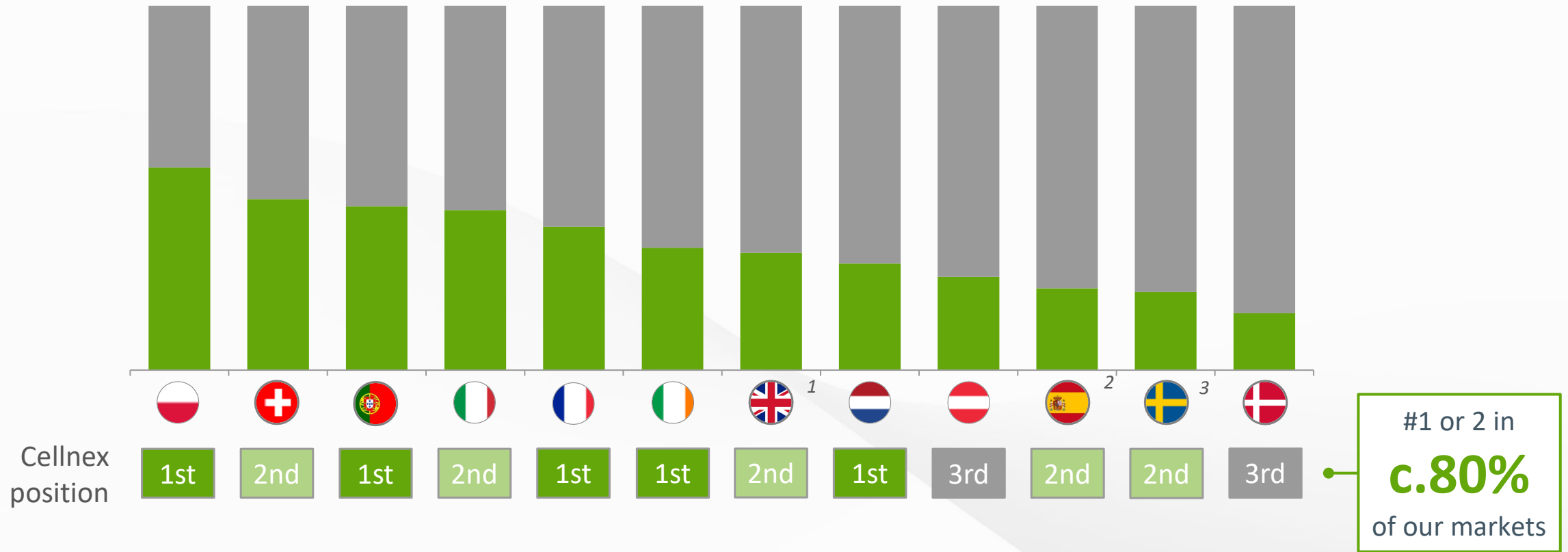
**155k PoPs<sup>2</sup>**



Note: Considering perimeter as of Dec 2023. 1. Excluding additional c.2k broadcast sites. 2. Equivalent PoPs.

# National champions in over 80% of our markets

### Cellnex Market share (in # of Towers) YE2023

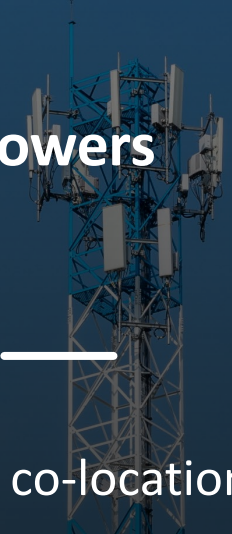


Note: Considering perimeter as of Dec 2023. 1. Market share in UK includes EEBA (Economics Rights from H3G within MBNL). 2. Excludes c.2k Broadcast sites. 3. Includes sites acquired from Hi3G.  
Source: TowerXchange.



# Presence in 4 business lines, Towers being our CORE with >80% of revenues

## Towers



Tower co-location

2023 Revenues<sup>1</sup>  
€3,010 Mn



1. Excludes pass-through revenues.

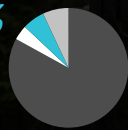
## DAS, Small Cells & RAN-as-a-Service



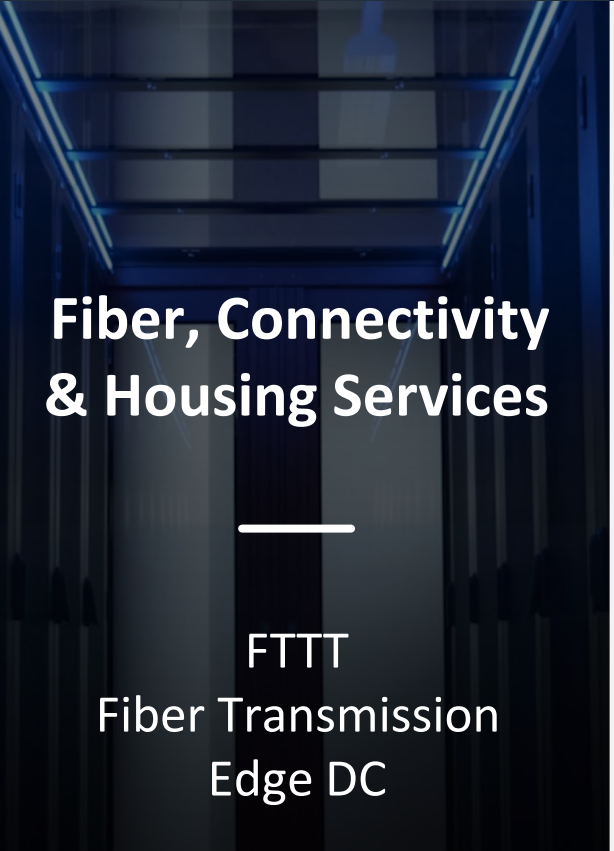
DAS & Small Cells  
RAN-as-a-Service  
Mission Critical Networks

€233 Mn

c.6%



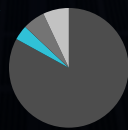
## Fiber, Connectivity & Housing Services



FTTT  
Fiber Transmission  
Edge DC

€163 Mn

c.4%



## Broadcast



TV  
Radio

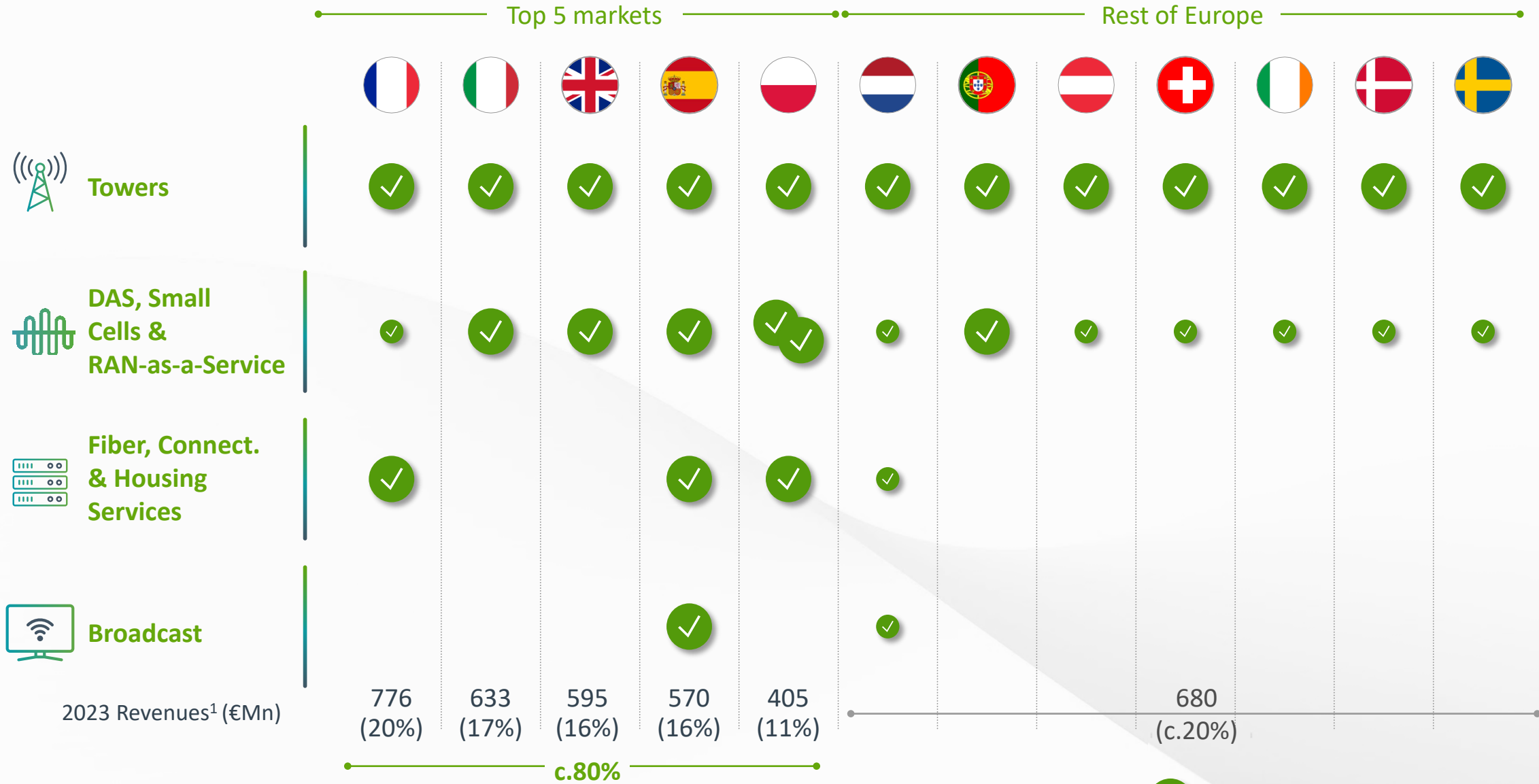
€253 Mn

c.7%





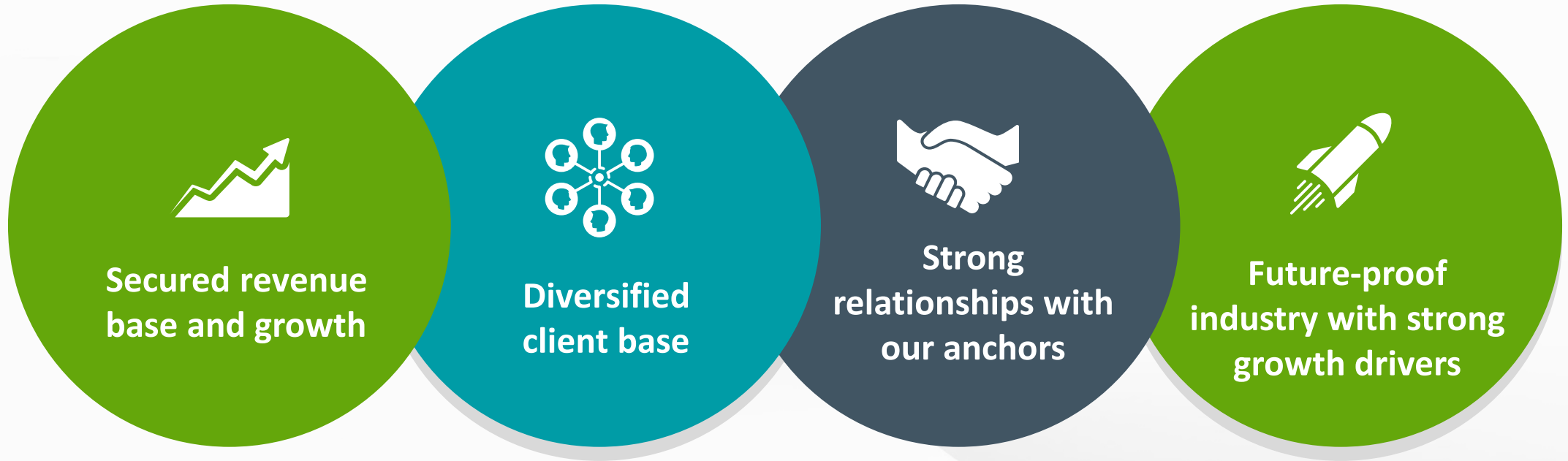
# 12 markets, with top 5 representing >80% of revenues



Note: Considering constant perimeter as of Dec 2023. 1. Excludes pass-through revenues.

✓ ✓ Relevance of market presence

# Cellnex has built a resilient business with predictable revenues and growth



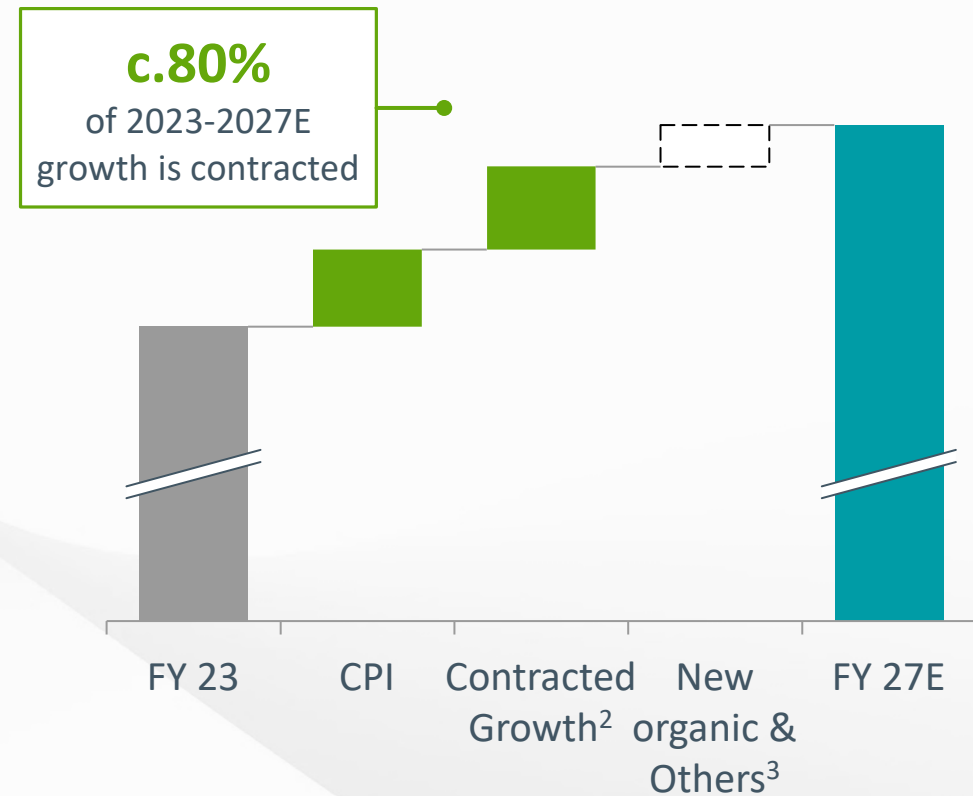
# Secured revenues with the largest backlog in the industry

## Total long term backlog<sup>1</sup>



Existing long-term contracts with clients, including current assets and future BTS

## Expected revenues 2027E vs 2023



1. Includes long term revenues until end of existing contracts. 2. Includes committed contracts from BTS, Fiber and Edge DCs. 3. Includes principally additional co-locations.

