Cellnex Telecom, S.A.

Financial Statements for
the year ended
31 December 2022 and
Directors' Report, together with
Independent Auditor's Report

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain. In the event of a discrepancy, the Spanish-language version prevails.

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Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain. In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To the Shareholders of Cellnex Telecom, S.A.,

Report on the Financial Statements

Opinion

We have audited the financial statements of Cellnex Telecom, S.A. (the Company), which comprise the balance sheet as at 31 December 2022, statement of profit or loss, statement of changes in equity, statement of cash flows and notes to the financial statements for the year then ended.

In our opinion, the accompanying financial statements present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2022, and its results and its cash flows for the year then ended in accordance with the regulatory financial reporting framework applicable to the Company (identified in Note 2.1 to the financial statements) and, in particular, with the accounting principles and rules contained therein.

Basis for Opinion

We conducted our audit in accordance with the audit regulations in force in Spain. Our responsibilities under those regulations are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those pertaining to independence, that are relevant to our audit of the financial statements in Spain pursuant to the audit regulations in force. In this regard, we have not provided any services other than those relating to the audit of financial statements and there have not been any situations or circumstances that, in accordance with the aforementioned audit regulations, might have affected the requisite independence in such a way as to compromise our independence.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Evaluation of the impairment tests on investments in Group companies and associates	
Description	**Procedures applied in the audit**
The Company has ownership interests in the share capital of Group companies and associates that are not listed on regulated markets (see Note 8). The Company tests the investees engaging in the operation of infrastructure for mobile telecommunications operators for impairment each year, irrespective of whether there are indications of impairment, given the sensitivity of the key assumptions in the business plan. Those impairment tests are performed using discounted cash flow-based valuation techniques, for which purpose the Company employs cash flow projections aligned with projected earnings and the needed investments, as well as other assumptions obtained the business plan approved by the Company's directors. Also, a discount rate is determined on the basis of the economic situation in general and of that of each investee in particular. The performance of these impairment tests requires the Company's directors to make significant judgements and estimates.	Our audit procedures included, among others, the understanding of the process followed by the Company for evaluating the recoverable value of the investments in Group companies and associates. Furthermore, we performed substantive procedures, based on obtaining and analysing the impairment tests conducted by the Company, verifying their clerical accuracy and analysing the consistency of the future cash flow projections considered in those tests with the most recent business plans approved by the Company's directors. In addition, we evaluated the reasonableness of the key assumptions considered (such as revenue growth, cost inflation and the discount rate), and performed a sensitivity analysis of those key assumptions and a review of their consistency with the actual data relating to the performance of the investments held.

Evaluation of the impairment tests on investments in Group companies and associates	
Description	**Procedures applied in the audit**
As a result of the foregoing, as well as of the significance of the investments held, this matter was determined to be a key matter in our audit.	Also, we involved our internal valuation experts in order to evaluate, mainly, the methodology employed by the Company in the impairment tests conducted, the discount rates considered and the terminal value, expressed in perpetuity growth terms, of the projected future cash flows. Lastly, we evaluated whether the disclosures included in Notes 4.3 and 8 to the accompanying financial statements in connection with this matter were in conformity with those required by the applicable regulatory framework.

Other Information: Directors' Report

The other information comprises only the directors' report for 2022, the preparation of which is the responsibility of the Company's directors and which does not form part of the financial statements.

Our audit opinion on the financial statements does not cover the directors' report. Our responsibility relating to the directors' report, in accordance with the audit regulations in force, consists of:

a) Solely checking that certain information included in the Annual Corporate Governance Report and the Annual Directors' Remuneration Report, to which the Spanish Audit Law refers, have been furnished as provided for in the applicable legislation and, if this is not the case, reporting this fact.

b) Evaluating and reporting on whether the other information included in the directors' report is consistent with the financial statements, based on the knowledge of the entity obtained in the audit of those financial statements, as well as evaluating and reporting on whether the content and presentation of this section of the directors' report are in conformity with the applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described above, we observed that the information described in section a) above was furnished as provided for in the applicable legislation and that the other information in the directors' report was consistent with that contained in the financial statements for 2022 and its content and presentation were in conformity with the applicable regulations.

Responsibilities of the Directors and of the Audit and Risk Management Committee for the Financial Statements

The directors are responsible for preparing the accompanying financial statements so that they present fairly the Company's equity, financial position and results in accordance with the regulatory financial reporting framework applicable to the Company in Spain, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Audit and Risk Management Committee is responsible for overseeing the process involved in the preparation and presentation of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit regulations in force in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditor's report. This description, which is on pages 7 and 8 of this document, forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

European Single Electronic Format

We have examined the digital file in European Single Electronic Format (ESEF) of Cellnex Telecom, S.A. for 2022, which comprise the XHTML file including the financial statements, which will form part of the annual financial report.

The directors of Cellnex Telecom, S.A are responsible for presenting the annual financial report for 2022 in accordance with the format and markup requirements established in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 ("ESEF Regulation").

Our responsibility is to examine the digital file prepared by the Company's directors, in accordance with the audit regulations in force in Spain. Those regulations require that we plan and perform our audit procedures in order to ascertain whether the content of the financial statements included in the aforementioned file corresponds in full to that of the financial statements that we have audited, and whether those financial statements were formatted, in all material respects, in accordance with the requirements established in the ESEF Regulation. In this regard, the Annual Corporate Governance Report and the Annual Director's Remuneration Report have been incorporated by reference in the management report.

In our opinion, the digital file examined corresponds in full to the audited financial statements, and these are presented, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Additional Report to the Audit and Risk Management Committee

The opinion expressed in this report is consistent with the content of our additional report to the Company's Audit and Risk Management Committee dated 28 February 2023.

Engagement Period

The Annual General Meeting held on 21 July 2020 appointed us as auditors for a period of three years from the year ended 31 December 2020.

Previously, we were designated by the sole shareholder for the period of three years and have been auditing the financial statements uninterruptedly since the year ended 31 December 2013 and, therefore, since the year ended 31 December 2015, the year in which the Company became a Public Interest Entity.

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DELOITTE, S.L.

2023 Núm.20/23/00260

Informe d'auditoria de comptes subjecte
a la normativa d'auditoria de comptes
espanyola o internacional

Iván Rubio Borrallo
Registered in ROAC under no. 21443

28 February 2023

Appendix to our auditor's report

Further to the information contained in our auditor's report, in this Appendix we include our responsibilities in relation to the audit of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with the audit regulations in force in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the use by the directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the entity's Audit and Risk Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the entity's Audit and Risk Management Committee with a statement that we have complied with relevant ethical requirements, including those regarding independence, and we have communicated with it to report on all matters that may reasonably be thought to jeopardise our independence, and where applicable, on the related safeguards.

From the matters communicated with the entity's Audit and Risk Management Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Cellnex Telecom, S.A.

Financial Statements
for the year ended
31 December 2022 and
Directors' Report

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

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CELLNEX TELECOM, S.A.

BALANCE SHEET AT 31 DECEMBER 2022

(Thousands of Euros)

ASSETS	Notes	31 December 2022	31 December 2021
NON-CURRENT ASSETS:			
Intangible assets-	**Note 6**	**36,739**	**28,073**
Computer software		36,739	28,073
Property, plant and equipment-	**Note 7**	**19,621**	**18,184**
Land and buildings		7,462	6,778
Plant and other items of property, plant and equipment		12,159	11,386
Property, plant and equipment under construction		—	20
Investments in Group companies and associates-		**24,373,243**	**20,224,414**
Equity instruments	Notes 8.1 and 9	24,366,679	20,218,413
Non current loans to Group companies and associates	Notes 17.3 and 9	6,564	6,001
Non-current investments-	**Note 9**	**23,975**	**9,021**
Equity instruments	Note 9	257	263
Non current loans	Note 9	5,308	7,948
Derivate financial instruments	Notes 12.2 and 9	17,718	—
Other financial assets	Note 9	692	810
Deferred tax assets	**Note 13.6**	**179,228**	**149,139**
Total non-current assets		**24,632,806**	**20,428,831**
CURRENT ASSETS:			
Trade and other receivables-		**57,599**	**53,088**
Trade receivables		799	163
Receivables from Group companies and associates	Note 17.3	38,046	51,850
Sundry receivables		351	891
Staff		19	—
Current tax assets	Note 13.2	3,323	—
Other tax receivables from Public Authorities	Note 13.2	15,061	184
Current investments in Group companies and associates-	**Notes 17.3 and 9**	**207,783**	**2,613,474**
Current loans to Group companies and associates	Notes 17.3 and 9	207,783	2,613,474
Current investments-		**2,574**	**2,572**
Short-term loans to third parties		2,574	2,495
Derivate financial instruments	**Note 12.2**	—	**77**
Current acrruals		**3,065**	**2,847**
Cash and cash equivalents-	**Note 10**	**983**	**128,681**
Cash		983	128,681
Total current assets		**272,004**	**2,800,662**
TOTAL ASSETS		**24,904,810**	**23,229,493**