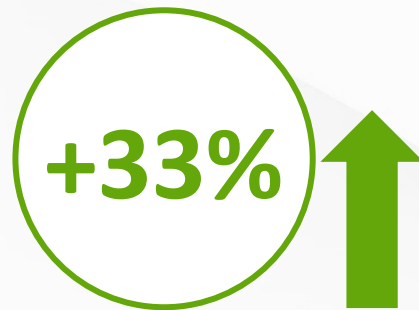
# Proven ability to achieve organic growth

## Customer Ratio increase through co-location

Cumulative growth in CR only considering organic co-locations<sup>1</sup> (%) in 2017-2023 timeframe



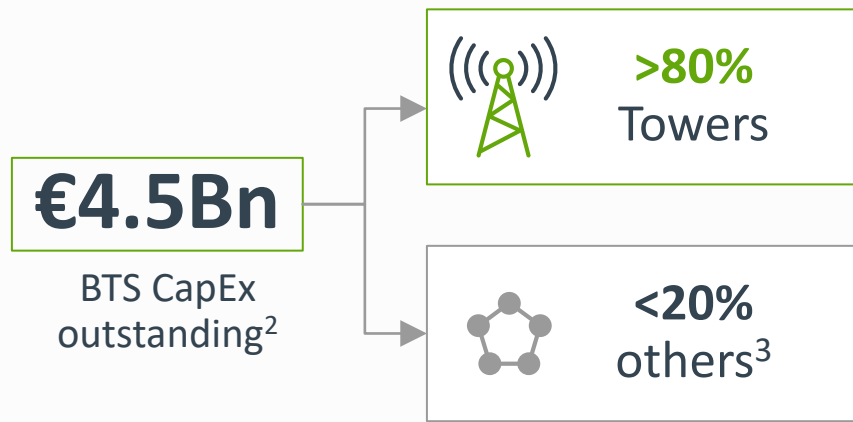
Weighted growth across all markets



Weighted growth in oldest portfolios



## Value accretive BTS commitments

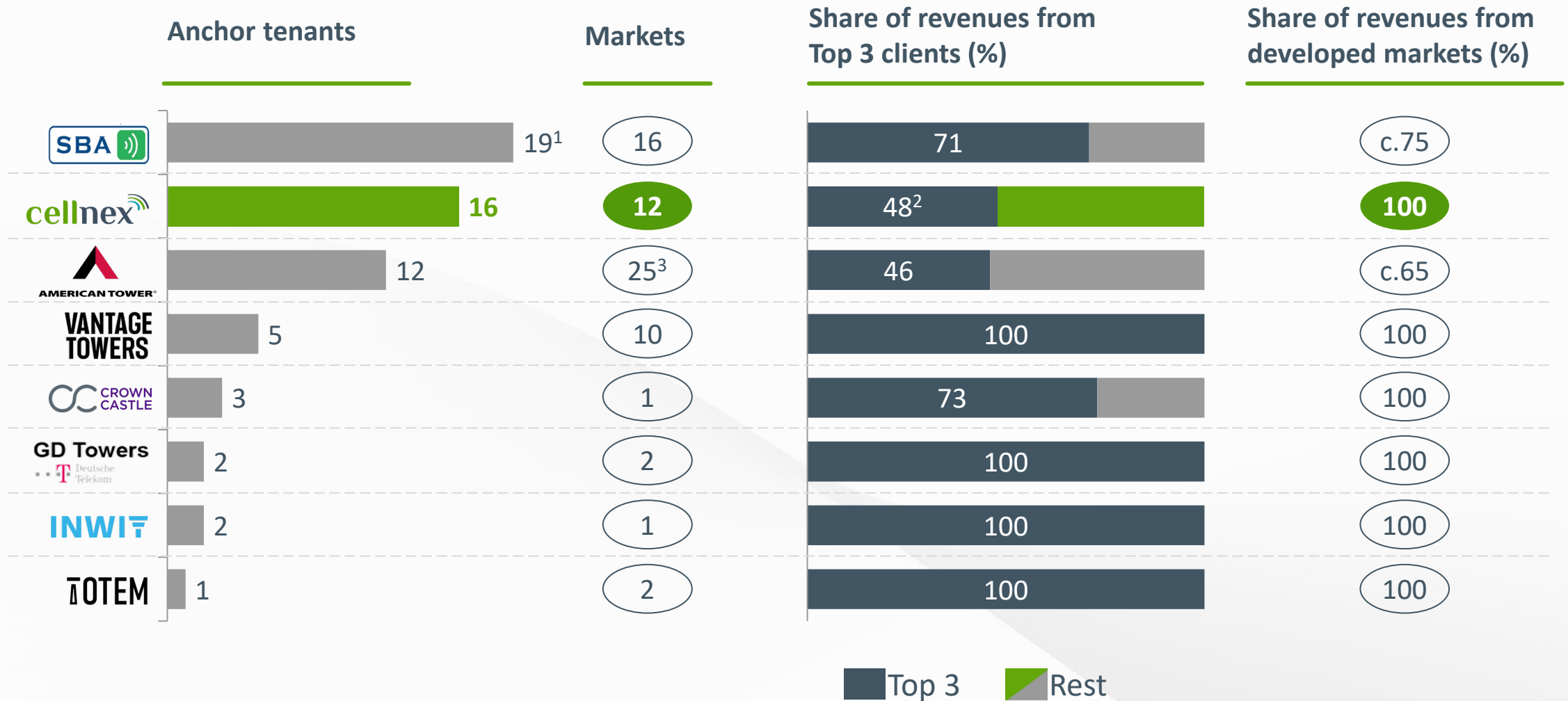


Value drivers

Implied EBITDAaL multiple of remaining BTS is well **below our trading multiple**

**Additional upside potential** from future organic co-location and efficiencies

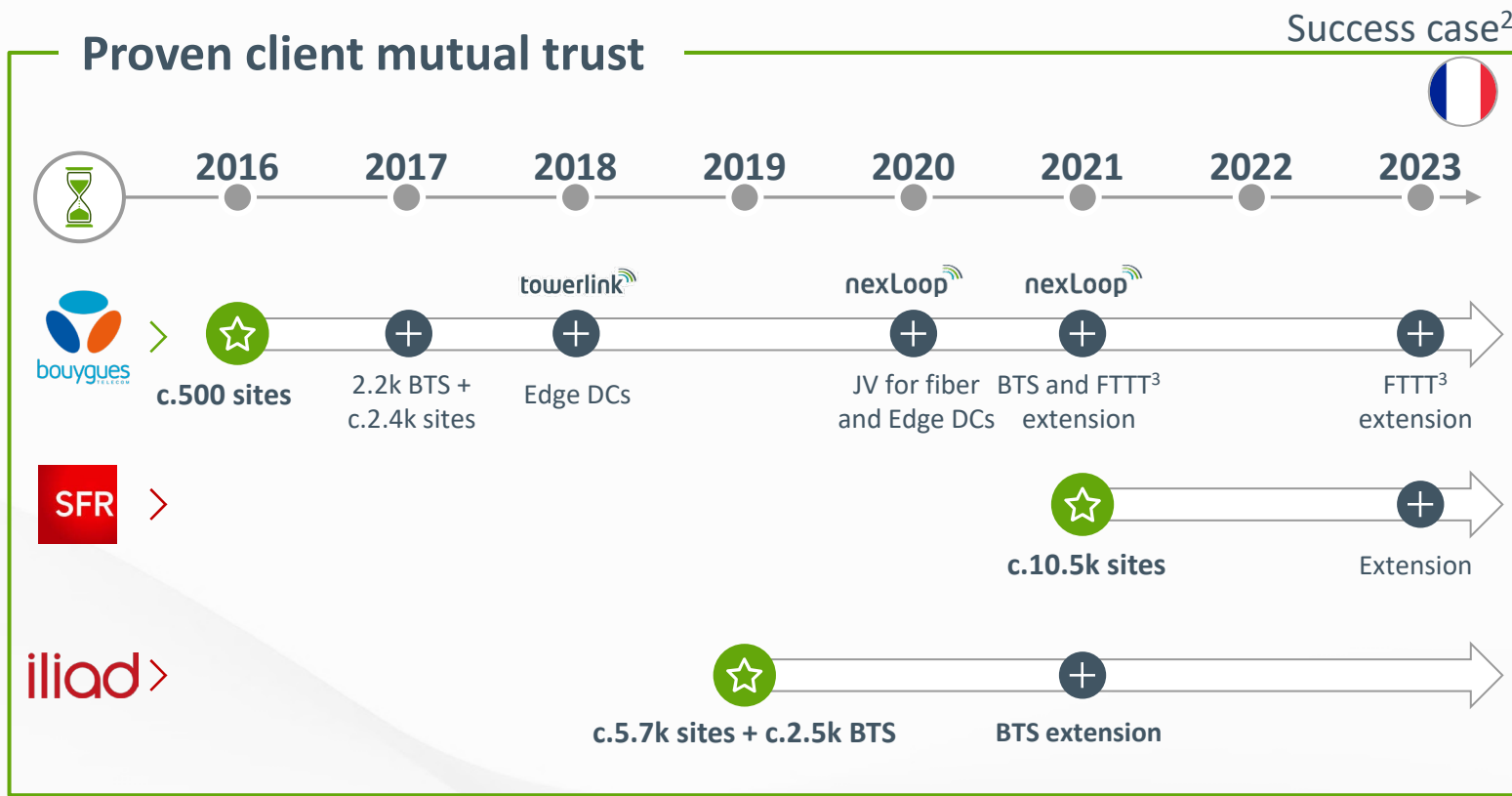
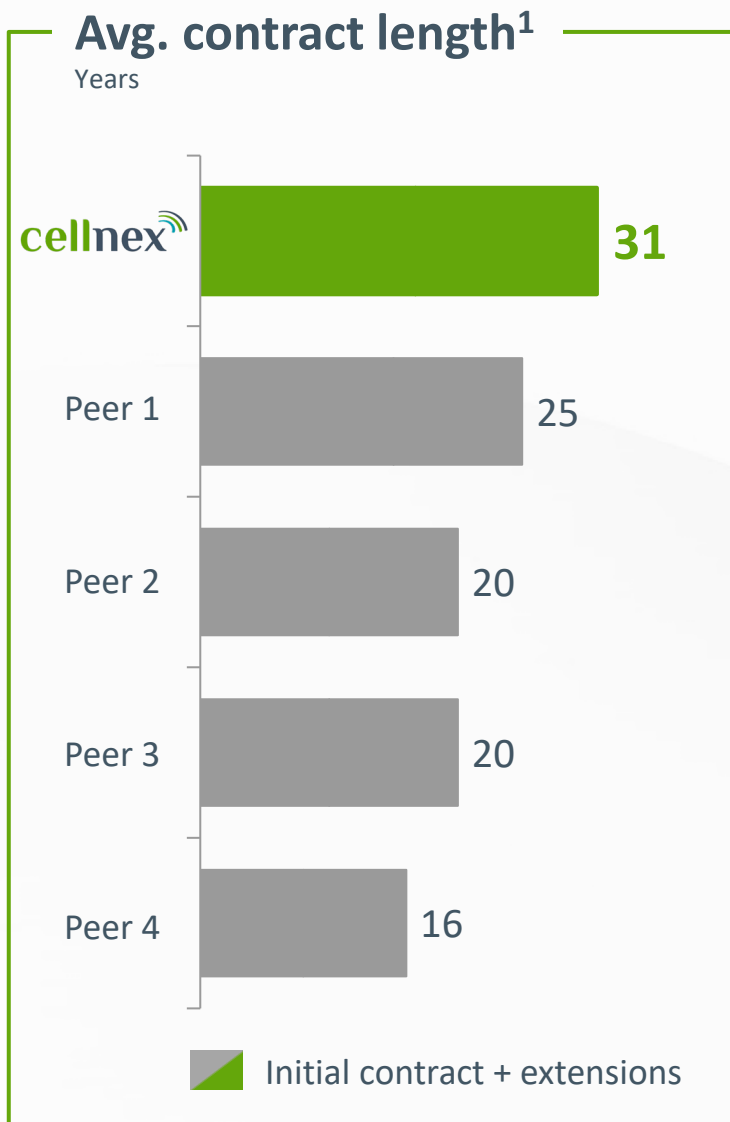
# Diversified client base in developed markets



Note: Considering perimeter as of Dec 2023. 1. 4 anchor tenants in the US and 15 international customers. 2. Cellnex's top 3 clients are present in 9 different markets. 3. Excludes Poland, sold in 2023, and includes India, sold in Jan 2024 but still pending regulatory approval. Includes Australia and New Zealand, where they own land but no sites. Source: Company reports.



# Long-term anchor relationships: committed, expanded, and extended

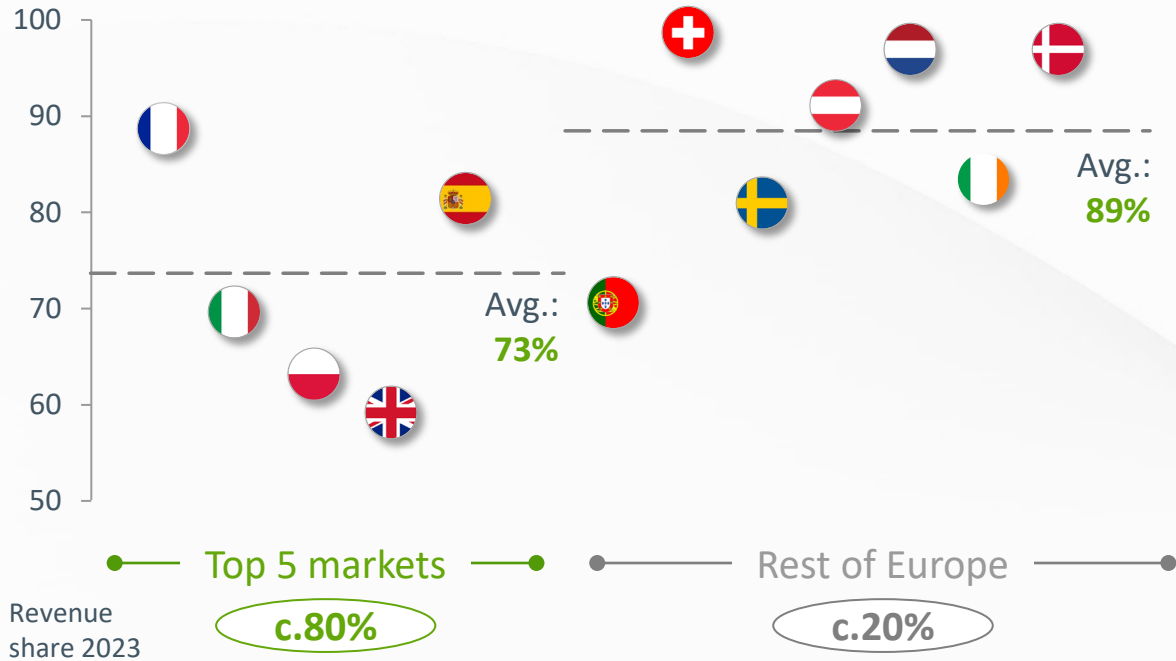


1. Reported contract lengths including renewals. 2. Doesn't consider remedies of 3.2k sites in France. 3. Fiber to the Tower = FTTH.

# Growth in 5G coverage and data traffic demand will require scaling infrastructure

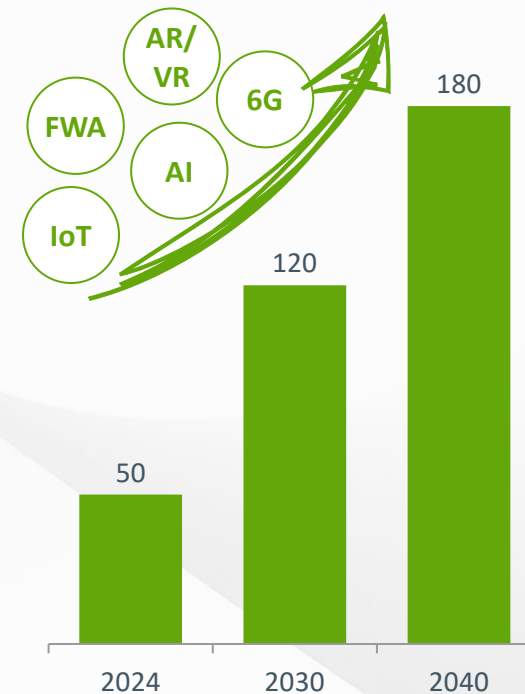
## Room for growth from 5G coverage

5G coverage per country (2023, % population covered)



## Data traffic will lead to long-term growth

Data traffic per user (GB)

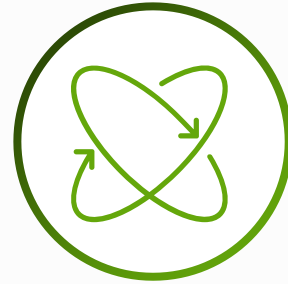


Throughput increase requires more telecom infrastructure

- Congestion decreases a cell's **effective size**
- **Densification** requires **additional infrastructure**

Source: GSMA, European 5G Observatory.

**2 important trends present opportunities and challenges**



**Mobile Telco consolidation**

We expect limited impact from consolidation and potential new business opportunities



**Inflation**

Our margins benefit from moderate levels

# MNO consolidations and network sharing present both opportunities and risks

## Industry dynamics pressuring MNOs



### Margin pressure

- Reducing ARPUs<sup>1</sup>
- Rising operating costs



### Growing CapEx demand

- Large 5G and fiber rollouts
- Increased data demand



### Low return on capital

- Declining returns from MNOs
- Focus shifting to short-term



## Consolidation & Network Sharing



Approved



MÁSMÓVIL



Announced



Rumored



FASTWEB

## Implications for TowerCos



### Opportunities

- Value co-creation with clients
- New entrants / remedy takers
- Unlocks network improvement and expansions



### Challenges

- Churn of PoPs
- Short-term PoP growth

1. Average Revenue per User = ARPU.

# Our contract protections limit the impact of potential mergers to our business



## Existing protections

- Contractually protected PoPs
- "Take or Pay" and "all-or-nothing" clauses
- Existing contracts preventing RAN sharing or allowing RAN sharing fees



## How to mitigate further

- Ongoing upfront negotiations with MergeCos to facilitate positive NPV
- Proactively seek business opportunities from new entrants as a result of regulatory remedies

At most, c.1%  
of our **revenues**  
**are at risk**<sup>1</sup>, with  
potential impacts  
starting **after**  
**2027**

On track

Advanced  
negotiations



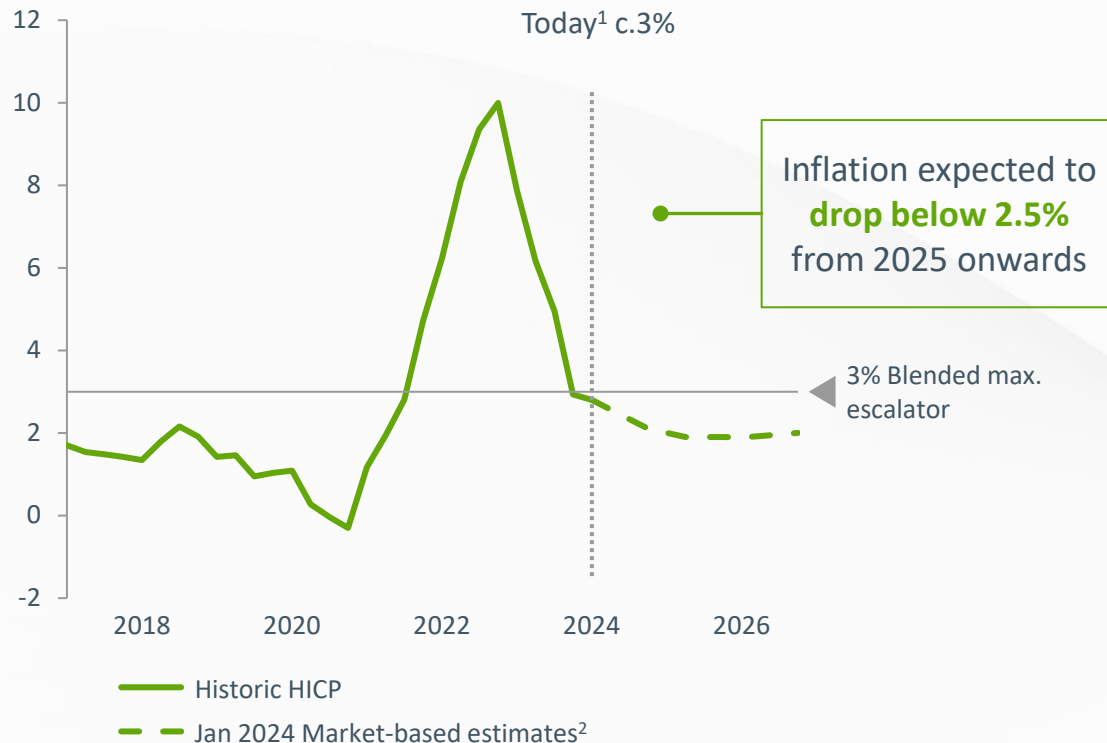
Enhanced discussions to  
replace the current MSA<sup>2</sup>



# Our robust contract structure enables margin improvements from moderate inflation

## Return to moderate inflation is expected...

Eurozone Harmonized Index of Consumer Prices  
% change, year over year



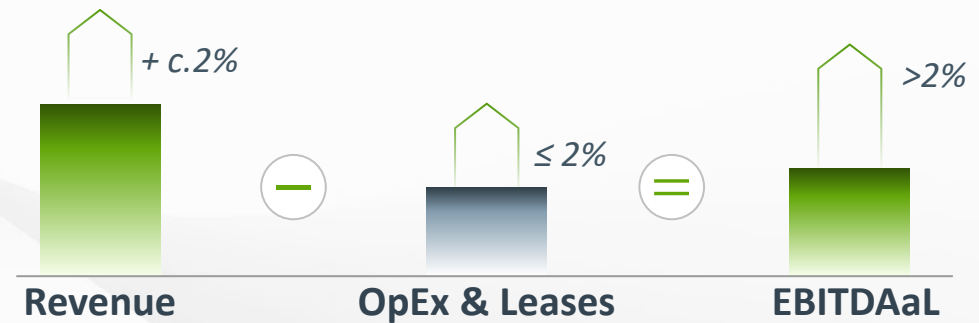
1. Eurostat's flash estimate for 1 Feb, 2024 showed HICP at 2.8% for January. 2. Market-based measures of inflation compensation  
Source: European Central Bank (ECB).

## ... allowing our EBITDAaL margin to increase

Our contract structure is protected from inflation

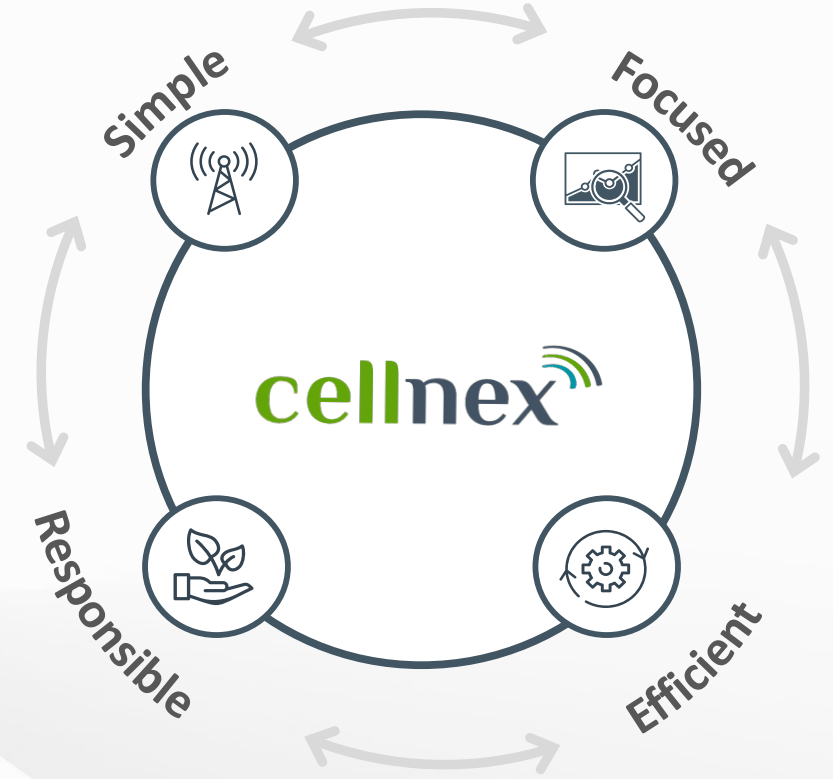
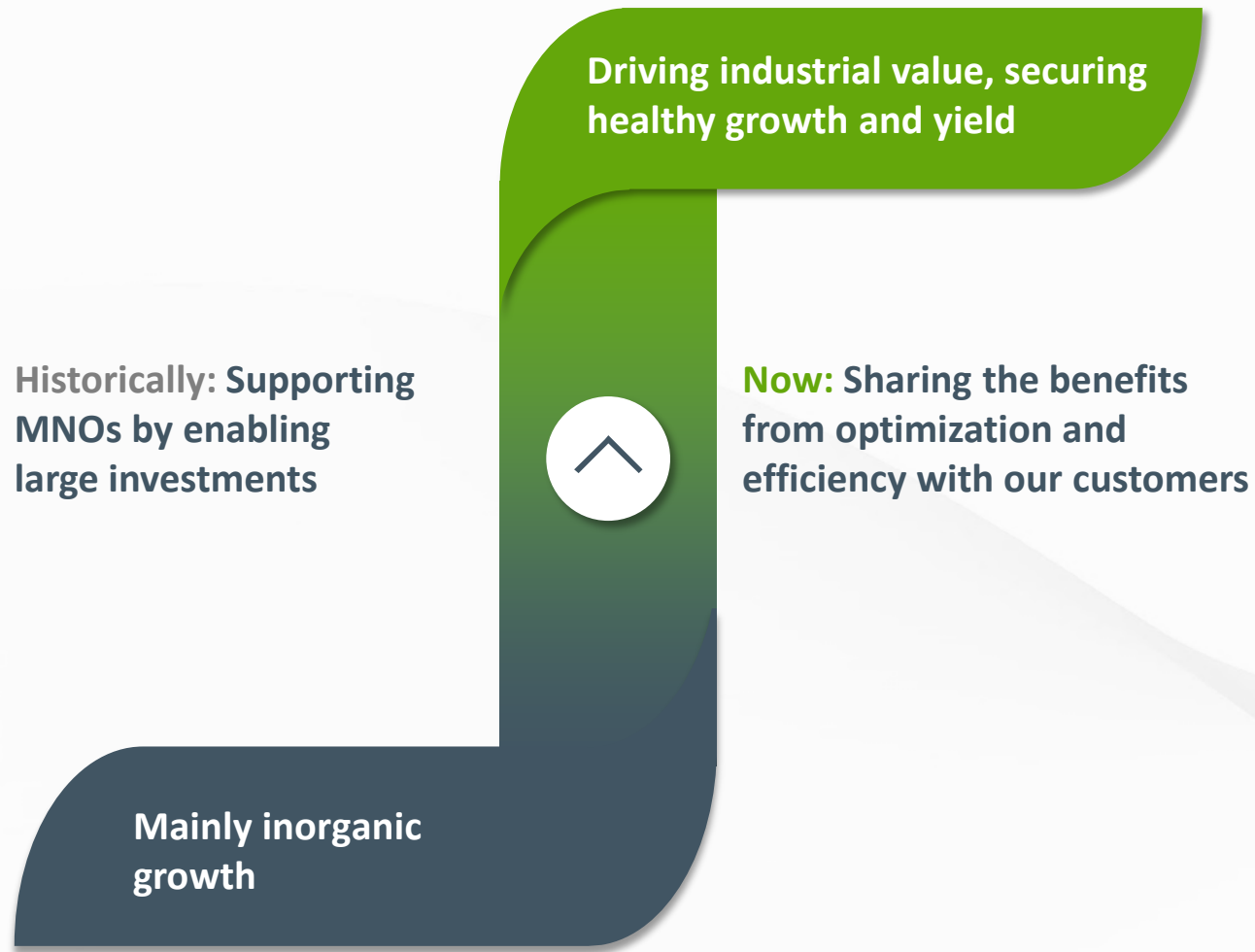
- c.65% of our revenues linked to CPI (majority with caps)
- c.35% are linked to escalators fixed between 1-2%
- Most contracts with floor at 0%

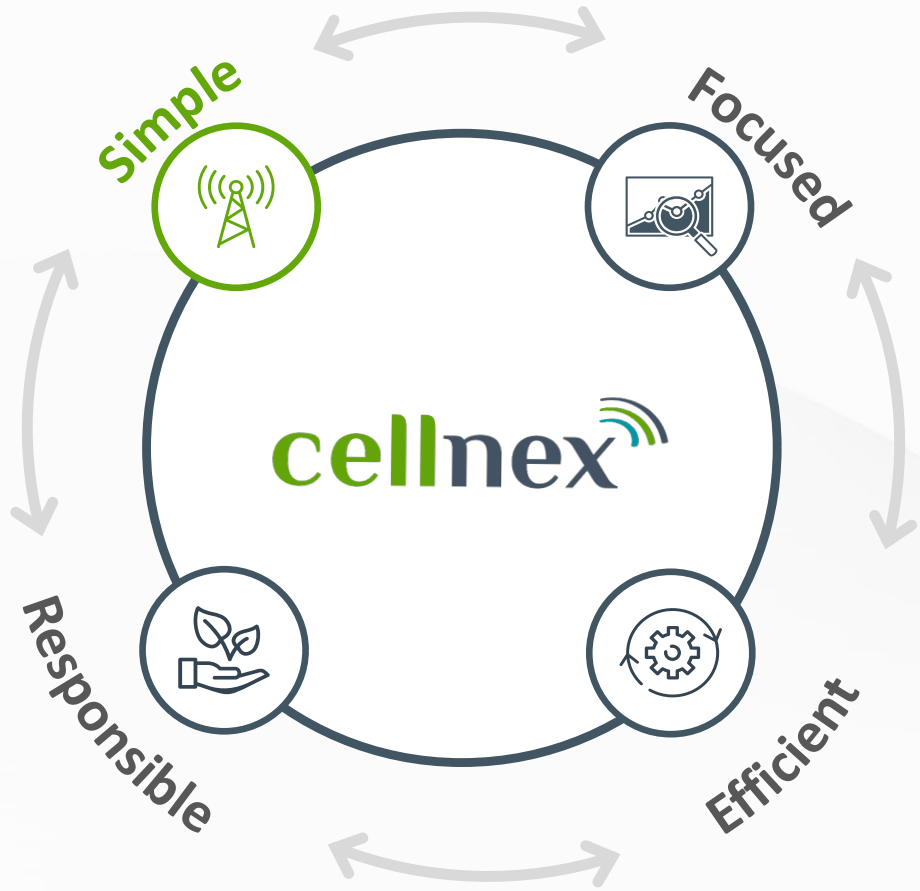
EBITDAaL improvement with moderate inflation



- Top-line growth including escalators and caps
- Continuous efficiencies
- Economies of scale
- Operational leverage
- Margin expansion

# Our strategy will focus on boosting industrial value, guided by four pillars





We are strategically reviewing our **portfolio** on a constant basis

# We continue reviewing each market and business line with 3 objectives...

## Assessment based on a set of criteria

- Strategic fit
- Scale
- Potential growth

### Consider targeted further growth

Finding relevant partners where beneficial to grow more profitably and efficiently



### Enhance management focus

Increasing focus on core by disposing business lines with limited room for growth or scale



### Improve balance sheet and rating

Disposing non-core assets if valuation is accretive, arbitraging the difference between public and private market valuation opportunistically





# ...and have already started to build a simpler portfolio...



## Partnering in growing markets



### Nordics

- **Sold 49% stake** in Nordics in September 2023
- Achieved **attractive valuation**:
  - 24x EBITDAaL, €730 Mn
- **Strong partnership** with Stonepeak to **enable expansion**
- **Unique management** for both markets, **reducing complexity**



## Disposing non-core, sub-scale business

**edzcom**  
a company of cellnex<sup>®</sup>

- Signed sale of **100%** in November 2023
- Reduced **operational complexity**, allowing more focus on **core business**



## Asset rotation

**On track**



Signing by 1H24



Potential disposal during 2024

# ...with a clear portfolio strategy, focusing on our core and our anchor MNOs

Share of  
revenues 2027E



## Towers

Will continue to be **our core** business, where **we are leaders**  
Be **selective** in **expansion opportunities**

c.80%



## DAS, Small Cells & RANaaS

Capture **value-driven growth** in **DAS and SCs<sup>1</sup>**, a growing yet small business  
Consolidate our **RANaaS<sup>2</sup>** business case in Poland before considering expansion

c.10%



## Fiber, Connect. & Housing Services

Explore investment in **FTTT<sup>3</sup>** as a clear **value-add** for our **anchor MNOs<sup>4</sup>**  
Continue our **Fiber Transmission** operations with **Nexloop**  
**Consolidate** our Housing Services business

c.5%

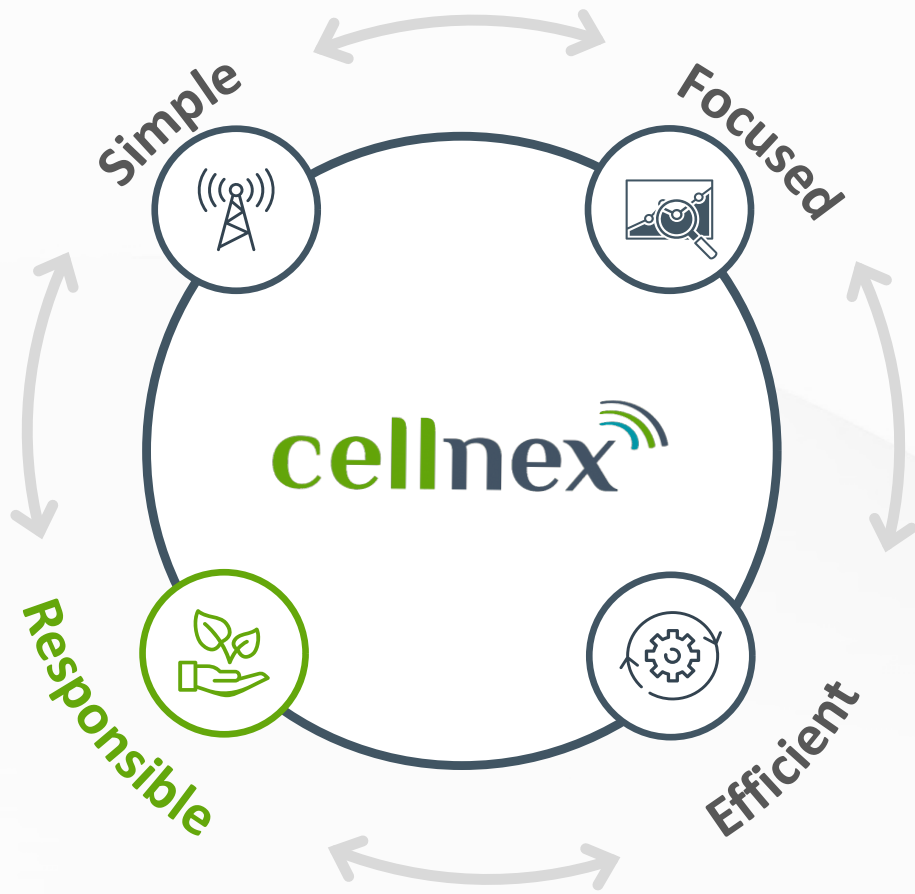


## Broadcast

We will continue **to drive efficiencies** in this safe business under the current perimeter

c.5%

1. Distributed Antenna Systems and Small Cells = DAS and SCs. 2. RAN as a Service = RANaaS. 3. Fiber to the Tower = FTTT. 4. MNO = Mobile Network Operator.