EQUITY AND LIABILITIES	Notes	31 December 2022	31 December 2021
EQUITY:			
NET EQUITY	**Note 11**		
Capital		**176,619**	**169,832**
Share premium		**15,522,762**	**14,580,762**
Reserves-		**(30,663)**	**67,460**
Legal and bylaw reserves		19,000	19,000
Other reserves		(49,663)	48,460
(Treasury shares)		**(47,619)**	**(60,802)**
(Negative results from previous exercises)		**(47,683)**	—
Profit for the year		**(52,005)**	**(92,971)**
Other equity instruments		**256,501**	**254,143**
VALUATION ADJUSTMENTS			
Hedging operations		**(13,516)**	**(15,527)**
Total equity		**15,764,396**	**14,902,897**
NON-CURRENT LIABILITIES:			
Non-current provisions-	**Note 16.4**	**787**	**95**
Long-term employee benefit obligations		689	—
Other non-current provisions		98	95
Non-current borrowings-	**Note 12**	**7,532,514**	**7,460,169**
Bond issues		7,005,975	6,943,420
Derivate financial instruments	Note 12.2	17,653	16,961
Other financial liabilities		508,886	499,788
Non-current loans from Group companies and associates		**1,420,000**	—
Deferred tax liabilities		**1,530**	—
Total non-current liabilities		**8,954,831**	**7,460,264**
CURRENT LIABILITIES:			
Current borrowings-	**Note 12**	**62,312**	**670,383**
Bond issues		47,059	654,781
Other financial liabilities		15,253	15,602
Current loans from Group companies and associates	**Note 17.3**	**83,261**	**138,748**
Current loans from Group companies and associates		83,261	138,748
Trade and other payables-		**40,010**	**57,201**
Payables to Group companies and associates	Note 17.3	1,489	2,382
Other payables		30,368	45,787
Staff	Note 16.4	6,312	5,437
Other payables to Public Authorities	Note 13.2	1,841	3,595
Total current liabilities		**185,583**	**866,332**
TOTAL EQUITY AND LIABILITIES		**24,904,810**	**23,229,493**

The accompanying Notes 1 to 21 and Appendix I are an integral part of the balance sheet at 31 December 2022

CELLNEX TELECOM, S.A.

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

(Thousands of Euros)

	Notes	2022	2021
ONGOING OPERATIONS:			
Revenue-	**Notes 15.1 and 17.3**	**162,860**	**114,788**
Dividends		140,030	99,351
Interest income		22,830	15,437
Other operating income-	**Note 15.2**	**62,165**	**42,031**
Non-core and other current operating income	Note 15.2 and 17.3	62,076	42,031
Operating grants recognised in the income statement		89	—
Staff costs-	**Note 15.3**	**(39,467)**	**(36,399)**
Wages, salaries and similar expenses		(33,198)	(31,440)
Employee benefit costs		(6,269)	(4,959)
Other operating expenses-		**(83,063)**	**(78,640)**
Outside services	Note 15.4	(82,136)	(78,210)
Taxes other than income tax		(925)	(364)
Losses, impairment and changes in trade provisions		(2)	(66)
Depreciation and amortisation	**Notes 6 and 7**	**(13,890)**	**(8,798)**
Profit from sales and others		**—**	**(99)**
Profit from operations		**88,605**	**32,883**
Finance income-		**1,148**	**282**
Borrowings from third parties		1,148	282
Finance costs-		**(200,249)**	**(202,846)**
Borrowings from Group companies and associates	Note 17.3	(10,900)	(472)
Borrowings from third parties		(189,349)	(202,374)
Change in fair value of financial instruments		**(9,180)**	**17,684**
Exchange differences		**4,715**	**(4,708)**
Net financial profit/loss	**Note 15.5**	**(203,566)**	**(189,588)**
Profit before tax		**(114,961)**	**(156,705)**
Income tax	Note 13.5	62,956	63,734
Loss for the period		**(52,005)**	**(92,971)**

The accompanying Notes 1 to 21 and Appendix I are an integral part of the income statement for 2022.

CELLNEX TELECOM, S.A.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

A) STATEMENT OF RECOGNISED INCOME AND EXPENSE

(Thousands of Euros)

	Ejercicio 2022	**Ejercicio 2021**
LOSS FOR THE PERIOD PER INCOME STATEMENT	**(52,005)**	**(92,971)**
Income and expense recognised directly in equity	**2,336**	**(8,700)**
Cash Flow Hedges (Note 12.2)	8,949	2,285
Net investment hedge in currency other than euro (Note 8.1)	(5,835)	(13,885)
Tax effect	(778)	2,900
Transfers to the income statement	**(325)**	**170**
Cash Flow Hedges	(433)	227
Tax effect	108	(57)
Total recognised income and expense	**(49,994)**	**(101,501)**

The accompanying Notes 1 to 21 and Appendix I are an integral part of the statement of recognised income and expense for 2022.

CELLNEX TELECOM, S.A.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

B) STATEMENT OF TOTAL CHANGES IN EQUITY

(Thousands of Euros)

	Notes	Capital	Share Premium	Reserves	(Negative results from previous years)	(Treasury shares)	Profit for the year	Other equity instruments	Valuation adjustments	Total
Total balance 2020		**121,677**	**7,769,936**	**136,157**	**—**	**(8,078)**	**(69,195)**	**244,165**	**(6,997)**	**8,187,665**
Total recognised income and expense		—	—	—	—	—	(92,971)	—	(8,530)	(101,501)
Transactions with shareholders or owners										
Capital Increases and other equity contributions	Notes 11.1 and 11.3	48,155	6,843,042	—	—	—	—	—	—	6,891,197
Distribution of dividends	Note 11.4	—	(32,216)	—	—	—	—	—	—	(32,216)
Transactions with treasury shares	Notes 11.1 and 16.4	—	—	634	—	(52,724)	—	9,978	—	(42,112)
Distribution of the result for the year 2020		—	—	(69,195)	—	—	69,195	—	—	—
Other variations in net equity		—	—	(136)	—	—	—	—	—	(136)
Total balance 2021		**169,832**	**14,580,762**	**67,460**	**—**	**(60,802)**	**(92,971)**	**254,143**	**(15,527)**	**14,902,897**
Total recognised income and expense		—	—				(52,005)		2,011	(49,994)
Transactions with shareholders or owners										
Capital Increases and other equity contributions	Notes 11.1 and 11.3	6,787	978,635	—	—	—	—	—	—	985,422
Distribution of dividends	Note 11.4	—	(36,635)	—	—	—	—	—	—	(36,635)
Transactions with treasury shares	Notes 11.1 and 16.4	—	—	(52,391)	—	13,183	—	2,358	—	(36,850)
Distribution of the result for the year 2021		—	—	(45,288)	(47,683)	—	92,971	—	—	—
Other variations in net equity		—	—	(444)	—	—	—	—	—	(444)
Total balance 2022		**176,619**	**15,522,762**	**(30,663)**	**(47,683)**	**(47,619)**	**(52,005)**	**256,501**	**(13,516)**	**15,764,396**

The accompanying Notes 1 to 21 and Appendix I are an integral part of the statement of total changes in equity for 2022.