**Sustainability is** part of our **DNA** as a company, with a shared management of infrastructures

Keep **ESG as a vital** part of our strategy, not a consequence of it

# We will achieve our ESG 2025 targets, and continue leading the industry

## Strategic axes of ESG Plan

Show who we are, acting with integrity



Boost our talent, being diverse and inclusive

Be a facilitator of social progress



Grow sustainably

Extend our commitment to the value chain



Transversal: Ensuring the awareness of our responsible way of doing



Strategic lines in ESG Master Plan 2021-2025

## Recognized industry leaders



Dow Jones Sustainability Indexes

Dec. 2023

Included in DJSI Europe

Score: 79

Max: 100  
Min: 0



Score: 81

Top 1% of companies

Max: 100  
Min: 0



SUSTAINALYTICS

ESG risk rating: 11.4

Max: 0  
Min: +40



Score: A

5<sup>th</sup> consecutive year

Max: A  
Min: D-



AA rating

Max: AAA  
Min: CCC



# Strategic Positioning

## Key takeaways

We have a **diversified** presence across 4 lines and 12 markets

- ①
  - **c.80%** of revenues from Towers
  - **c.80%** of revenues from Top 5 countries
  - **c.80%** of our markets see us as #1 or #2
- ② Our business is built on solid foundations: long term **secured** revenues and **resilience** to key risks
  - **c.80%** of growth by 2027 is contracted
- ③ We will focus on generating and sharing **industrial value**, acting on four pillars
- ④ **Simple**: our strategic portfolio review seeks to enable expansions, focus on core and improve our balance sheet & shareholder value creation
- ⑤ **Responsible**: we will continue leading in ESG





# 03

## Operations

Simone Battiferri - COO





# Operations

› Delivering **focused growth**

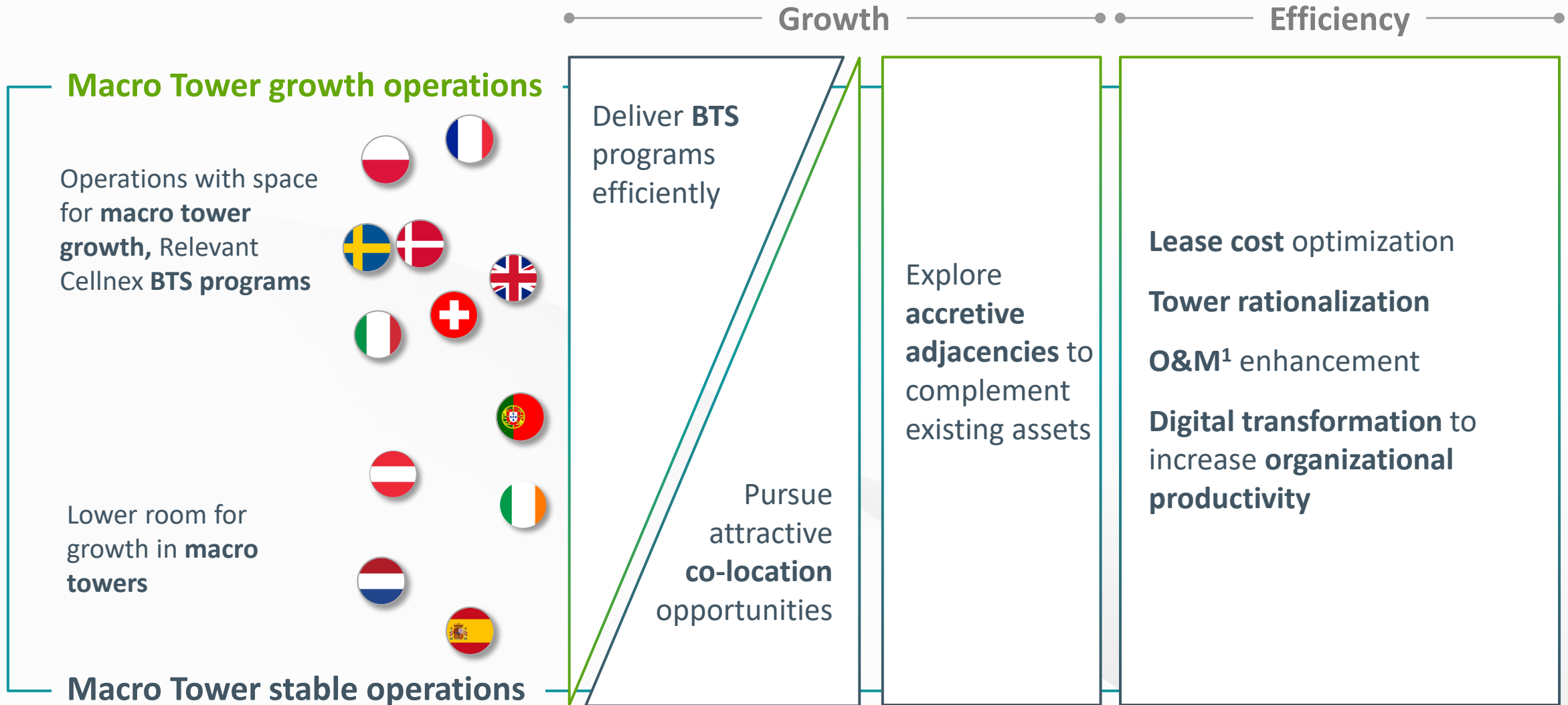
**Organic growth** in Towers and selective investments in **attractive and complementary adjacent businesses**

› Becoming operationally more **efficient**

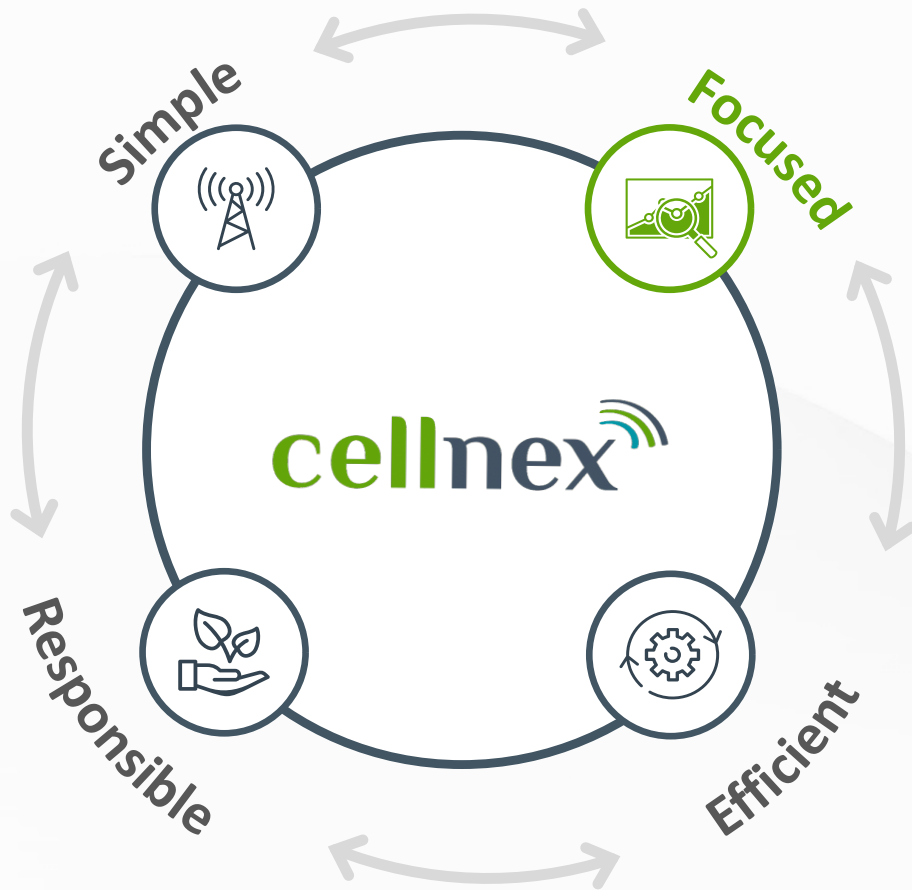
Rationalizing assets, optimizing **cash-cost base and improving the Group's productivity** and quality of service to customers

› Resulting in **EBITDAaL margin and FCF** boost

# We will combine growth and efficiency adapting to market specificities and opportunities



1. Operation and Maintenance = O&M.



Prioritize **co-location growth**





**Extract full value from BTS**

Complement BTS with a "**Co-location to Suit**" **mentality** where possible

**Invest selectively** in opportunities beyond Towers



# Drivers of growth across each business line

		Key figures by 2027	Revenue CAGR 23-27E	Share of revs. 2027E
 <b>Towers</b>	<p>Growth in <b>co-tenancy</b></p> <p><b>Ongoing BTS and expansion programs</b>, most of which will be deployed by 2027</p>	<p>ARPT<sup>1</sup> <b>+c.3% CAGR</b></p> <p>Towers <b>+c.3% CAGR</b></p>	5-6%	c.80%
 <b>DAS, Small Cells &amp; RAN-as-a-Service</b>	<p>Leverage <b>densification and coverage needs</b> to grow in <b>DAS and SCs<sup>2</sup></b> with different business models depending on tenancy</p> <p>Consolidation of existing <b>RANaaS<sup>3</sup></b> in Poland</p>	<p><b>c.2x</b> growth in SCs &amp; DAS revenues</p>	10-15%	c.10%
 <b>Fiber, Connect. &amp; Housing Services</b>	<p><b>Existing fiber roll-out commitments</b> in France with Nexloop</p> <p>Selective in <b>FTTT<sup>4</sup></b>, to enhance our tower value proposition</p>	<p>nexLoop<sup>®</sup> <b>33k km</b></p> <p>FTTT<sup>4</sup> &lt;5k sites</p>	10-15%	c.5%
 <b>Broadcast</b>	<p>The <b>investment cycle</b> is <b>behind</b> us</p> <p><b>Spectrum allocation confirmed</b> until end of this decade</p> <p>Initial dialogue of spectrum extension for start of next decade</p>		Stable	c.5%

1. Average Revenue per Tower. 2. Distributed Antenna Systems and Small Cells = DAS and SCs. 3. RAN as a Service = RANaaS. 4. Fiber to the Tower = FTTT.



# PoPs will grow by increasing co-tenancy in existing sites and building new sites

Target of  
**c.5% annual  
growth**  
in PoPs until  
2027E

c.50%



## Co-location PoPs

Have co-tenants in existing sites

- Leverage existing assets
- Increase operating leverage
- Minimize required investment

c.50%



## BTS

Build new sites

- Grow asset portfolio
- Relevant investment tied to client commitment
- Long term agreements reinforcing anchor relationships
- Increase of addressable market for new sites

We will grow **>30k PoPs<sup>1</sup>**

*Organic success cases (non exhaustive):*



Most of our BTS commitments  
to be delivered by 2027

*BTS committed (%)*

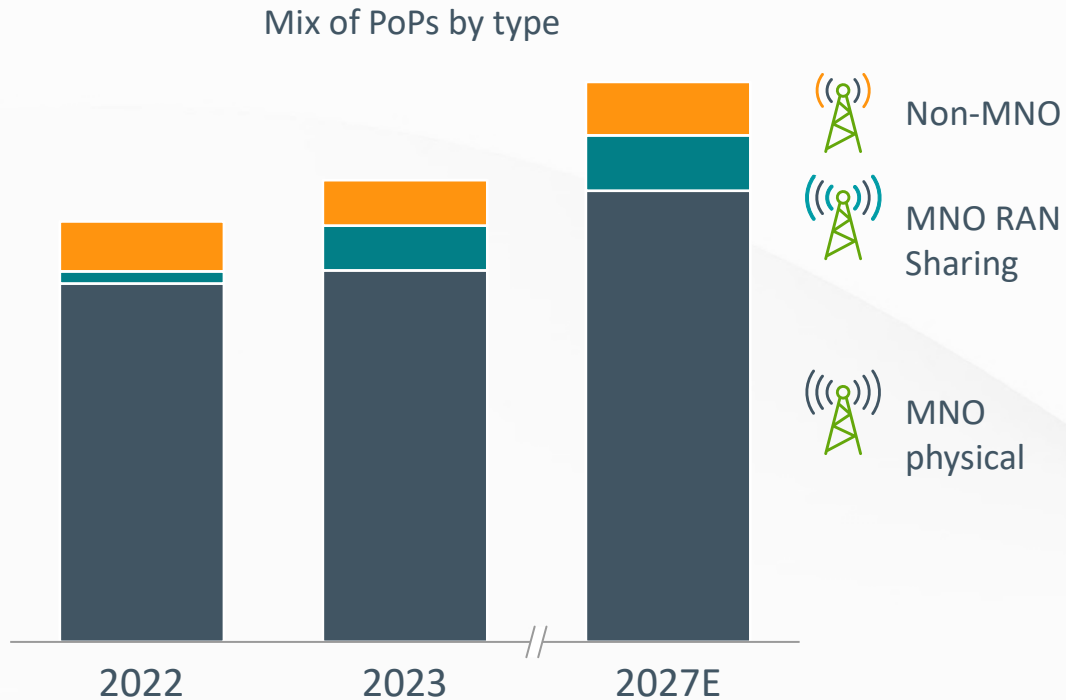
**c.90%**  
2024-2027E

**c.10%**  
2028E-  
2030E

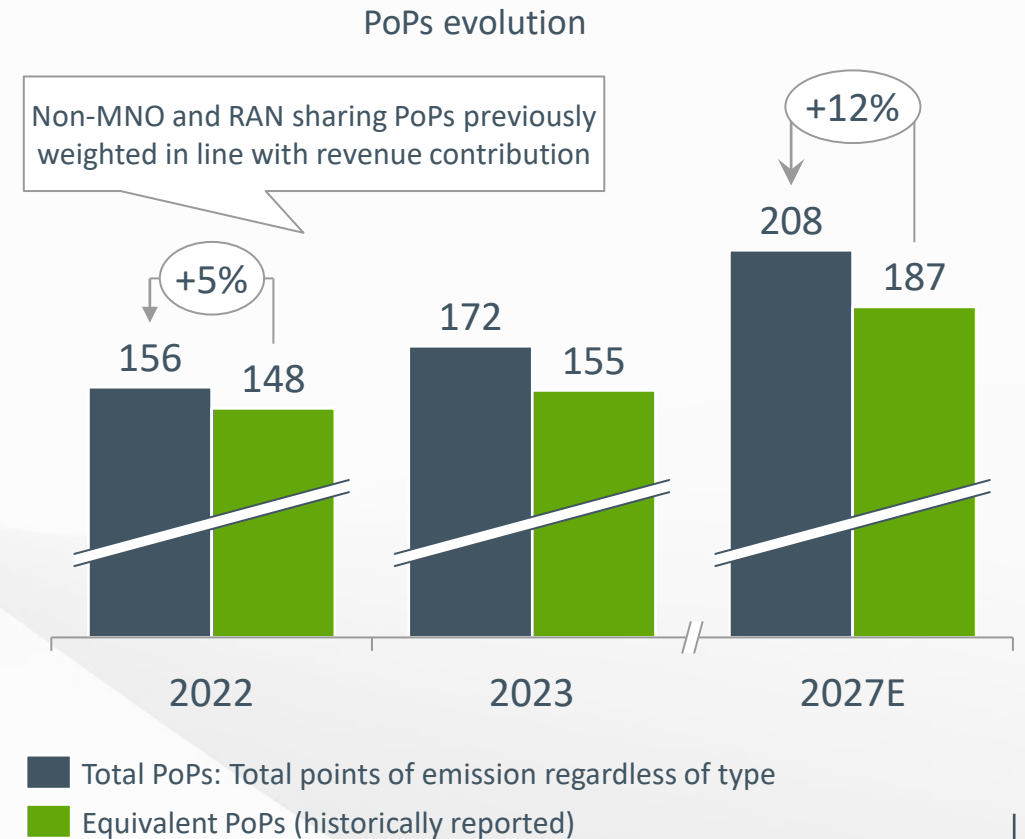
1. Includes PoPs coming from BTS programs.