CELLNEX TELECOM, S.A.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

(Thousands of Euros)

	Notes	2022	2021
CASH FLOWS - OPERATING ACTIVITIES (I)		**(43,391)**	**(120,371)**
Profit for the year before tax		**(114,961)**	**(156,705)**
Adjustments to profit-		**217,458**	**198,551**
Depreciation and amortisation charge	Notes 6 and 7	13,890	8,798
Results for losses and disposals of fixed assets		—	99
Gains/(losses) on derecognition and disposal of financial instruments	Note 15.5	9,180	(17,684)
Losses, impairment and changes in trade provisions		2	66
Finance income	Note 15.5	(1,148)	(282)
Finance costs	Note 15.5	200,249	202,846
Exchange differences		(4,715)	4,708
Changes in working capital-		**(18,596)**	**(38,248)**
Trade and other receivables		13,708	(36,305)
Other current assets and liabilities		(15,113)	(431)
Trade and other payables		(17,191)	(1,512)
Other cash flows from operating activities-		**(127,292)**	**(123,969)**
Interest paid		(129,833)	(141,586)
Interest received		—	282
Income tax recovered (paid)		(6,194)	1,828
Other receivables and payables		8,735	15,507
CASH FLOWS - INVESTING ACTIVITIES (II)		**(1,010,501)**	**(9,282,668)**
Payments due to investments-		**(3,516,813)**	**(9,285,270)**
Group companies and associates	Note 17.3	(3,487,941)	(9,263,249)
Property, plant and equipment and intangible assets	Notes 6 and 7	(28,842)	(22,011)
Other financial assets		(30)	(10)
Changes for divestments-		**2,506,312**	**2,602**
Group companies and associates		2,503,520	—
Other financial assets		2,792	2,602
CASH FLOWS - FINANCING ACTIVITIES (III)		**926,194**	**6,293,411**
Proceeds and payments relating to equity instruments and Dividends paid		**160,930**	**6,765,675**
Issue of equity instruments, Acquisition of own equity instruments, and Dividends paid	Note 11	160,930	6,765,675
Proceeds and payments relating to financial liabilities		**765,264**	**(472,264)**
Debt issues with Group companies and associates	Note 17.3	1,431,299	64,142
Repayment and redemption of bond issues		(600,000)	—
Repayment and redemption of Group companies and associates	Note 17.3	(66,035)	(536,406)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)		**(127,698)**	**(3,109,628)**
Cash and cash equivalents at beginning of period		128,681	3,238,309
Cash and cash equivalents at end of period		983	128,681

The accompanying Notes 1 to 21 and Appendix I are an integral part of the statement of cash flows for 2022

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

Cellnex Telecom, S.A.

Notes to the financial statements for the year ended 31 December 2022

1. General information

Cellnex Telecom, S.A. ("the Company") was incorporated in Barcelona on 25 June 2008. Its registered office is at Calle Juan Esplandiú nº 11 (Madrid). On 1 April 2015 it changed its name to Cellnex Telecom, S.A.

The Company's corporate purpose, as set out in its by-laws, includes:

– The establishment and operation of all kinds of telecommunication infrastructures and/or networks, as well as the provision, management, marketing and distribution, on its own account or for third parties, of all types of services based on or through such infrastructures and/or networks.

– The planning, technical assistance, management, organisation, coordination, supervision, maintenance and conservation of these facilities and services under any type of contractual arrangement permitted by law, especially administrative concessions.

The Company may undertake these activities directly or indirectly through the ownership of shares or investments in companies with a similar corporate purpose or in any other formats permitted by law.

Since May 7, 2015, the shares of the Company have been listed on the Stock Exchanges of Barcelona, Bilbao, Madrid and Valencia.

The Company is the Parent of a group of subsidiaries, and under current legislation it is required to draw up separate consolidated financial statements. The consolidated financial statements of the Cellnex Group for 2022 were drawn up by the Directors at a Board meeting on 28 February 2023.

The main figures of the consolidated financial statements for 2021, which were drawn up in accordance with Final Provision Eleven of Law 62/2003 of 30 December, under International Financial Reporting Standards approved for use in the European Union, are as follows:

	Thousands of Euros
Total assets	44,257,749
Equity (of the Parent)	14,221,105
Equity (of non-controlling interests)	966,693
Income from consolidated operations	3,495,180
Loss for the year attributable to the parent	(297,058)
Loss for the year attributable to non-controlling interests	(15,878)

Figures in all the accounting statements (balance sheet, income statement, statement of changes in equity and statement of cash flows) and the notes to the financial statements are expressed in thousands of euros, which is the Company's presentation and functional currency, unless otherwise stipulated.

2.Basis of presentation

2.1. Regulatory financial reporting framework applicable to the Company

The accompanying financial statements were prepared by the Directors in accordance with the regulatory financial reporting framework applicable to the Company, which consists of:

- The Spanish Commercial Code and other business legislation.
- Spain's General Accounting Plan approved by Royal Decree 1514/2007, which has been modified by Royal Decree 1159/2010 of 17 September, Royal Decree 602/2016 of 2 December and Royal Decree 1/2021 of 12 January, and its sector adaptations, and the provisions approved by the National Securities Market Commission.
- The mandatory rules approved by the Spanish Accounting and Audit Institute to implement the National Charter of Accounts and supplementary regulations.
- Any other applicable Spanish accounting regulations.

2.2. True and fair image

The attached annual accounts have been obtained from the accounting records of the Company and are presented in accordance with the regulatory framework of financial information that is applicable to it and in particular, the accounting principles and criteria contained therein, so that they show the faithful image of the assets, the financial situation, the results of the Company and the cash flows during the corresponding year. These annual accounts, which have been formulated by the Directors of the Company on February 28, 2023, will be submitted for approval by the Ordinary General Shareholders' Meeting, and it is estimated that they will be approved without any modification. For its part, the annual accounts for 2021 were approved by the Ordinary General Shareholders' Meeting held on April 28, 2022.

In the present annual accounts, that information or breakdowns have been omitted that, not requiring any detail due to their qualitative importance, have been considered non-material or have no relative importance according to the concept of materiality or relative importance defined in the conceptual framework of the Spanish General Accounting Plan in force.

2.3. Non-mandatory accounting principles applied

No non-mandatory accounting principles were applied. However, the directors drew up these financial statements in due consideration of all mandatory accounting principles and standards with a significant impact on the statements. All mandatory accounting principles were applied.

2.4. Key issues in relation to the measurement and estimation of uncertainty

Preparation of the financial statements requires the Company to make a number of accounting estimates and judgments. These estimates and judgments are reviewed constantly and are based on historical experience and other factors, including expectations of future events, which are considered reasonable under the circumstances.

The main estimates and judgments considered in drawing up the financial statements are the following:

- Recoverable amount of investments in Group companies and associates and loans to Group companies (see Notes 4.3, 8 and 17.3).

- Valuation of derivative financial instruments and other financial instruments (see Notes 4.3.3 and 12.2).

- The criterion of recognition of deferred taxes and the evaluation of its recoverability value (see Notes 4.4 and 13).

- Assessment of litigations, commitments and contingent assets and liabilities at year-end (see Notes 4.6 and 16).

Although these estimates have been made on the basis of the best information available at the end of the 2022 financial year, future events may force them to be changed (upwards or down) in the coming financial years, which would, where appropriate, be done prospectively.

Coronavirus Pandemic

International economic conditions deteriorated rapidly since 2020 as a result of the coronavirus pandemic that began in China in late 2019 and subsequently spread worldwide. In this regard, the Company's Directors continue to assess the impacts of the coronavirus pandemic, highlighting that it has not had a substantial effect on the business, financial condition or operating results of the Company or its investee companies as of December 31, 2022 and 2021 and, therefore, has not had a significant impact on the annual accounts for that year.

War conflict between Russia and Ukraine

On February 24, 2022, the war between Russia and Ukraine began, the consequences of which are uncertain at the date of preparation of these annual accounts. In this regard, the Company's Directors consider that it will not have a substantial impact on the business, financial condition or operating results of the Company, nor of its investee Companies.

2.5. Comparative information

The application of the accounting criteria in 2022 and 2021 has been uniform, therefore there are no transactions or operations that have been recorded following different accounting principles that could lead to discrepancies in the interpretation of the comparative figures for both periods.

The information in the accompanying notes to the 2021 financial statements is presented for the purposes of comparison with information relating to 2022.

2.6. Correction of errors

No significant errors in the preparation of the accompanying financial statements were detected that required the figures disclosed in the 2021 financial statements to be restated.

2.7. Grouping of items

Certain items on the balance sheet, income statement, statement of changes in equity and statement of cash flows are grouped together to make them easier to understand; however, whenever the amounts involved are material, the information is broken down in the notes concerned.

2.8. Changes in accounting criteria

During the 2022 financial year, there have been no significant changes in accounting criteria compared to the criteria applied in 2021.

3. Proposed distribution of profit

The distribution of 2022 profit proposed by the Company's Directors for approval by the General Shareholders' Meeting is as follows:

	Thousands of Euros
Basis of distribution:	
Loss for the period	(52,005)
	(52,005)
Distribution:	
Negative results from previous years	(52,005)
	(52,005)

4. Accounting policies and measurement bases

As indicated in Note 2, the Company has applied the accounting policies in accordance with the accounting principles and standards contained in the Commercial Code, which are developed in the General Accounting Plan in force, as well as the rest of the commercial legislation in force at the date of closing of these annual accounts. In this sense, only those policies that are specific to the activity of the Company and those considered significant according to the nature of its activities are detailed below.