# The evolving nature of our market requires a new lens to assess performance: introducing the Total PoPs metric

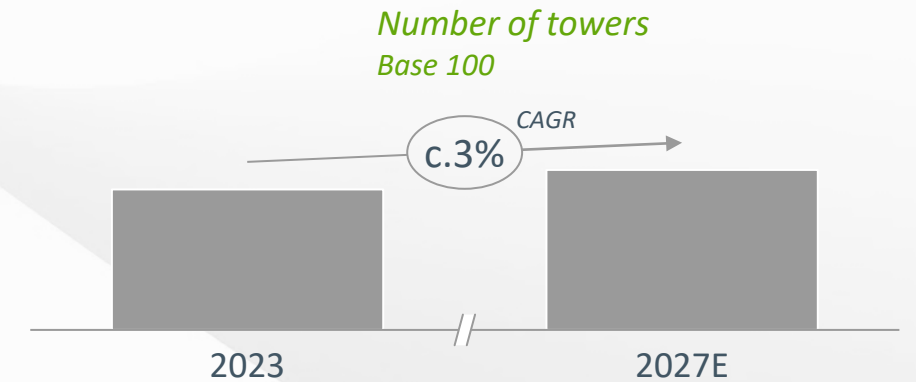
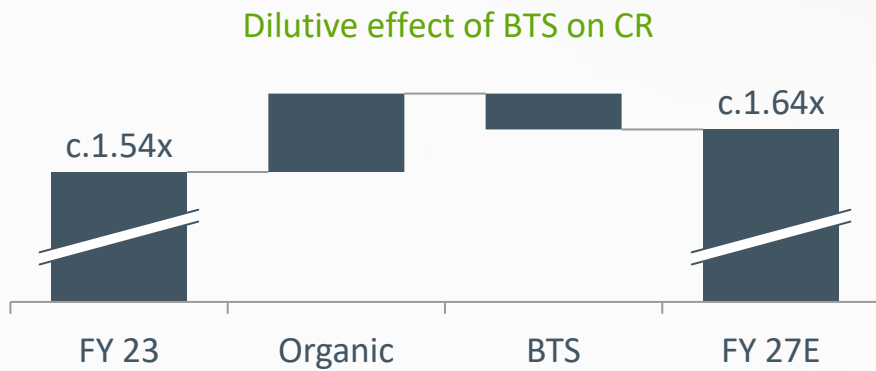
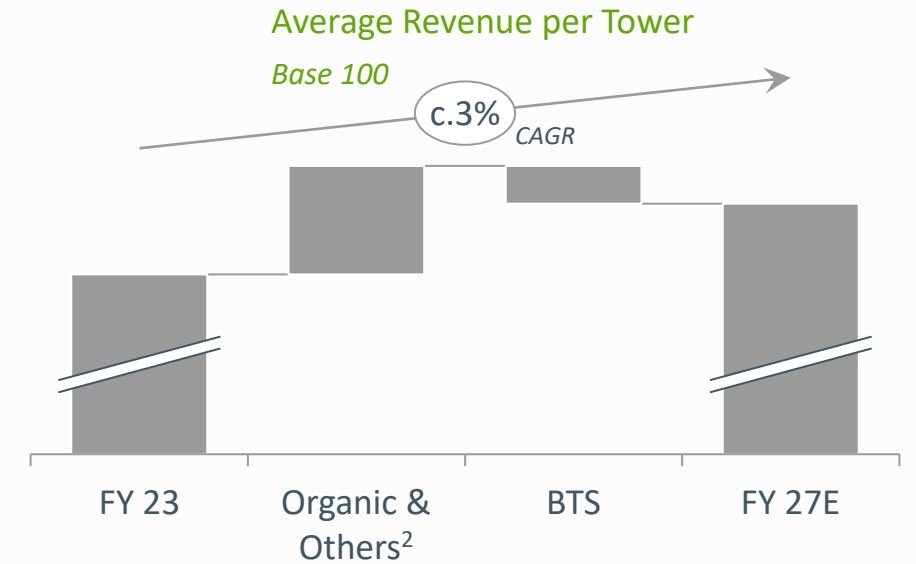
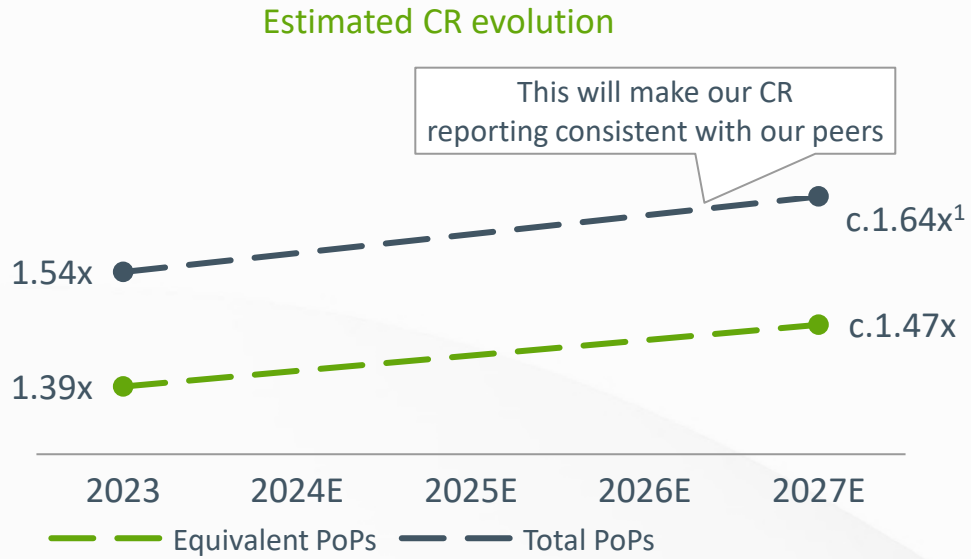
The mix of PoP types in our towers has evolved with increased weight in RAN Sharing



Given the mix change, the previous PoP metric would underestimate the total number of PoPs



# Despite the dilutive effect of BTS, we expect c.1.64x CR while growing tower base

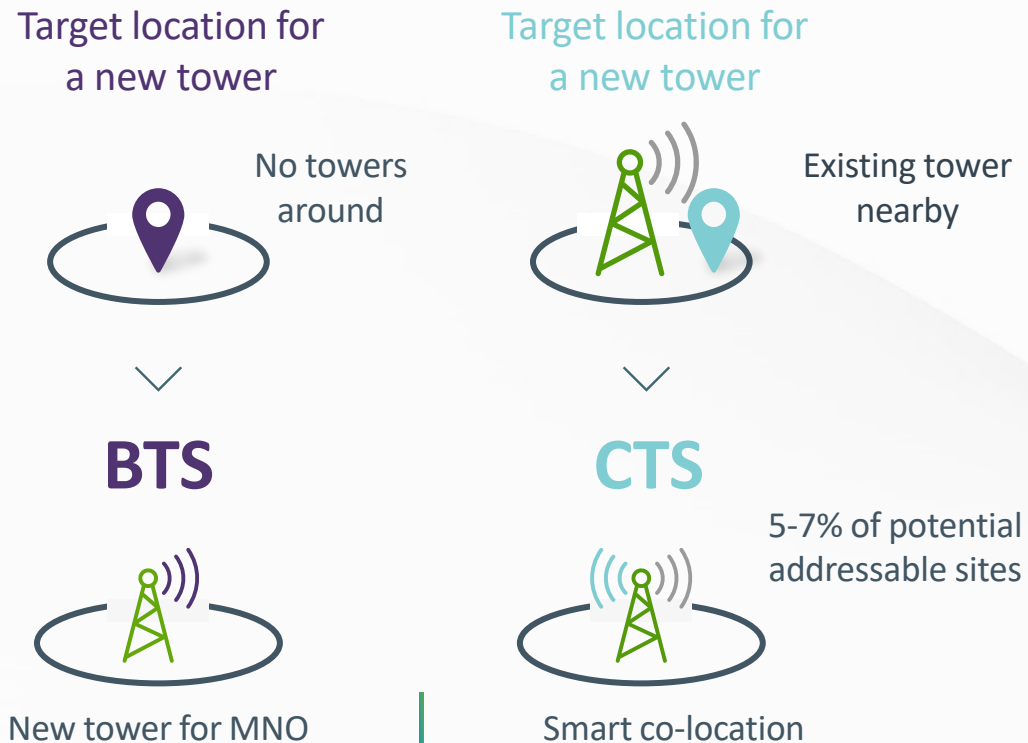


1. Excluding dilutive effects from BTS, CR would reach c.1.7x. 2. Includes CPI and changes of perimeter.

# We are committed to improve co-tenancy to maximize asset value

We will further optimize new BTS commitments, balancing build-to-suit with co-location-to-suit where possible...

...to provide additional industrial and financial value for Cellnex and our clients



We have an **ambitious and profitable BTS growth plan...**

... which will be further enhanced with a **smart development of CTS...**

- Use current infrastructure whenever possible to gain scale
- Maintaining the financial component of the contract and the anchor tenant conditions while saving on construction and leases

... To **unleash additional financial value** for ourselves and clients

Potential savings<sup>1</sup>:

**c.30%** CapEx



Further OpEx reduction

1. Illustrative savings per tower, principally construction costs.

# For DAS, Small Cells & RAN-as-a-Service and Fiber, Connectivity & Housing Services, we will invest selectively



**Complementary to  
Tower business**



**Growth  
potential**



**Value accretive**

These business lines are expected to move from c.11% in 2023 to **c.15% of our revenue** in 2027E





# Small but fast-growing DAS & Small Cells markets are a clear complement to our core tower portfolio

## Clear demand drivers

- Increase of network data traffic
- MNOs demand to improve coverage in high-traffic spots
- Complex permitting for macro towers
- Growth of high-band spectrum
- Large property owners demand to improve user experience in venues



### Etihad Stadium

Success case 

- Stadium of 55k spectators
- 188 5G-ready antennas
- Complete coverage provided by Cellnex

## Two business models

1

### Infrastructure model

- **2+ MNOs**
- Cellnex **has initial investment** and owns asset
- CapEx intensive, high margins
- **c.10-year** contracts

2

### Asset-light model

- Demand from **venue owner**, starting with **1 MNO**
- Initial **investment** is one-off payment from the **venue owner**
- No CapEx, lower margins
- **Shorter** contracts

## Ambition

### Maintain European leadership

25-35k

Nodes by 2027E

c.2x

Revenue growth by 2027E vs 2023

**Cementing current European leadership**



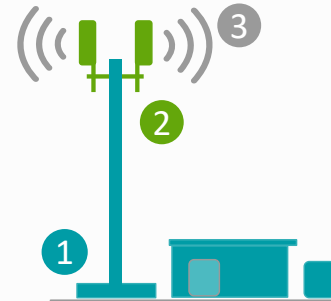
# Pioneering the industry through RAN-as-a-Service in Poland

We are **leaders** in exploring an **integrated passive + active** model

Model will serve as a test case for a TowerCo-driven **network rationalization**

We are **disciplined and prudent** on the allocation of resources

- Consolidating business case in Poland before assessing expansion
- RANaaS representing c.2% of 2023 revenue



## RANaaS business model

	1 Passive assets	2 RAN	3 MNO
<b>Ownership &amp; Operation</b>	cellnex	cellnex	MNO
<b>Commercials</b>	<ul style="list-style-type: none"> <li>• Long-term agreement</li> <li>• Fee per location access</li> <li>• Growth and densification commitments</li> <li>• Service continuity SLAs<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Long-term agreement</li> <li>• Fee per RAN node</li> <li>• Upgrades &amp; replacement commitments</li> <li>• Tech renewals (CapEx)</li> <li>• Carrier class SLAs<sup>1</sup></li> </ul>	N.A
<b>Components</b>	<ul style="list-style-type: none"> <li>• Site &amp; Tower</li> <li>• Power supply/ Rectifier</li> <li>• Cooling</li> <li>• Remote Control</li> <li>• FTTT<sup>2</sup></li> <li>• Access Management</li> </ul>	<ul style="list-style-type: none"> <li>• Antenna</li> <li>• Radio Unit</li> <li>• Fronthaul</li> <li>• Baseband Unit</li> <li>• BSC<sup>3</sup>/RNC<sup>4</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Spectrum</li> <li>• Core Network</li> <li>• Network strategy</li> <li>• ServiceCo</li> </ul>

1. Service Level Agreement = SLA. 2. Fiber to the Tower = FTTT. 3. Base Station Controller = BSC. 4. Radio Network Controller = RNC.

# FTTT is imperative for 5G expansion, and we will selectively invest to add further value to our assets and strengthen our relationship with anchors

We see Fiber to the Tower as a clear value add to our tower assets...



Important **criteria for MNOs to choose** between tower providers



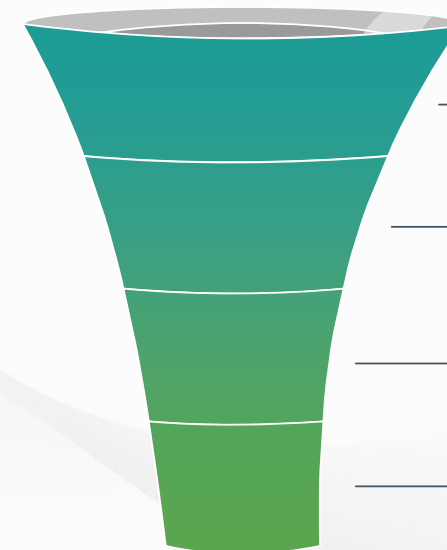
Substantial **synergies with core** tower business