4.1. Intangible assets

The intangible assets indicated below are recognised at acquisition cost less accumulated amortisation and any loss due to impairment, with their useful life being evaluated on the basis of prudent estimates. When the useful life of these assets cannot be estimated reliably, they are amortized over a period of ten years.

Computer software

The Company records in this account the costs incurred in the acquisition and development of computer programs, including the costs of developing the web pages. The maintenance costs of computer applications are recorded in the profit and loss account for the year in which they are incurred. The amortization of computer applications is done by applying the straight-line method over a useful life of 4 years.

Impairment of intangible assets and materials

The Company evaluates, at each balance sheet date, whether there is any indication of impairment in the value of any asset. If such indication exists, or when an annual impairment test is required (in the case of assets with an indefinite useful life), the Company estimates the asset's recoverable amount, which is the greater of the fair value of an asset less costs to sell and its value in use.

To determine the value in use of an asset, the future cash inflow that the asset is expected to generate is discounted from its present value using an interest rate that reflects the current value of money at long-term rates and the specific risks of the assets (risk premium) and, eventually, the costs of sale.

In the event that the asset analyzed does not generate cash flows by itself independently of other assets, the fair or in-use value of the cash-generating unit (smallest identifiable group of assets generating identifiable cash flows separately from other assets or groups of assets) in which the asset is included shall be estimated. In the event of impairment losses on a cash-generating unit, first, the carrying amount of the goodwill allocated if any, will be reduced and then the carrying amount of the other assets in proportion to the carrying amount of each of them with respect to it.

In the event that an impairment loss on a cash-generating unit to which all or part of goodwill has been allocated is to be recognized, the carrying amount of goodwill for that unit is first reduced. If the impairment exceeds the amount of the impairment, secondly, it is reduced, in proportion to its book value, that of the remaining assets of the cash-generating unit, up to the limit of the highest value among the following: its fair value less costs to sell, its value in use and zero. Impairment losses are recognized in the profit and loss account for the period.

When a impairment loss subsequently reverts (a circumstance not permitted in the specific case of goodwill), the carrying amount of the asset or cash-generating unit is increased by the revised estimate of its recoverable amount, but in such a way that the carrying amount increased does not exceed the carrying amount that would have been determined in the absence of any impairment loss in previous periods. Such reversal of a impairment loss is recognized as income.

4.2. Property, plant and equipment

Property, plant and equipment are stated at acquisition or production cost less accumulated depreciation and any loss due to impairment, in accordance with the criteria described in the Note 4.1.

The costs of conservation and maintenance of the different items that make up property, plant and equipment are charged to the profit and loss account for the year in which they are incurred. On the contrary, the amounts invested in improvements that contribute to increasing the capacity or efficiency or to extending the useful life of these goods are recorded as higher cost of them.

The depreciation of property, plant and equipment, with the exception of land, which is not depreciated, is systematically calculated by the straight-line method according to its estimated useful life, taking into account the depreciation actually suffered by its operation, use and enjoyment.

The depreciation coefficients used in calculating the depreciation experienced by the items that make up property, plant and equipment are as follows:

Item	Useful life in years
Land and buildings	15 - 35
Plant and other items of property, plant and equipment	10 - 25

When an asset's carrying amount exceeds its estimated recoverable amount, the carrying amount is immediately reduced to its recoverable amount, and the effect is taken to the income statement for the year (see Note 4.1).

4.3. Financial instruments

4.3.1 Financial assets

Allocation

The Company's financial assets are classified as:

a. Financial assets at amortised cost: these include financial assets, including those admitted to trading on an organised market, for which the Company holds the investment in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

   In general, this category includes:

   i) Trade receivables: arising from the sale of goods or the rendering of services with deferred payment in the ordinary course business; and

   ii) Non-trade receivables: arising from loans granted by the Company and other receivables with fixed or determinable payments

b. Financial assets at cost: this category includes the following investments: a) equity instruments of Group companies, jointly controlled entities and associates; b) equity instruments whose fair value cannot be reliably determined, and derivates that consists of these investments; c) hybrid financial assets whose fair value cannot be reliably determined, unless they meet the requirements for being measured at amortised cost; d) contributions made in participation and similar agreements; e) participating loans earning contingent interest; f) financial assets that should be classified in the following category but whose fair value cannot be reliably estimated.

   Group companies are deemed to be those related to the Company as a result of control relationship and associates are companies over which the Company exercises significant influence. In addition, the multi-group category includes those companies over which under an agreement, control is exercised with one or more partners.

c. Financial assets with changes in fair value recognised in the income statement: includes financial assets held for trading and those financial assets that have not been classified in any of the above categories. The financial assets that the Company designates optionally at the time of the initial recognition, which otherwise would have been included in another category, are included in this category, because such designation eliminates or significantly reduces a valuation inconsistency or accounting asymmetry that would otherwise arise.

Initial recognition

In general terms, financial assets are initially recognised at the fair value of the remuneration given plus any directly attributable transaction costs. However, transactions costs directly attributable to financial assets classified as at fair value through profit or loss are recognised in profit or loss.

Also, in the case of equity investments in Group companies giving control over the subsidiary, the fees paid to legal advisers and other professionals relating to the investments are recognised directly in profit or loss.

Subsequent valuation

Financial assets are valued at their amortized cost. The effective interest rate is the rate of update that exactly matches the value of a financial instrument to all of its cash flows estimated by all concepts throughout its remaining life. For fixed-rate financial instruments, the effective interest rate coincides with the contractual interest rate established at the time of purchase plus, where appropriate, commissions which, by their nature, are similar to an interest rate. In variable interest rate financial instruments, the effective interest rate coincides with the current rate of return for all concepts until the first revision of the benchmark interest rate takes place.

Financial assets at fair value with changes in fair value recognised in the income statement are valued at their fair value, with the result of changes in that fair value being recorded in the profit and loss account.

Investments classified in category b) above are valued at cost, less, where appropriate, by the cumulative amount of valuation adjustments for impairment. Such corrections are calculated as the difference between their carrying amount and the recoverable amount, understood as the greater of their fair value less costs to sell and the present value of future cash flows arising from the investment. Unless there is better evidence of the recoverable amount of investments in equity instruments, the equity of the investee is taken into account, corrected for the tacit capital gains existing on the valuation date, net of the tax effect.

At least at the end of the year, the Company conducts an "impairment test" for financial assets that are not recorded at fair value with changes in the profit and loss account. Objective evidence of impairment is considered to exist if the recoverable value of the financial asset is less than its carrying amount. When it occurs, the recording of this impairment is recorded in the profit and loss account.

In particular, and with respect to valuation adjustments relating to financial assets at amortised cost, the criterion used by the Company to calculate the corresponding valuation adjustments, if any, is to estimate the fair value of such balances based on estimated future cash flows.

The Company writes off financial assets when the rights to the cash flows of the corresponding financial asset expire or have been transferred and the risks and benefits inherent in its ownership have been substantially transferred, such as in firm sales of assets, assignments of trade credits in factoring operations in which the company does not retain any credit or interest risk or securitizations of financial assets in those that the assigning company does not retain subordinated financing or grant any type of guarantee or assume any other type of risk.

On the contrary, the Company does not deregister financial assets, and recognizes a financial liability for an amount equal to the consideration received, in the assignments of financial assets in which the risks and benefits inherent in its ownership are substantially retained, such as the discount of effects, "factoring with recourse", sales of financial assets with repurchase agreements at a fixed price or at the sale price plus a interest and securitisations of financial assets in which the transferring undertaking retains subordinated financing or other guarantees that substantially absorb all expected losses.

4.3.2 Financial liabilities

The financial liabilities assumed or incurred by the Company are classified in the category of valuation of financial liabilities at amortized cost and are those debits and items to be paid that the Company has and that have originated in the purchase of goods and services by traffic operations of the company, or those that, without having a commercial origin, not being derivative instruments, they come from loan or credit operations received by the Company.

These liabilities are initially measured at the fair value of the consideration received, adjusted for the costs of the directly attributable transaction. These liabilities are then valued at amortised cost. Financial instruments derived from liabilities are measured at fair value, following the same criteria as those for financial assets at fair value with changes in profit and loss described in the previous section

Assets and liabilities are presented separately on the balance sheet and are only presented for their net amount when the Company has the enforceable right to offset the recognized amounts and, in addition, they intend to liquidate the amounts for the net or to realize the asset and cancel the liability simultaneously.

The Company derecognises financial liabilities when the obligations that have generated them are extinguished.

Borrowings are initially recognised at fair value, including the costs incurred in raising the debt. In subsequent periods, the difference between the funds obtained (net of the costs required to obtain them) and the repayment value, if any and if it is significant, is recognised on the income statement over the term of the debt at the effective interest rate.

If existing debts are renegotiated, it is considered that there are no substantial modifications to the financial liabilities when the lender for the new loan is the same party that extended the initial loan and the present value of the cash flows, including net commissions, does not differ by more than 10% from the present value of the cash flows payable from the original liability calculated using the same method. Certain changes in the determination of cash flows may not exceed this quantitative analysis, but may also result in a substantial change in financial liabilities, such as: a change from fixed to variable interest rate in the remuneration of financial liabilities, the restatement of financial liabilities to a different currency, among other cases.

4.3.3 Derivative financial instruments

The Company uses derivative financial instruments to hedge its financial risk, arising mainly from changes in interest rates and exchange rates (see Note 5). These derivative financial instruments were classified as cash flow hedges or as hedges of net investment in currencies other than euro and recognised at fair value (both initially and subsequently), using valuations based on the analysis of discounted cash flows using assumptions that are mainly based on the market conditions at the reporting date and adjusting for the bilateral credit risk in order to reflect both the Company's risk and the counterparty's risk.

In order for these derivative financial instruments to qualify as accounting hedges, they are initially designated as such, documenting the hedging ratio. At the inception of the hedge, the Company documents the relationship between the hedging instruments and the hedged items, in addition to its risk management objective and the strategy for undertaking the hedge. The Company also documents how it will assess, both initially and on an ongoing basis, whether the derivatives used in the hedges are highly effective for offsetting changes in the fair value or cash flows attributable to the hedged risk.

The fair value of the derivative financial instruments used for hedging purposes is set out in Note 12.2.

Hedge accounting, when considered to be such, is discontinued when the hedging instrument expires or is sold, terminated or exercised or when it no longer qualifies for hedge accounting. Any accumulated gain or loss on the hedging instrument recognised in equity is retained in equity until the expected transaction occurs. If a hedged transaction is no longer expected to occur, the net accumulated gain or loss recognised in equity is transferred to net profit or loss for the year.

Classification on the balance sheet as current or non-current will depend on whether the maturity of the hedge at year-end is less or more than one year.

The criteria used to account for these instruments are as follows:

– Cash flow hedge

  The positive or negative variations in the valuation of the derivatives qualifying as cash flow hedges are charged, in their effective portion, net of the tax effect, to equity under "Hedging Operations", until the hedged item affects the income (or when the underlying part is sold or if it is no longer probable that the transaction will take place), which is when the accumulated gains or losses in net equity are released to the income statement for the year.

  Any positive or negative differences in the valuation of the derivatives corresponding to the ineffective portion are recognised directly in profit or loss for the year under "Change in fair value of financial instruments".

  This type of hedge corresponds primarily to those derivatives entered into by the Company to convert floating rate debt to fixed rate debt.

– Hedges of a net investment in currencies other than the euro

  In order to reduce exchange rate risk, the Company finances its main foreign investments in the same functional currency in which they are denominated. This is done by raising financial resources in the corresponding currency or by contracting mixed swaps of currencies and interest rates.

Hedging net investments in foreign operations in subsidiaries and associates is treated as fair value hedging by the exchange rate component.

Changes in the fair value of designated derivative financial instruments, which qualify as net investment hedging transactions in currencies other than the euro, are recognised in the income statement for the period under the heading "Change in fair value in financial instruments", together with any change in the fair value of the covered investment in subsidiaries and associates, attributable to exchange risk.

– Derivatives not recognised as hedges

In the case of derivatives that do not qualify as hedging instruments, the positive or negative difference resulting from the fair value adjustments are taken directly to the income statement for the year.

– Fair value and valuation techniques

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, irrespective of whether that price is directly observable or estimated using another valuation technique.

For financial reporting purposes, fair value measurements are classified as level 1, 2 or 3 depending on the extent to which inputs used are observable and the importance of the inputs for measuring fair value in its entirety, as described below:

- Level 1 – Inputs are based on quoted prices (unadjusted) for identical instruments in active markets.

- Level 2 – Inputs are based on quoted prices for similar instruments in active markets (not included in level 1), prices quoted for identical or similar instruments in markets that are not active and techniques based on valuation models for which all relevant inputs are observable in the market or can be corroborated by observable market data.

- Level 3 – In general, inputs are unobservable and reflect estimates based on market assumptions to determine the price of the asset or liability. Unobservable data used in the valuation models are significant in the fair values of the assets and liabilities.

To determine the fair value of its derivatives, the Company uses valuation techniques based on expected total exposure (which includes both current exposure as well as potential exposure) adjusted for the probability of default and loss given default of each counterparty.

The expected total exposure of the derivatives is obtained using observable market inputs such as interest rate, exchange rate and volatility curves in accordance with the market conditions at the measurement date. The inputs used for the probability of default by the Company and by the counterparties are estimated on the basis of the credit default swap (CDS) prices observed in the market.

In addition, in order to reflect the credit risk in the fair value the market standard of 40% is applied as a recovery rate, which relates to the CDS in relation to senior corporate debt.

4.4. Income tax

The income tax expense or income includes the portion relating to the expense or income for current tax and the portion corresponding to the deferred tax expense or income.

Cellnex Telecom, S.A. is subject to corporation tax under the tax regime of Fiscal Consolidation according to Chapter VI of Title VII of Law 27/2014, of November 27, on Corporation Tax, being the tax identification number of the group on 520/15. Consequently, corporation tax expenditure includes those advantages arising from the use of negative tax bases and uninvolved deductions that had not been recorded in the event of individual taxation of the companies that make up that tax group.

Current income tax expense is the amount the Company pays as a result of income tax settlements for a given year. Tax credits and other tax benefits applied to taxable profit, excluding tax withholdings, prepayments and tax loss carryforwards from previous years, reduce current income tax expense.

Deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences, measured as the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, as well as unused tax losses and tax credits. These amounts are measured by applying to the corresponding temporary difference or tax asset, the tax rate at which the asset is expected to be realised or the liability is expected to be settled.

Deferred tax liabilities are recognised in respect of all taxable temporary differences, with the exception of those arising from initial recognition of goodwill or other assets and liabilities in an operation that does not affect either taxable profit or accounting profit and is not a business combination.

Deferred tax assets are recognised only to the extent that it is considered likely the Company will have sufficient taxable profit in the future against which the deferred tax assets can be offset.

Deferred tax assets and liabilities arising from operations that are charged or credited directly to equity accounts are also recognised with a balancing entry under equity.

The deferred tax assets recognised are reconsidered at each closing date, and any necessary corrections are made if there are any doubts concerning future recovery. Deferred tax assets not recognised on the balance sheet are also assessed at each closing date and are recognised if it is likely they will be recovered with future tax gains.

In the determination of deferred tax assets, the tax group of which the Company is the parent, establishes a finite time horizon for the recovery of them on the basis of the best estimates made. Thus, on the basis of the estimation of the individual tax bases of the companies that make up the group, the expected period for the application of deferred tax assets has been determined, also taking into account the timetable for the use of the outstanding deductions, as well as the tax losses subject to compensation in subsequent years (Note 13).

The expense accrued by corporation tax is determined by taking into account in addition to the parameters to be considered in case of individual taxation set out above, and in accordance with the Resolution of 9 February 2016, of the Institute of Accounting and Audit of Accounts, which develops the rules for the registration, valuation and preparation of the annual accounts for the accounting of the Income Tax , the following:

- The permanent and temporary differences produced as a result of the elimination of results arising from the process of determining the consolidated tax base.

- The deductions and bonuses that correspond to each company code of the tax group under the company group regime; for this purpose, deductions and bonuses are attributed to the company carrying out the activity or obtaining the necessary return to obtain the right to deduction or tax bonus.

- For the part of the negative tax results from some of the companies in the tax group that have been compensated by the rest of the companies belonging to that group, as indicated above, an receivables with the tax group arises. On the part of the negative tax result not offset by the companies in the tax group, the company code to which it corresponds posts an asset by deferred tax according to the criterion discussed above.

4.5. Employee benefits

Under the respective collective bargaining agreements, the Company has the following obligations with its employees:

(i) Post-employment obligations:

Defined-contribution obligations

In relation to defined-contribution employee welfare instruments (which basically include employee pension plans and group insurance policies), the Company makes fixed contributions to a separate entity and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. Consequently, the obligations under this type of plan are limited to the payment of contributions, the annual expense of which is recognised on the income statement for the year as the obligations arise.

(ii) Termination benefits

Severance payments are paid to employees as a result of the decision to terminate their employment contract before the normal retirement age or when the employee voluntarily accepts in exchange for such benefits. The Company recognises these benefits when it has demonstrably committed itself to terminating the employment of current employees, in accordance with a detailed formal plan with no possibility of withdrawal, or to provide severance pay. In the event that mutual agreement is necessary, the provision is only recorded in those situations in which the Company has decided that it will give its consent to the withdrawal of employees, once requested by them.