Key **enabler of 5G** deployment

... and we will be focused when choosing our target segment

## Cellnex total eligible towers



Non-urban sites without fiber

<2km proximity to fiber core

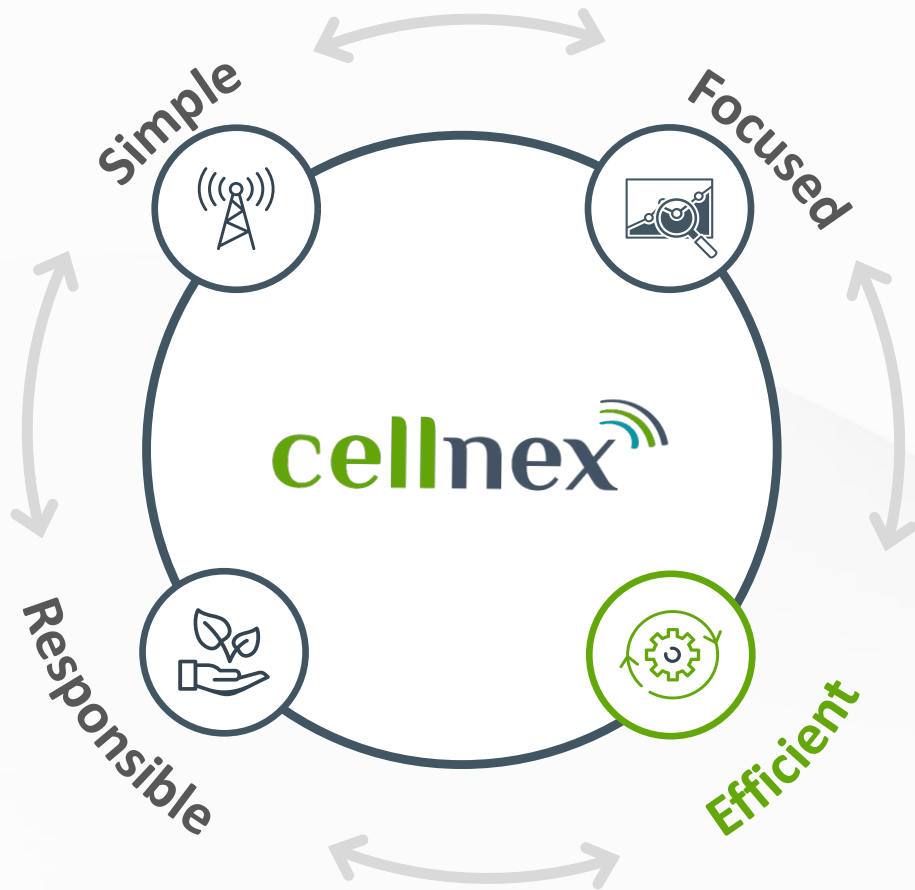
No short-term MNO fiberization plan

At least two MNOs

Majority of urban towers fiberized by MNOs

<5k

Additional sites from portfolio to connect by Cellnex



**Optimize** our operations

Increase organizational **productivity**

Capitalize on **economies of scale**

Accelerate **unlocked value**

We are launching a comprehensive **efficiency plan** to improve EBITDAaL and FCF



Lease Cost Optimization



Tower Rationalization



Operation and Maintenance Enhancement



Digital Transformation and Productivity Improvement



# We expect c.8% reduction in lease cost vs. inertial cost base



## Lease cost optimization

### Accelerate lease cost optimization

- Enhance our lease efficiency program to increase savings rate

### LandCo creation

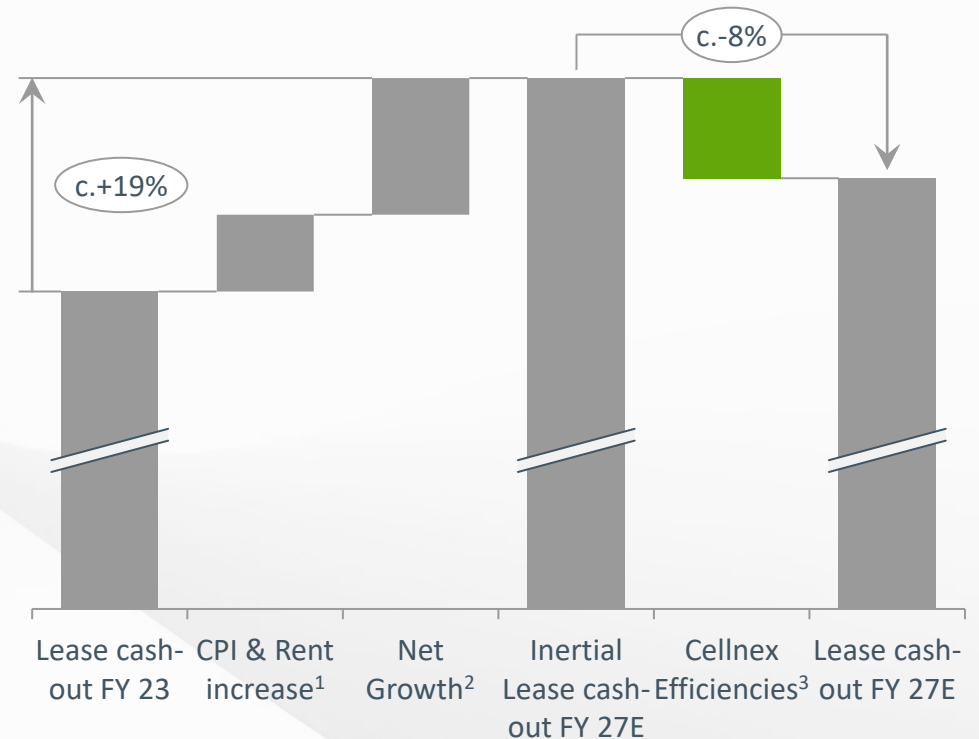
- Launch a vehicle for land acquisition acceleration, with initial set of c.10k sites (largest in EU)

### Site securitization

- Enhance securitization plan and site at risk management

## c.8% savings vs. inertial cost base

Lease cash-out bridge



1. Includes CPI or contracted rent upgrades with landlords. 2. Includes BTS growth (primarily) and changes of perimeter/remedies. 3. Includes lease cost reduction, tower rationalization and land acquisitions.

# Creating a LandCo to help accelerate value creation in lease cost optimization



## Lease cost optimization

Accelerate lease cost optimization

LandCo creation

Site securitization

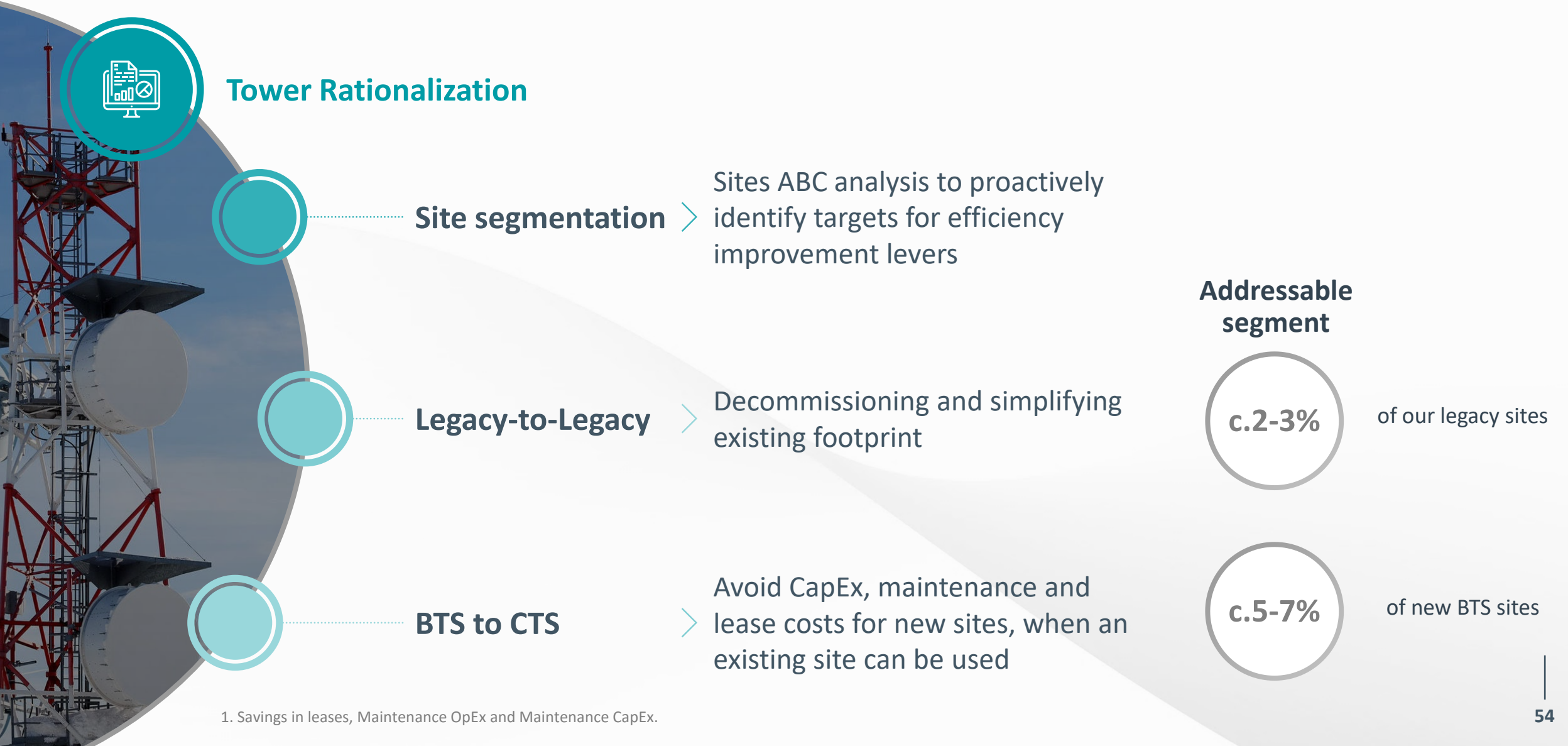
- Vehicle for **land acquisition acceleration** initially in some countries



- **Carve out** of real estate assets: initial set of **c.10k sites**
- Cellnex Telecom to be the **anchor** client, without affecting existing obligations
- Efficient corporate structure to **maximize value** for shareholders, keep **synergies** and allow **tax benefits**
- The potential entry of a **minority shareholder** has not been ruled out<sup>1</sup>

1. Cellnex is considering various strategic options in relation to the vehicle, among which the potential entry of a minority shareholder has not been ruled out, although no decision has been taken in this regard.

# Segmenting our tower portfolio allows us to identify opportunities to increase revenue and margin per tower, while optimizing CapEx



# Optimizing tower maintenance and operations through high-impact initiatives



## Operation and Maintenance Enhancement

### Maintenance cost reduction

- > Assess policies and external contracts

### Access management improvement

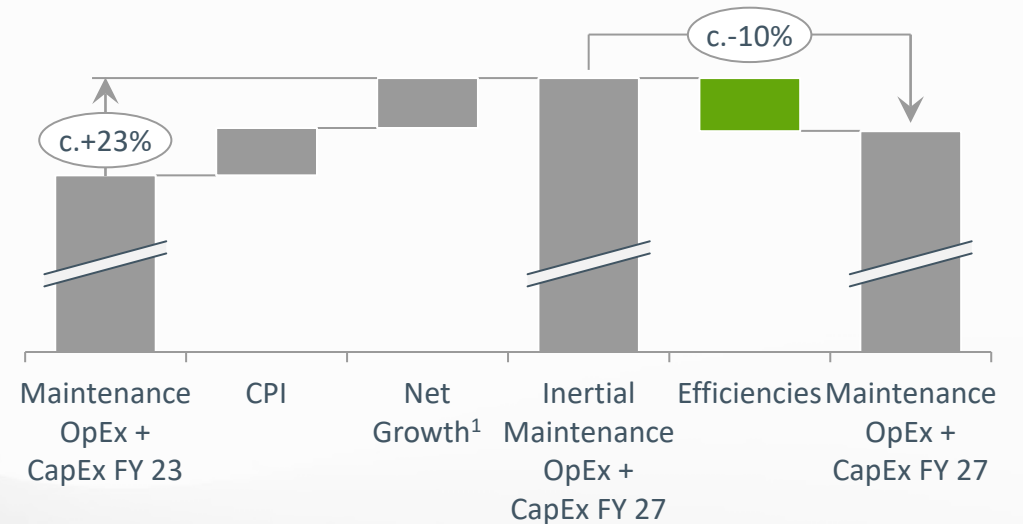
- > Improve, simplify and automate processes

### Site construction

- > Review deployment model

## c.10% savings vs. inertial cost base

Maintenance OpEx + CapEx bridge



Plan to decrease by **c.-3%** the average **maintenance OpEx + CapEx per tower** by 2027<sup>2</sup>

1. BTS and remedies. 2. 3% is a net impact including a forecasted CPI-driven growth of c.6% (requiring a c.9% gross reduction) in the period.



# Digital transformation fueling further efficiency through standardization, automation, and data-driven solutions with a "One Cellnex" mindset



## Digital Transformation and Productivity Improvement

### Process automation & integration



Accelerating simplification and automation to reduce manual interventions (e.g., through RPA<sup>1</sup>), integrating with customers and vendors where possible

### Full cloud architecture



Common Cellnex tech stack and platforms across markets to drive a common operating model and guarantee data quality, with accelerated roll-out across geos within 2025

### Big Data and Analytics



Enabling data-driven decision making, developing and integrating new capabilities

### Applied AI



Developing digital twins of our operations to help us identify productivity/efficiencies opportunities (e.g., predictive maintenance)

1. Robot Process Automation = RPA.





# Operations

## Key takeaways

- ① Continued **focus on Towers**, with average annual **PoP growth of c.5%**, equally divided in BTS and co-locations
  - ② **Revenue per tower growing at c.3%**, while Customer Ratio expects to reach **c.1.64x by 2030** (total PoPs)
  - ③ Selective investment in **complementary growing adjacencies**, which will contribute **c.15%** of revenues
  - ④ Decrease of **c.8% of lease costs** and **c.10% operational cost** vs. inertial cost base
- 
- ▼
- ⑤ Improvement of **c.500bps** in the Group's EBITDAaL margin by 2027

# 04

## New Reporting, Capital Structure & Allocation

Raimon Trias - CFO



# A more transparent Cellnex with increasing shareholder value

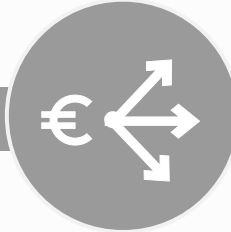
## New Reporting

Improved disclosure of our financials



## Capital Structure and Allocation

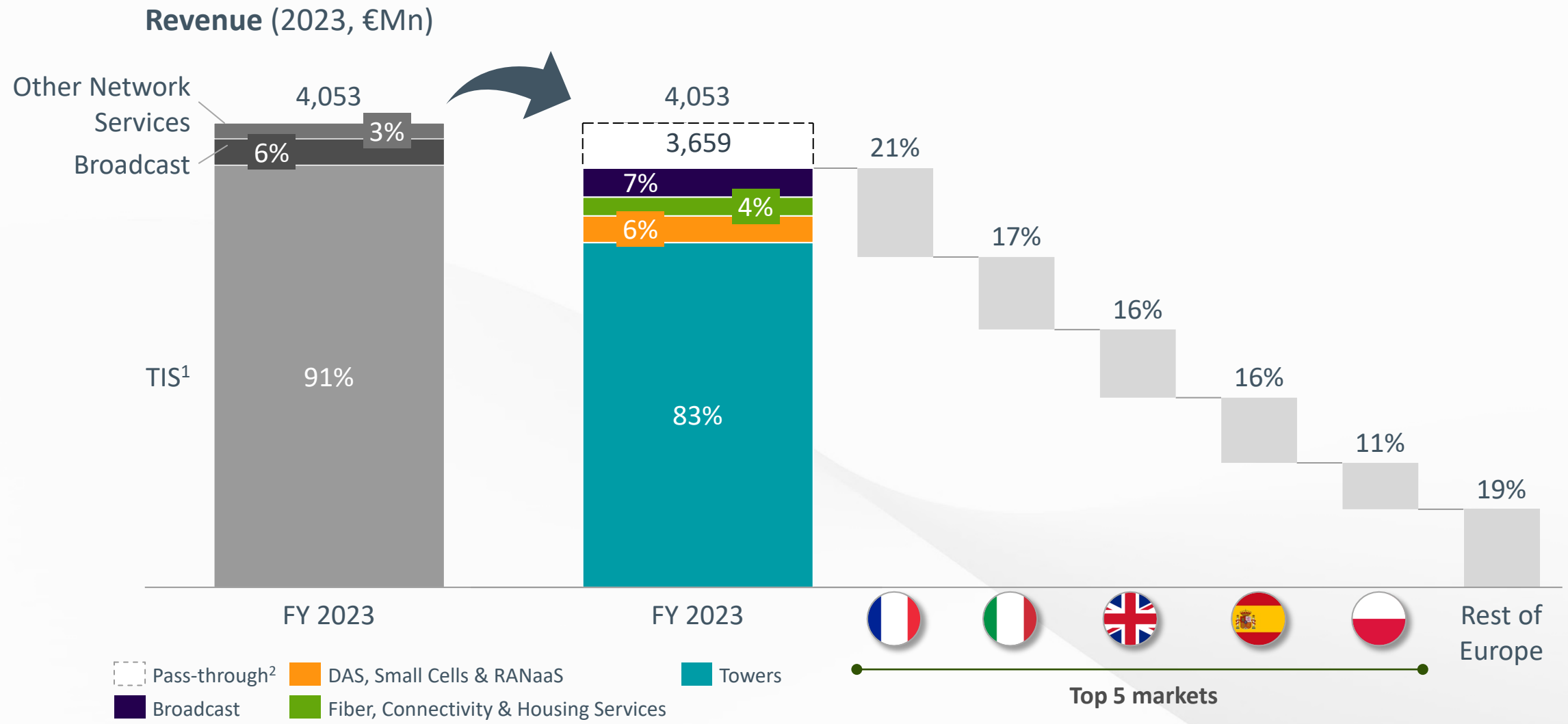
Financial policy that prioritizes deleveraging, capital discipline and shareholder remuneration



# Our enhanced financial disclosure provides more granular level of detail

	Previous reporting	New reporting
<b>Revenues</b> >	<ul style="list-style-type: none"> <li>• <b>3 Business lines</b> <ul style="list-style-type: none"> <li>– TIS</li> <li>– Broadcast</li> <li>– Other Network Services</li> </ul> </li> <li>• <b>Pass-through</b> included in TIS</li> <li>• <b>Top 3</b> countries (ES, IT, FR) vs. RoE</li> </ul>	<ul style="list-style-type: none"> <li>• <b>4 business lines</b> <ul style="list-style-type: none"> <li>– Towers</li> <li>– DAS, SCs and RANaaS</li> <li>– Fiber, Connectivity and Housing Services</li> <li>– Broadcast</li> </ul> </li> <li>• Reports <b>Revenues excluding Pass-through</b></li> <li>• <b>Top 5</b> markets (ES, IT, FR, UK, PL) vs. RoE</li> <li>• Details on <b>organic revenue growth</b> drivers</li> </ul>
<b>OpEx</b> >	<ul style="list-style-type: none"> <li>• Staff, Repair and Maintenance, General and other Services, <b>Utilities</b></li> <li>• <b>Discloses lease</b> costs to reach EBITDAaL</li> <li>• Included impact from pass-through (utilities)</li> </ul>	<ul style="list-style-type: none"> <li>• Staff, Repair and Maintenance, Services</li> <li>• <b>Discloses lease</b> costs to reach EBITDAaL</li> <li>• <b>Removed impact of pass-throughs</b> <ul style="list-style-type: none"> <li>– Reports net contribution</li> <li>– Provides detail on revenues &amp; costs split</li> </ul> </li> </ul>
<b>Adj. EBITDA</b> >	<ul style="list-style-type: none"> <li>• <b>Top 3</b> countries (ES, IT, FR) vs. RoE</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Top 5</b> countries (ES, IT, FR, UK, PL) vs. RoE</li> </ul>
<b>CapEx</b> >	<ul style="list-style-type: none"> <li>• Maintenance CapEx, Expansion CapEx, BTS CapEx, M&amp;A CapEx</li> </ul>	<ul style="list-style-type: none"> <li>• Maintenance CapEx, Expansion CapEx, BTS CapEx, M&amp;A CapEx</li> <li>• <b>More granular detail</b> on Expansion CapEx           <ul style="list-style-type: none"> <li>– Tower Expansion CapEx, Other Business Expansion CapEx, Efficiency CapEx</li> </ul> </li> </ul>

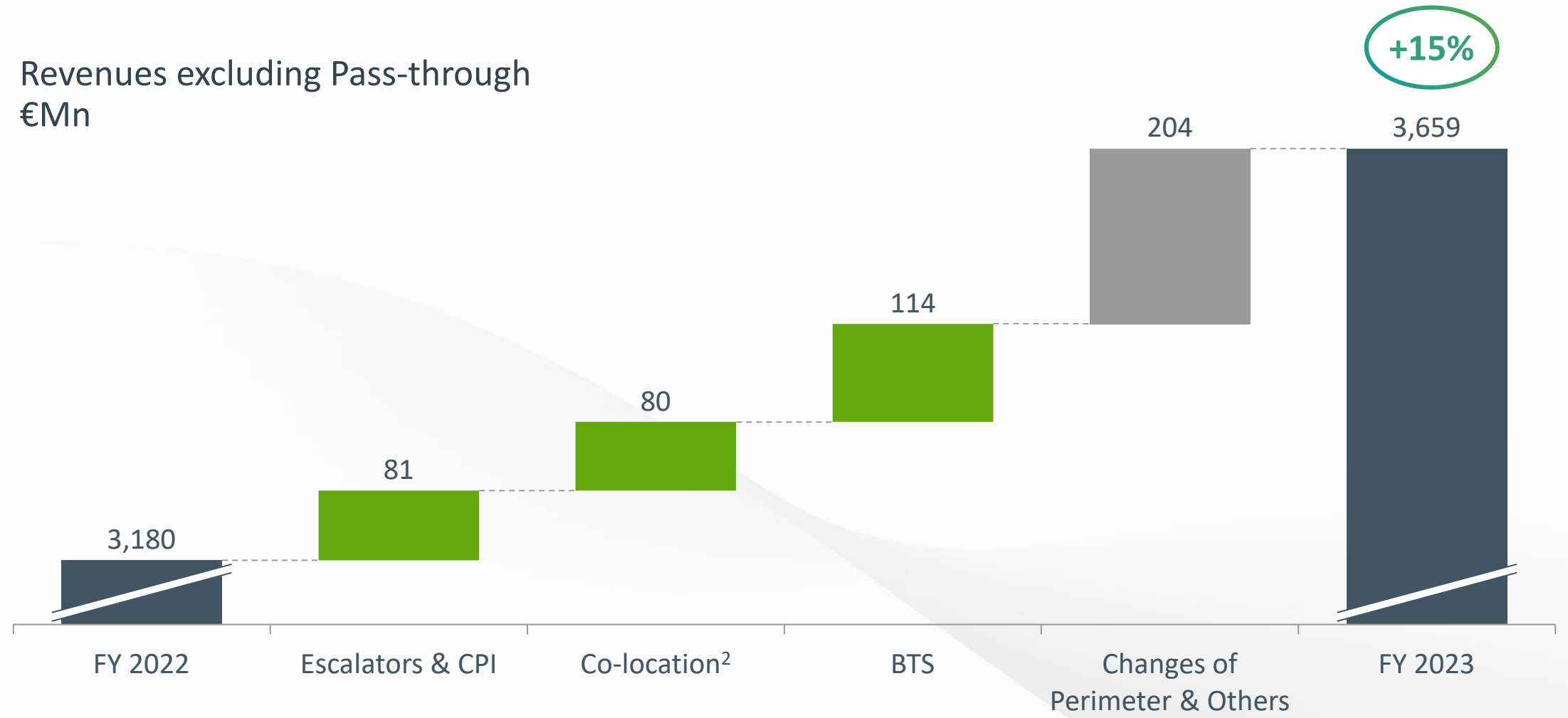
# New reporting provides more granularity across business lines and markets



1. Telecom Infrastructure Services. 2. In previous reporting, Pass-through revenues included in Telecom Infrastructure Services (TIS).

# Breakdown of organic revenue composition

Revenues excluding Pass-through  
€Mn



+15%



# Removing the impact from Pass-through costs

## Previous reporting

€Mn	Jan-Dec 2023
Staff costs	-282
Repair and maintenance	-111
Utilities	-366
General and other services	-286
<b>Operating Expenses</b>	<b>-1,045</b>
<b>Adjusted EBITDA</b>	<b>3,008</b>

## New reporting

€Mn	Jan-Dec 2023
Staff costs	-282
Repair and maintenance	-111
Services <sup>2</sup>	-253
<b>Operating Expenses (w/ Pass-through)</b>	<b>-646</b>
<b>1</b> Net Pass-through	-4
• Pass-through revenues	394
• Pass-through costs	-399
<b>Adjusted EBITDA</b>	<b>3,008</b>
Payments of lease instalments	-851
<b>2</b> EBITDAaL	<b>2,157</b>

**1** Net contribution of Pass-through (mostly utility cost along with other elements such as business rates<sup>1</sup>)

**2** EBITDA after leases as a key metric to track the profitability of the business

These changes do not affect Adjusted EBITDA nor Cash Flow metrics

1. Local taxes passed through to the MNOs. 2. Services now excluding business rates in the UK that are passed through to the customer (€33Mn in 2023).

# Providing more granularity on CapEx allocation

## Previous reporting

€Mn	Jan-Dec 2023
Maintenance CapEx	139
Expansion CapEx <sup>1</sup>	458
Expansion CapEx (Build to Suit programs) and Remedies	937
• Expansion CapEx (Build to Suit programs)	1,568
• Remedies	-631
M&A CapEx	696
<b>Total Investment</b>	<b>2,230</b>

## New reporting

€Mn	Jan-Dec 2023
Maintenance CapEx	139
Expansion CapEx	458
① • Tower Expansion CapEx	313
② • Other Business Expansion CapEx	77
③ • Efficiency CapEx	68
Build to Suit CapEx and Remedies	937
• Build to Suit CapEx	1,568
• Remedies	-631
M&A CapEx	696
<b>Total Investment</b>	<b>2,230</b>

- ① Investment related to tower business expansion that generates additional RLFCF, including among others, telecom site adaptation for new tenants. Certain tower upgrades carried out on request of our customers such as adaptation, engineering and design services
- ② Investment related to other business expansion that generates additional RLFCF
- ③ Investment related to business efficiency that generates additional RLFCF, including among others, decommissioning, advances to landlords and efficiency measures associated with energy and connectivity

CapEx over Revenues (including Pass-through) unchanged

# A more transparent Cellnex with increasing shareholder value

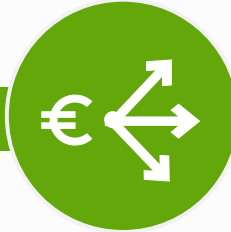
## New Reporting

Improved disclosure of our financials



## Capital Structure and Allocation

Financial policy that prioritizes deleveraging, capital discipline and shareholder remuneration



# New Cellnex Financial Policy Priorities

## Maximizing shareholder returns at Investment Grade



# Cellnex first priority is to focus on deleveraging to achieve IG by S&P in 2024



## Strong commitment to achieve Investment Grade

FitchRatings	<b>IG Rating</b>	✓ Since IPO
	<b>Considerations</b>	Commitment to be within this credit rating level on a sustained basis

S&P Global	<b>IG Rating</b>	On track to achieve it in 2024
	<b>Considerations</b>	Commitment that leverage ratio will remain at IG level

Ensure consistent access to debt capital markets



Lower credit spreads in future refinancings



Deleveraging on-track:

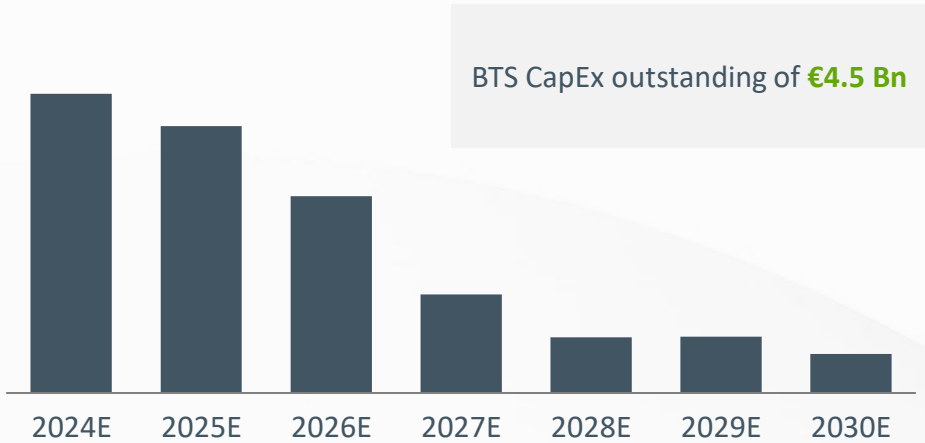
- FCF positive in 2023, organic deleveraging to accelerate
- Nordics already executed
- Edzcom closing (€32Mn) (Feb 2024)
- France Remedies (€152Mn) (Mar 2024)
- Ireland sale on track 1H24



# Significant cash generation driven by end of BTS programs and organic EBITDA growth to accelerate de-leverage

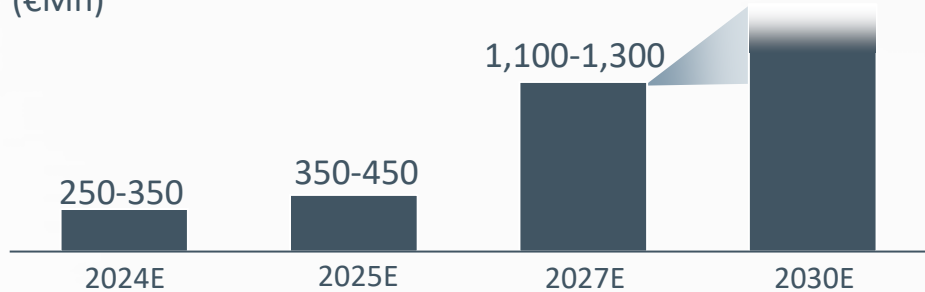
## Contracted BTS CapEx

(€Mn)



## Free Cash Flow

(€Mn)

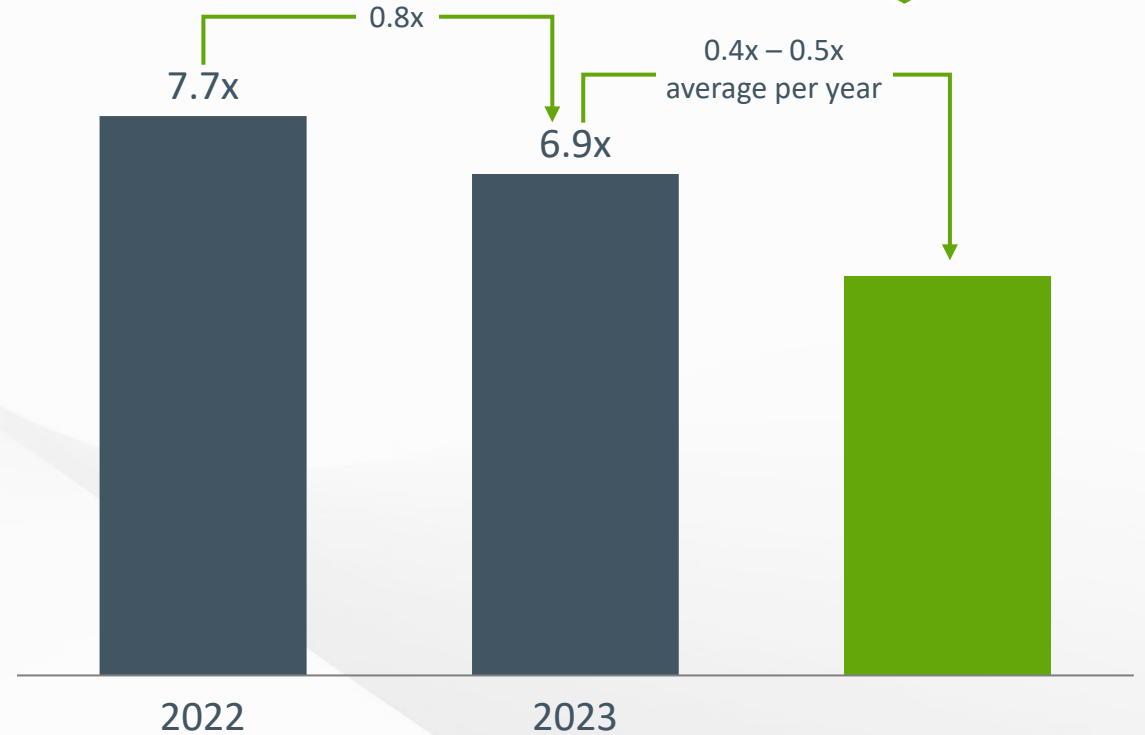


## Organic deleveraging evolution

(excludes asset rotation after 2023)