(iii) Obligations arising from plans for termination of employment

Provisions for obligations relating to plans for termination of employment of certain employees (such as early retirement or other forms of employment termination) are calculated individually based on the terms agreed with the employees. In some cases, this may require actuarial valuations based on both demographic and financial assumptions.

(iv) Long-term Incentive Plan

The amounts considered by the Company in relation to the Long Term Incentive Plans which were formalised in 2019, 2020, 2021 and 2022 with the objective to retain key personnel and incentivise the sustainable creation of value for the shareholders, is based on the variables described below:

LTIP (2019-2021)

In November 2018 the Board of Directors approved the 2019-2021 LTIP. The beneficiaries include the CEO, the Deputy CEO, the Senior Management and other key employees (approximately 57 employees).

The amount to be received by the beneficiaries was determined by the degree of fulfilment of the share price increase, calculated using the initial starting price of the period and the average price in the three months prior to November 2021, weighted by the volume (“vwap”).

The achievement of the objectives established in the 2019-2021 LTIP were assessed by the Nominations, Remuneration and Sustainability Committee and paid after the approval of the annual consolidated financial statements of the Group as of and for the year ended 31 December 2021 by the Annual General Shareholders' Meeting.

For the LTIP 2019 – 2021 all Senior Management and Deputy CEO must receive a minimum of 50% of their LTIP remuneration in Cellnex shares and for the CEO the minimum amount is 30% of their LTIP remuneration in shares. The outstanding 50% or 70%, as applicable, may be paid in options. The decision to receive the options part in additional shares or in cash rests in an agreement between the Group and the employee. The share based compensation of this LTIP will be grossed up to partially offset the tax impact on the beneficiaries.

As at 31 December 2021, the cost of the 2019-2021 LTIP was EUR 7 million, which has been paid during the first half of 2022.

LTIP (2020-2022)

In December 2019, the Board of Directors approved the 2020-2022 LTIP. The beneficiaries include the CEO, the Deputy CEO, the Senior Management and other key employees (approximately 105 employees).

The amount to be received by the beneficiaries will be determined by the degree of fulfilment of the share price increase, calculated using the average price in the three months prior to 31 December 2019 (initial starting price of the period) and the average price in the three months prior to 31 December 2022 (final target price of the period), both weighted by the volume ("vwap").

The achievement of the objectives established in the 2020-2022 LTIP will be assessed by the Nominations and Remuneration Committee and payment of any accrued amounts, if applicable, will be following approval of the annual consolidated financial statements of the Group as of and for the year ended 31 December 2022 by the Annual General Shareholders' Meeting.

For the 2020–2022 LTIP, the CEO must receive a minimum amount of 30% of his LTIP remuneration in shares and the outstanding 70% may be paid in options. The rest of the Senior Management must receive a minimum amount of 40% of their LTIP remuneration in shares and the outstanding 60% may be paid in options. Other beneficiaries must receive 70% of their LTIP remuneration in shares and the outstanding 30% may be paid in options. The rest of the beneficiaries must receive 100% of their LTIP remuneration in shares. The decision to receive the options part in additional shares or in cash rests in an agreement between the Group and the employee.

As of December 2022, the estimated cost of the ILP (2020- 2022) is €6.1 million. The objectives set for this plan have not been met and therefore no pay-out will be made to management.

LTIP (2021-2023)

In December 2020, the Board of Directors approved the 2021-2023 LTIP. The beneficiaries include the CEO, the Deputy CEO, the Senior Management and other key employees (approximately 180 employees).

The amount to be received by the beneficiaries will be determined by the degree of fulfilment of the share price increase, calculated using the average price in the three months prior to 31 December 2020 (initial starting price of the period) and the average price in the three months prior to 31 December 2023 (final target price of the period), both weighted by the volume ("vwap").

The achievement of the objectives established in the 2021-2023 LTIP will be assessed by the Nominations and Remuneration Committee and payment of any accrued amounts, if applicable, will be following approval of the annual consolidated financial statements of the Group as of and for the year ended 31 December 2023 by the Annual General Shareholders' Meeting.

For the 2021–2023 LTIP, the CEO must receive a 30% of his LTIP remuneration in shares and the outstanding 70% may be paid in options. The rest of the Senior Management must receive a 40% of their LTIP remuneration in shares and the outstanding 60% may be paid in options. The rest of Management must receive 70% of their LTIP remuneration in shares and the outstanding 30% may be paid in options. The rest of the beneficiaries must receive 100% of their LTIP remuneration in shares. The decision to receive the options part in additional shares or in cash rests in an agreement between the Group and the employee.

As of December 31, 2022, the estimated cost of the ILP (2021-2023) is approximately €7.4 million.

LTIP (2022-2024)

In December 2021, the Board of Directors approved the 2022-2024 LTIP. The beneficiaries include the CEO (subject to the approval of the General Shareholders meeting), the Deputy CEO, the Senior Management and other key employees (approximately 225 employees). The amount to be received by the beneficiaries will be determined by the degree of fulfillment of four metrics:

– With a weighting of 20%, achieving certain RLFCF per share (considering the perimeter signed as of the end of 2021, and in 2024 the perimeter will have to be adjusted in order to estimate the like-for-like RLFCF per share provided that the Company targets to execute further inorganic growth). Cellnex´s RLFCF per Share is calculated by dividing RLFCF of the period / Cellnex´s number of outstanding shares, with approximately 708 million shares considered (assuming approximately 27 million new shares to be issued and paid to CK Hutchison Holdings Limited).

– With a weighting of 30%, relative position among a peers group based on Total Shareholder Return. Peers group is form by: American Tower, SBA Communications, Crown Castle, Helios Towers, Vantage Towers, Inwit, Rai Way, MSCI World Index.

– With a weighting of 30%, absolute Total Shareholder Return. The degree of achievement of the share price increase will be calculated on the basis of the average price of the three months prior to the date of grant, volume weighted ("vwap").

– With a weighting of 20%, ESG metrics: i) 8% reaching an specific percentage of sourcing of renewable electricity of the Group, and ii) 12% is based on three parameters: a) the employee engagement at FY21 constant perimeter (based on the pulse survey), b) the reduction of the gender pay gap by 5% at FY21 constant perimeter, and c) achieving an specific percentage of foreign Directors at the Headquarters.

Additionally, under very exceptional performance of absolute Total Shareholder Return and relative position between top 2 companies of the peer group, a booster will be applied to the pay-out capped at a maximum of 5.0x (ranking first with respect the companies of the peer group, and being the share price approximately 115€/share). The achievement of the objectives established in the 2022-2024 LTIP will be assessed by the Nominations, Remunerations and Sustainability Committee and payment of any accrued amounts, if applicable, will be following approval of the annual consolidated financial statements of the Group as of and for the year ending 31 December 2024 by the Annual General Shareholders' Meeting.

For all the beneficiaries of the 2022—2024 LTIP, 40% of this remuneration will initially be paid through granted shares and the remaining 60% through options, with an obligation to permanently hold shares depending on the job levelling of each employee. The decision to receive the options part in additional shares, in cash or pension benefits is an agreement between the Group and the employee.

As of December 31, 2022, the estimated cost of the 2022-2024 ILP amounts to approximately €5,3 million.

4.6. Provisions and contingent liabilities

The Directors of the Company in the formulation of the annual accounts differentiate between:

– Provisions: credit balances that cover current obligations derived from past events, whose cancellation is likely to result in an outflow of resources, but which are indeterminate in terms of their amount and / or time of cancellation.

– Contingent liabilities: possible obligations arising as a result of past events, whose future materialization is conditioned on the occurrence, or not, of one or more future events independent of the Company's will.

The annual accounts include all provisions with respect to which it is estimated that the probability of having to meet the obligation is greater than otherwise. Unless they are considered remote, contingent liabilities are not recognized in the annual accounts, but they are reported in the notes to the report.

Provisions are valued at the present value of the best possible estimate of the amount necessary to cancel or transfer the obligation, taking into account the information available on the event and its consequences, and recording the adjustments arising from the updating of such provisions as a financial expense as it accrues.

The compensation to be received from a third party at the time of settlement of the obligation, provided that there is no doubt that said reimbursement will be received, is recorded as assets, except in the case that there is a legal link through which part of the risk, and by virtue of which the Company is not obliged to respond; in this situation, the compensation will be taken into account to estimate the amount for which, in its case, the corresponding provision will appear.

4.7. Current and non-current items

Current assets are those related to the normal operating cycle that is generally considered to be one year, as well as those assets whose maturity, disposal or realization is expected to occur in the short term from the closing date of the year. Financial assets held for trading, with the exception of financial derivatives whose settlement period is greater than one year and cash and other equivalent liquid assets. Assets that do not meet these requirements are classified as non-current.

Similarly, current liabilities are liabilities linked to the normal operating cycle, financial liabilities held for trading, with the exception of financial derivatives whose settlement period is greater than one year and, in general, all the obligations whose maturity or extinction will occur in the short term. Otherwise, they are classified as non-current.

4.8. Recognition of revenue and expenses

On the basis of the consultation to Spain's Accounting and Audit Institute (ICAC) resolved on 23 July 2009, concerning accounting classification of the revenue and expenses of a holding company in individual accounts, income from dividends and interest accruing from the financing of investees were classified under "Revenue".

Income and expenses are recognised on an accrual basis, i.e., when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at the reporting date, provided that the outcome of the transaction can be estimated reliably.

Interest received on financial assets is recognized using the method of the effective interest rate and dividends, when the shareholder's right to receive them is declared. In any case, interest and dividends on financial assets accrued after the time of acquisition are recognized as income in the profit and loss account.

In relation to the dividends received, any distribution of available reserves will be classified as a "profit distribution" operation and, consequently, will give rise to the recognition of an income in the partner, provided that, from the date of acquisition, the investee or any Group company owned by the latter has generated profits in excess of the own funds that are distributed. The judgment on whether profits have been generated by the investee will be made exclusively on the basis of the profits accounted for in the individual profit and loss account since the date of acquisition, unless the distribution from these profits must be classified as a recovery of the investment from the perspective of the entity receiving the dividend.

4.9. Leases

Leases are classified as finance leases, provided that the conditions of the leases show that the risks and benefits inherent to the ownership of the asset that is the object of the contract are substantially transferred to the lessee. The other leases are classified as operating leases.

Operating lease

i. The Company acts as a lessee

Expenses derived from operating lease agreements are charged to the profit and loss account in the year in which they are accrued.

Any collection or payment that may be made when contracting an operating lease, will be treated as a prepayment or payment that will be charged to income over the period of the lease, as the benefits of the leased asset are ceded or received.

4.10. Cash and cash equivalents

For the purposes of the statement of cash flows, "Cash and cash equivalents" includes the Company's cash and current deposit accounts with an initial maturity of three months or less, or current investments that the Company can withdraw cash without giving any notice and without suffering any significant penalty. The carrying amount of these assets is similar to their fair value.

4.11. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

If the Company acquires treasury shares, these are recognised in the balance sheet under "Treasury shares" and deducted from equity and measured at their acquisition cost without recognising any valuation adjustment. When these shares are sold, any amount received, net of any additional directly attributable transaction costs and the corresponding effect of the tax on the gain generated, is included in equity of the Company.

The convertible bonds are compound instruments that have been split into its two components: a debt component corresponding to the present value of the coupons and principal discounted at the interest rate of a bond, with same nominal amount and maturity, without the convertibility option; and an equity component, for the remaining amount, due to the bondholder option to convert into shares

4.12. Payments based on shares

The Company recognizes, on the one hand, the goods and services received as an asset or as an expense, according to its nature, at the time of its acquisition and, on the other hand, the corresponding increase in net assets, if the transaction is settled with equity instruments, or the corresponding liability if the transaction is settled with an amount that is based on the value of the equity instruments.

In the case of transactions that are settled with equity instruments, both the services rendered and the increase in net equity are valued at the fair value of the equity instruments transferred, referring to the date of the concession agreement. If, on the contrary, they are settled in cash, the goods and services received and the corresponding liability are recognized at the fair value of the latter, referring to the date on which the requirements for recognition are met.

4.13. Related party transactions

The Company carries out all its transactions with related parties on an arm's length basis. Also, as transfer prices are adequately documented, the Company’s Directors feel there are no significant risks that could give rise to material liabilities in the future.

For balance sheet presentation purposes, Group companies are considered as those that are direct or indirect subsidiaries of Cellnex Telecom, S.A., and associates are considered as companies that have this status with respect to companies controlled by Cellnex Telecom, S.A.; and other related companies are deemed to be those with significant influence over Cellnex Telecom, S.A., with the right to nominate a director or with a shareholding above 3% (see Note 11).

4.14. Transactions in foreign currencies

Gains and losses on currencies other than the euro arising from the settlement of these transactions and from the translation of monetary assets and liabilities held in currencies other than the euro at the year-end exchange rates are recognised in the income statement.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The resulting gains or losses are recognised in equity or in profit or loss by applying the same methods as those used to recognise changes in fair value, as indicated in Note 4.3 on financial instruments.

4.15. Activities affecting the environment

The Company's activities and business purpose are such that it has no environmental impact, and therefore it is not necessary to incur any expenses or invest to meet the environmental requirements laid down in law.

The potential impact on the annual accounts of the risks arising from climate change described in Note 19 have been duly considered, without significant impacts. Therefore, it has not been considered necessary to record any provision for environmental risks and expenditures, as there are no contingencies in relation to climate change or environmental protection.

5. Financial risk management

5.1. Factors of financial risk

The activities of the Company and the Group, of which it is the Parent, are exposed to various financial risks: exchange-rate risk, interest-rate risk, credit risk, liquidity risk, inflation risk and debt-related risk.

Financial risk management of the companies in the Cellnex Group is controlled by the General Finance Department following authorisation by the most senior executive officer of Cellnex, as part of the respective policy adopted by the Board of Directors.

a. Foreign-exchange risk

The Company presents its accounts in euros, therefore, fluctuations in the exchange rate of the currencies in which loans are implemented and transactions are carried out, can have an impact on: future commercial transactions, the recognition of assets and liabilities, as well as in investments in currency other than the euro.

In addition, since 2016 the Company operates outside the Euro zone and has assets mainly in the United Kingdom, Switzerland, Sweden, Poland and Denmark, which entails exposure to foreign currency risk and in particular to the risk of fluctuations in the exchange rates of the euro, pound sterling, Swiss franc, Swedish krone, Polish Zloty and Danish krone. The Company’s strategy for hedging foreign currency risk in investments in non-euro currencies does not necessarily attempt to fully hedge this risk, considering that the Company is a long term investor in the above mentioned currencies and tends towards a balanced hedge of this risk. In fact, the Group is open to assessing different hedging strategies, based on, inter alia, the depth of the market for local currency finance and hedging and its corresponding cost. These strategies could eventually allow the Group to have significant positions not covered. These different hedging strategies might be implemented over a reasonable period depending on the market and the prior assessment of the effect of the hedge. Hedging arrangements can be instrumented via derivatives or borrowings in local currency, which act as a natural hedge.

Despite the fact that most of the Company's transactions are carried out in euros, the volatility in the conversion into euros of the agreements entered into in pounds sterling and Swiss francs may have negative consequences for the Company, affecting its business prospects, projections, financial statements and results of operations, as well as the generation of cash flows.

The Company uses derivative financial instruments to manage its financial risk mainly from exchange rate changes. These derivative financial instruments have been classified as cash flow hedging and recognized at fair value (both initial and subsequent valuations). These valuations have been calculated by analysing the cash flows discounted by assumptions based mainly on market conditions existing at the balance sheet date, in the case of unlisted derivative financial instruments (see Notes 4.3.3 and 12.2).

As of 31 December 2022, there is contracted financing to third parties that provides exchange rate hedging mechanisms (see Note 12.2).

b. Interest rate risk

The Company is exposed to interest rate risk through its non-current and current borrowings.

Foreign resources issued at variable rates expose the Company to interest rate risks of cash flows, while non-fixed interest rate exposures expose the Company to interest rate risks on fair value. In addition, any increase in interest rates may increase the financial expense of the Company associated with variable rate loans, as well as the costs of refinancing existing debt and issuing new debt.

The objective of interest rate risk management is to achieve a balance in the debt structure that minimizes volatility in the income statement over a multi-year horizon.

The Company could use derivative financial instruments to manage its financial risk derived mainly from interest rate variations. These derivative financial instruments have been classified as cash flow hedges and have been recognized at fair value (both initial and subsequent valuations). These valuations have been calculated by analyzing the discounted cash flows using assumptions based mainly on the market conditions existing at the balance sheet date, in the case of unlisted derivative instruments (see Notes 4.3.3 and 12.2).

On 31 December 2022 there is financing contracted to third parties that presents interest rate hedging mechanisms (see Note 12.2).

c. Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as other debts, including outstanding receivables and committed transactions.