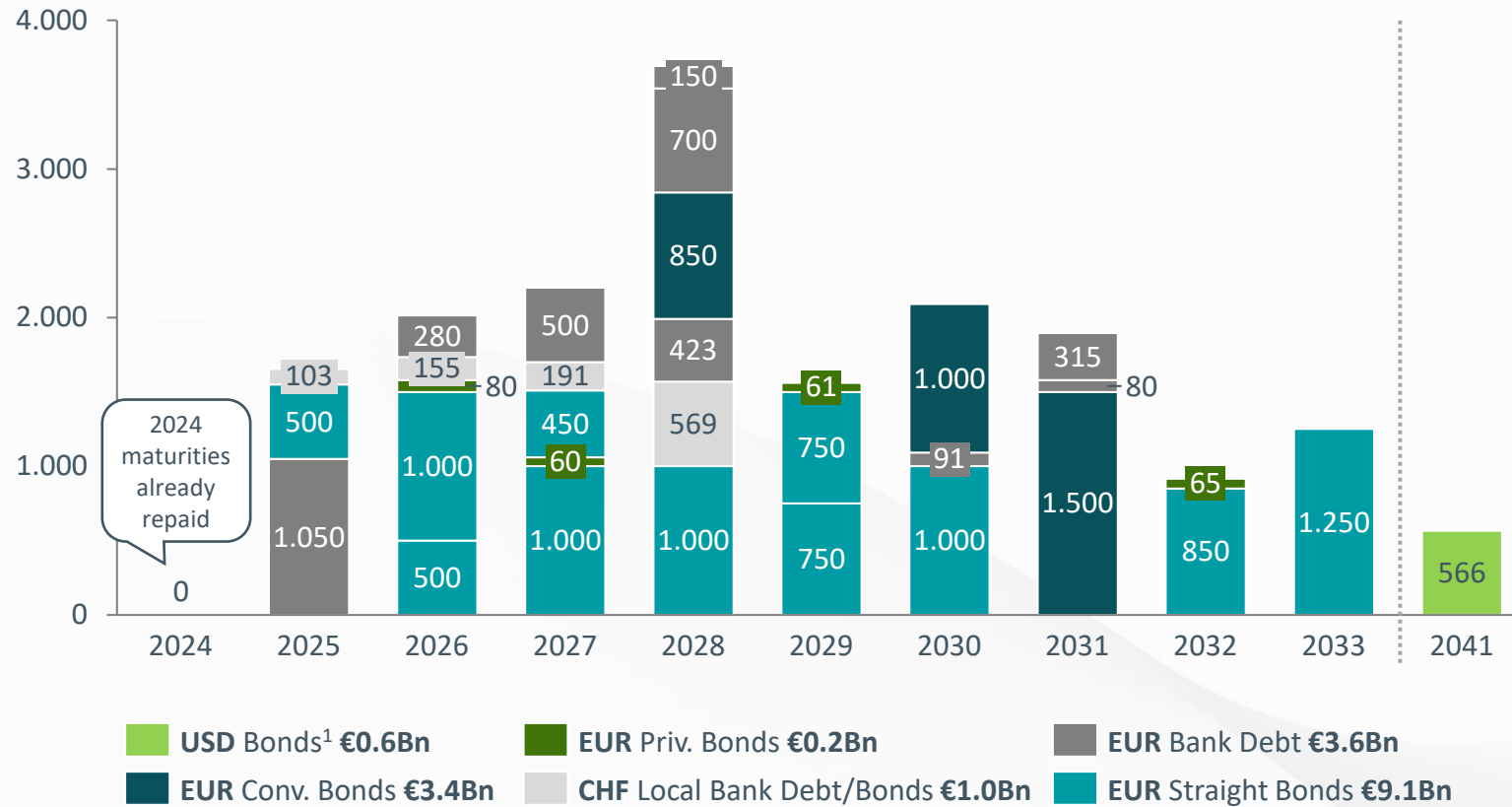
Leverage Ratio  
Net Debt / EBITDA IFRS 16

- + Cash generation
- + EBITDA growth





# Well-designed debt maturities profile



- » **Liquidity +€3Bn:** including cash and undrawn credit lines
- » **Fixed rate debt 76%**
- » **Asset rotation proceeds to be used for repayment of maturities**
- » **Gross debt c.€18Bn** (bonds and other instruments)
- » **Flexibility preserved:** Cellnex Finance debt without financial covenants, pledges or third-party guarantees

**Considering the current perimeter and the expected future approach to shareholder remuneration, cost of debt projected to remain at or below 2.6%<sup>2</sup> until 2027**

1. Includes USD bonds swapped to EUR. 2. Taking into account current rates expectations.

# Long-term target leverage of 5.0-6.0x Net Debt<sup>1</sup> / EBITDA IFRS 16, consistent with our IG commitment and achievable by 2025-2026

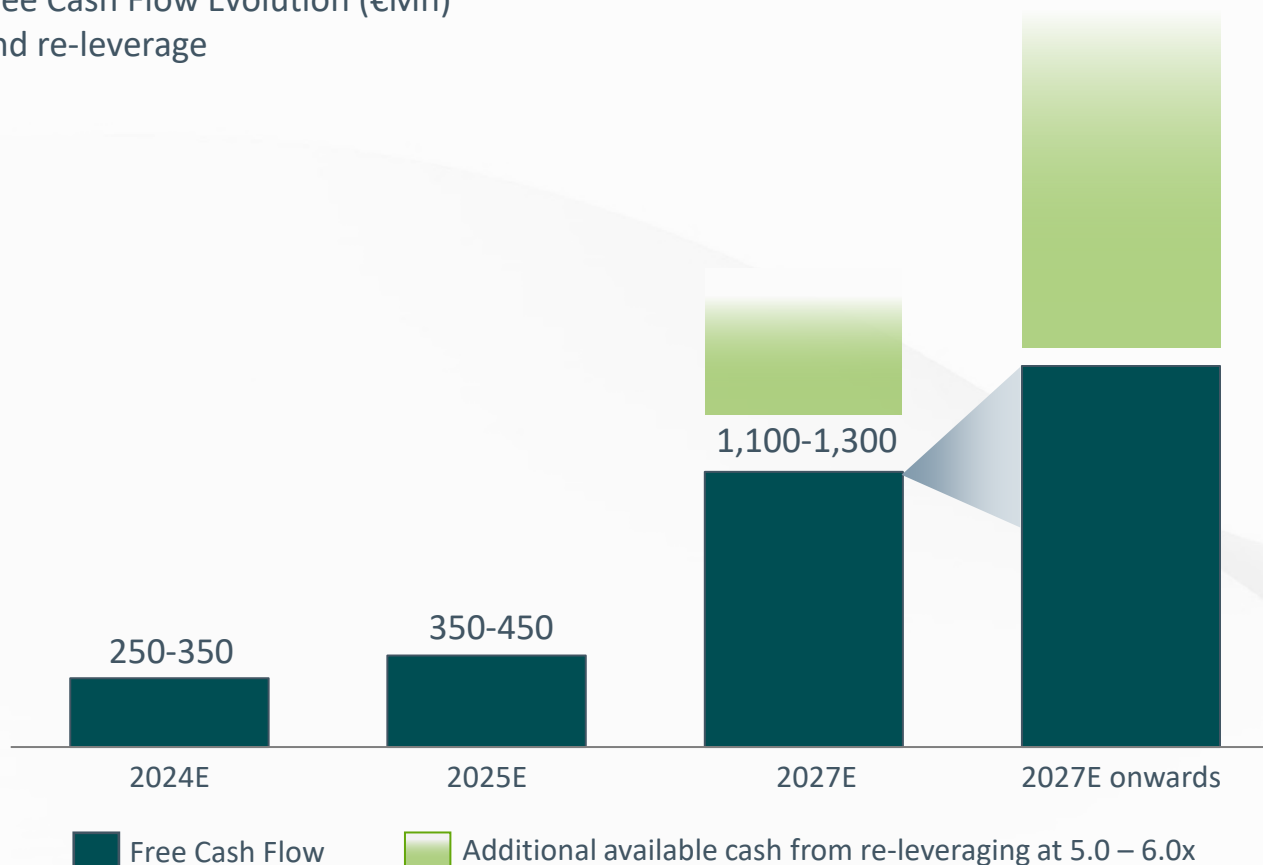


1. Net Debt position calculated as Gross Debt + OMTEL deferred payment – Cash & Cash Equivalents. 2. S&P definition.

# Significant cash generation potential boosted by re-leveraging capacity

## Organic growth, cash generation and potential re-leverage to boost distributions and implement opportunities

Free Cash Flow Evolution (€Mn) and re-leverage



- » Provides significant flexibility to:
  - Distribute an **attractive minimum dividend**
  - Further shareholder remuneration through **acquisition of own shares** and/or **extraordinary dividends**
  - Implement **industrial business opportunities**

# New approach to shareholder remuneration<sup>1</sup> aims to provide a visible, recurring and growing remuneration to shareholders



**Target of €500Mn minimum dividend payable from 2026**

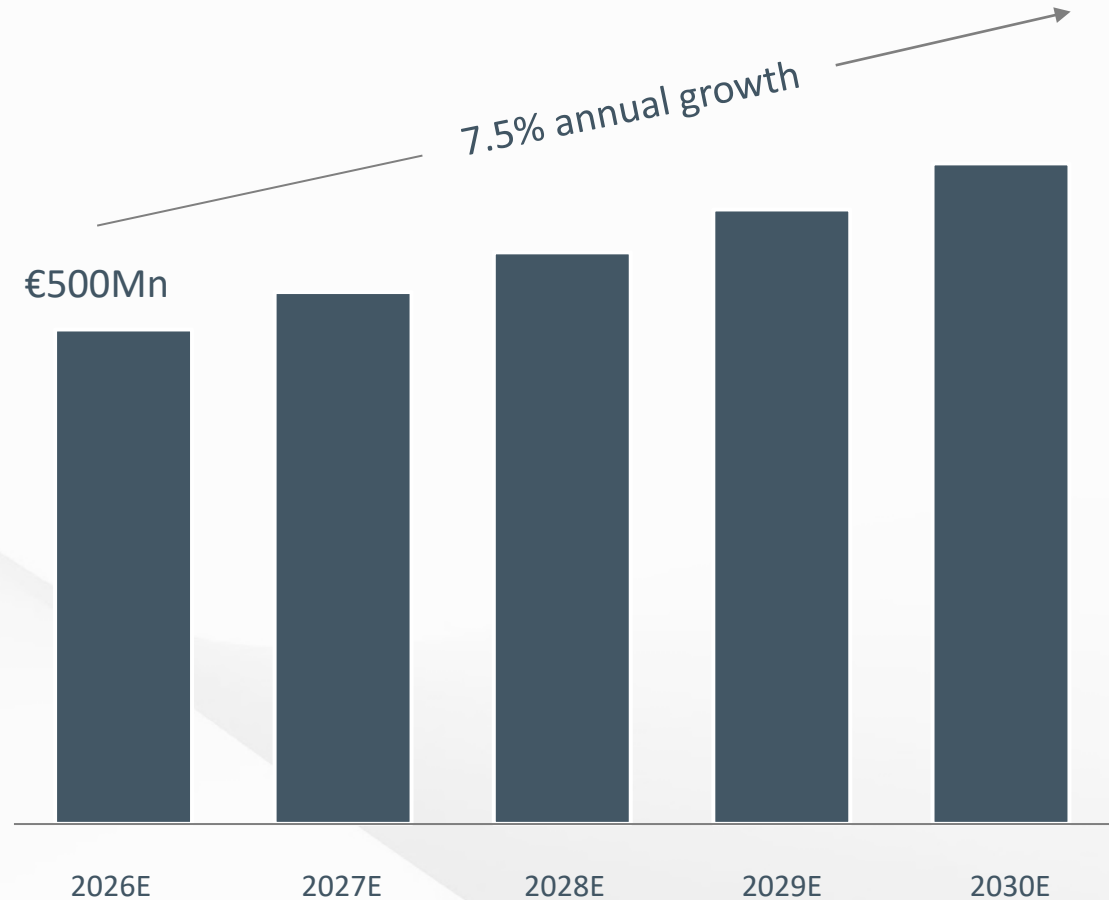


**Minimum 7.5% annual growth from 2026 onwards**



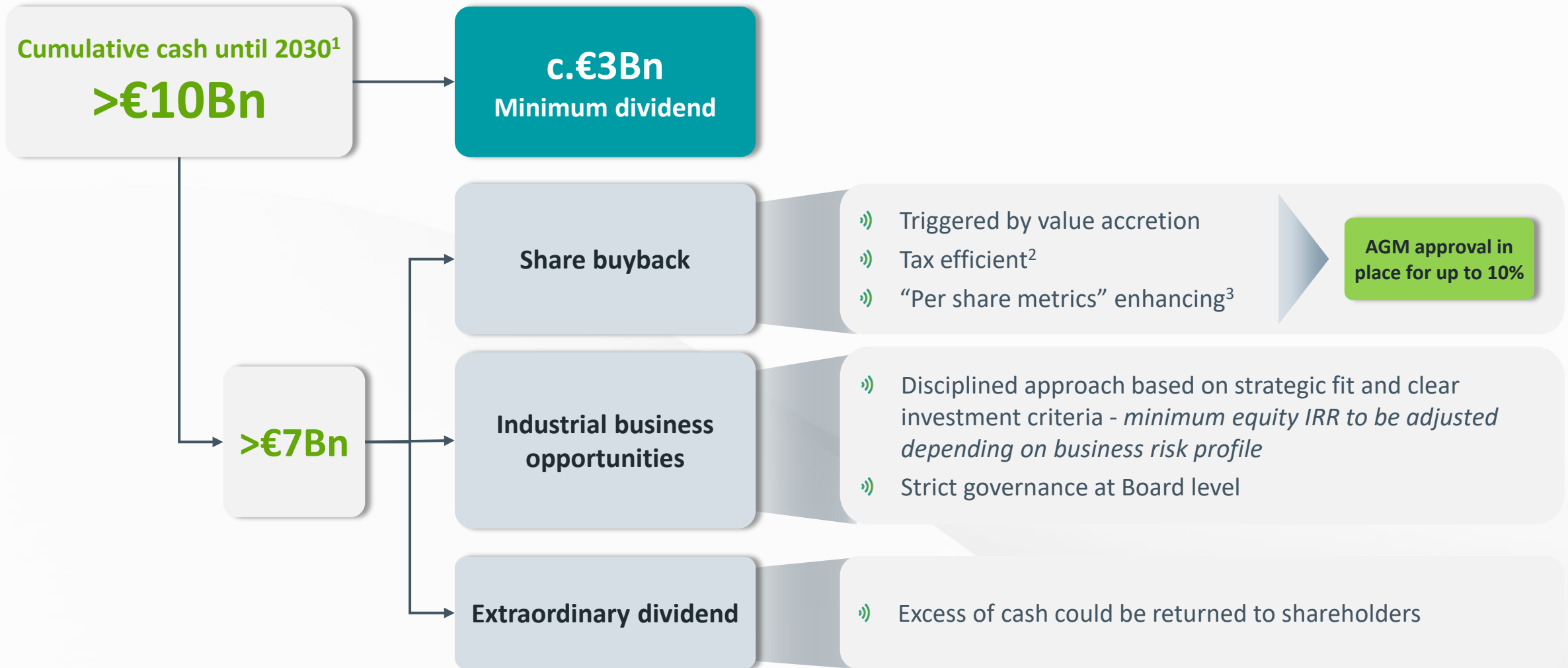
**An earlier commensurate dividend could be paid subject to leverage / rating**

Minimum dividend evolution (€Mn)



1. The formal dividend policy and its implementation is subject to approval by the competent bodies of the company.

# Clear and disciplined capital allocation framework to maximise value creation and shareholder return



1. Assuming re-leveraging at 5.5x. 2. All proceeds allocated to buybacks accrue to shareholders (no tax leakage). 3. Only applies in the event of a share capital reduction which, if approved, shall be executed through the corresponding share buyback program or tender offer.

# New Reporting, Capital Structure & Allocation

## Key takeaways

- ① Improved financial disclosure
- ② Commitment to reach investment grade by S&P in 2024
- ③ Target leverage of 5.0-6.0x Net Debt/Ebitda IFRS 16
- ④ €500Mn minimum dividend payable from 2026, with 7.5% annual growth thereafter<sup>1</sup>
- ⑤ Additional >€7Bn to be allocated by 2030 based on a disciplined capital allocation framework

1. The formal dividend policy and its implementation is subject to approval by the competent bodies of the company.



# 05

## Guidance

Juan Gaitán – Head of Investor Relations





# Short term financial outlook

2023 guidance achieved and ambitious targets set for 2024E and 2025E

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

1. Assuming current perimeter.

# Medium term financial outlook

## New guidance disclosed for 2027

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

1. Assuming current perimeter.

# 06

## Closing Remarks

Marco Patuano - CEO



# Closing Remarks

- 1 We have the **Team** and the **Governance** to deliver the next chapter of success
- 2 We will deliver **growth and operational excellence** leveraging on a rigorous industrial approach, focused on 4 pillars:
  - **Simple** – playing in markets and businesses where we have **scale and leadership**
  - **Focused** – maintaining an **80/20 revenue distribution** with Towers as core and a solid **6% CAGR** revenue growth
  - **Efficient** – optimizing operations **increasing EBITDAaL margin by 500bps.**
  - **Responsible** – Keep leading the industry in **ESG**
- 3 **Once investment grade is achieved**, we consider a **Capital Structure of 5.0-6.0x Net Debt/Ebitda** which will allow a new approach to Shareholder Remuneration **improving TSR**
- 4 We will have cumulative **>€10Bn** to be allocated by 2030
  - **€500Mn minimum dividend<sup>1</sup>** from 2026-2030 growing at a minimum rate of 7.5% a year
  - **>€7Bn** to buybacks, extraordinary dividends and industrial investments for enhancing value creation and TSR

Our governance guarantees a disciplined capital allocation
- 5 We set a **2027 Guidance** that will **increase RLFCF by c.€650Mn** vs. 2023





07

Q&A



cellnex 