To mitigate this credit risk, the Company carries out derivative transactions and spot transactions mainly with banks with strong credit ratings as qualified by international rating agencies. The solvency of these institutions, as indicated in each institution’s credit ratings, is reviewed periodically in order to perform active counterparty risk management.

During the years for which information is reported, no credit limits were exceeded and management does not expect to incur losses as a result of default by any of the counterparties indicated above.

d. Liquidity risk

The Company carries out prudent management of liquidity risk, which involves maintaining cash and having access to a sufficient amount of finance through established credit facilities as well as the ability to liquidate market positions.

Given the dynamic nature of the Company's business and its joint-hand companies, the Management aims to maintain flexibility in financing through the availability of compromised lines of credit. Due to this policy, the Company, together with its holding companies, has an available liquidity of approximately 4,500 million euros, consisting of "cash and cash equivalents" and credit policies available at the date of formulation of these annual accounts, and has no immediate debt maturities (the maturities of the Company's financial obligations are detailed in Note 12).

As a result of the above, the Company considers that it has liquidity and access to medium and long-term financing, allowing it to ensure the necessary resources to meet the possible commitments of future investments.

However, the Company may not be able to withdraw or access liquid funds in a sufficient amount and at a reasonable cost to meet its payment obligations at all times. Failure to maintain adequate levels of liquidity may materially and adversely affect the business, projections, results of operations, financial conditions and/or cash flows of the Company or its Participating companies, and in extreme cases, threaten the future as a working company and lead to insolvency

e. Inflation risk

Despite a long period of historically low inflation, inflation is rising worldwide during 2022, with food, energy and gasoline prices reaching record levels. A significant portion of the Group's operating costs could increase as a result of higher inflation and the European Central Bank's monetary policies. In addition, most of the Group's infrastructure services contracts are indexed to inflation. As a result, its results of operations could be affected by inflation and/or deflation, especially if Cellnex fails to pass inflation on to customers. In this sense, those contracts with clients that do not have an inflationary cap may not be sustainable over time for our clients, which could result in requests for renegotiation, increase in bad debts, legal disputes and a worsening of the relationship between the Group and its clients, causing possible losses of future opportunities.

In addition, in the current inflationary environment, the Group may not benefit from the operating leverage nature of its business on normalised terms as a result of a mismatch between operating income and operating expenses (Opex) and the net payment of lease liabilities in terms of inflation exposure.

f. Debt-related risk

The Company’s present indebtedness, which has increased significantly in recent years as the Group has expanded its business, or future indebtedness could have significant negative consequences on its business, prospects, results of operations, financial condition, corporate rating and cash flows, and there can be no assurance that the Group will generate sufficient cash flows from operations to service its present or future indebtedness or that future borrowing will be available in an amount sufficient to enable the Group to pay its indebtedness or to fund other liquidity needs.

Additionally, the Group’s future performance and its ability to generate sufficient cash flows from operations, to refinance its indebtedness or to fund capital and development expenditures or opportunities that may arise is, to a certain extent, subject to general economic, financial, competitive, legislative, legal and regulatory factors, as well as to other of the factors discussed above, many of which are beyond the Group’s control.

In particular, if future cash flows from operations and other capital resources are insufficient to pay its obligations as they mature, the Group may be forced to, among others, (i) issue equity capital or other securities or restructure or refinance all or a portion of its indebtedness, (ii) accept financial covenants in the Group's financing contracts such as limitations on the incurrence of additional debt, restrictions in the amount and nature of the Group's investments or the obligation to pledge certain Group's assets, or (iii) sell some of its core assets, possibly not on the best terms, to meet payment obligations. There can be no assurance that the Group would be able to accomplish any of these measures in a timely manner or on commercially reasonable terms, if at all. In addition, in the event that any change of control clause contained in the Group financings is triggered, the Group may be required to early repay its outstanding debt. Any of these aspects could impact in a potential downgrade in the Group's credit ratings from a rating agency, which can also make obtaining new financing more difficult and expensive.

On the other hand, if as a result of its present or future indebtedness the Group is required to dedicate a substantial portion of its cash flows from operations to service Group debt, it would have to also reduce or delay its business activities and/or the amount of cash flows available for other liquidity needs or purposes, including, among others, dividends or capital expenditures. This could, in turn, force the Group to forego certain business opportunities or acquisitions and place it at a possible competitive disadvantage to less leveraged competitors and competitors that may have better access to capital resources.

As mitigation of the above-mentioned risk, the Group has taken, inter alia, the following actions: (i) signing long-term Revolving Credit Facilities, by which, banks commit to make funds available immediately to the Group for any potential cash needs, and (ii) entering into new financing markets, such as the USD in 2021, this market offers a wide range of potential financial fundings and diversify Group bonds investor base. Finally, in November 2022 the Group publicly announced its commitment to reduce the leverage and maintain it consistently below a certain level, with the objective to become Investment Grade by Standard & Poors as well as maintaining the current Investment Grade by Fitch.

5.2. Fair value measurements

The fair value of financial instruments not quoted on active markets is determined using valuation techniques. The Company uses a variety of methods and makes assumptions based on the existing market conditions at each balance sheet date.

6. Intangible assets

The changes in this caption on the balance sheets in 2022 and 2021 are as follows:

2022

	Thousands of Euros
	Computer software
A 31 December 2021	
Cost	51,295
Accumulated amortisation	(23,222)
Carrying amount	**28,073**
Carrying amount at beginning of period	28,073
Additions	19,520
Amortisation charge	(10,854)
Carrying amount at end of period	**36,739**
A 31 December 2022	
Cost	70,815
Accumulated amortisation	(34,076)
Carrying amount	**36,739**

2021

	Thousands of Euros
	Computer software
A 31 December 2020	
Cost	33,829
Accumulated amortisation	(15,606)
Carrying amount	**18,223**
Carrying amount at beginning of period	18,223
Additions	17,475
Discards	(9)
Accumulated depreciation of discards	8
Amortisation charge	(7,624)
Carrying amount at end of period	**28,073**
A 31 December 2021	
Cost	51,295
Accumulated amortisation	(23,222)
Carrying amount	**28,073**

The additions of the 2022 and 2021 exercises correspond to the improvement and adaptation of software developments.

All the intangible assets described in the table above have definite useful lives.

As of 31 December 2022, there are intangible assets in operation that are fully amortized for an amount of EUR 14,926 thousand (EUR 9,786 thousand as of 31 December 2021).

7. Property, plant and equipment

The changes in this caption on the balance sheets in 2022 and 2021 are as follows:

2022

	Thousands of Euros			
	Land and buildings	Plant and other items of property, plant and equipment	Property, plant and equipment under construction	Total
At 31 December 2021				
Cost	6,902	14,608	20	21,530
Accumulated amortisation	(124)	(3,222)	—	(3,346)
Carrying amount	**6,778**	**11,386**	**20**	**18,184**
Carrying amount at beginning of period	6,778	11,386	20	18,184
Additions	907	3,566	—	4,473
Transfers	—	20	(20)	—
Amortisation charge	(223)	(2,813)	—	(3,036)
Carrying amount at end of period	**7,462**	**12,159**	**—**	**19,621**
At 31 December 2022				
Cost	7,809	18,194	—	26,003
Accumulated amortisation	(347)	(6,035)	—	(6,382)
Carrying amount	**7,462**	**12,159**	**—**	**19,621**

2021

	Thousands of Euros			
	Land and buildings	Plant and other items of property, plant and equipment	Property, plant and equipment under construction	Total
At 31 December 2020				
Cost	874	6,806	68	7,748
Accumulated amortisation	(67)	(2,105)	—	(2,172)
Carrying amount	**807**	**4,701**	**68**	**5,576**
Carrying amount at beginning of period	807	4,701	68	5,576
Additions	6,032	7,828	20	13,880
Transfers	1	67	(68)	—
Discards	(5)	(137)	—	(142)
Accumulated depreciation of discards	—	44	—	44
Amortisation charge	(57)	(1,117)	—	(1,174)
Carrying amount at end of period	**6,778**	**11,386**	**20**	**18,184**
At 31 December 2021				
Cost	6,902	14,608	20	21,530
Accumulated amortisation	(124)	(3,222)	—	(3,346)
Carrying amount	**6,778**	**11,386**	**20**	**18,184**

The additions of the 2022 and 2021 financial year correspond mainly to the adaptation and improvement of the facilities rented and the data processing and technical equipment of the Company.

All the property, plant and equipment described in the table above (excluding “lands”) have definite useful lives.

The Company occupies several rented facilities (Note 16.3) which lease contracts finalise in a period between 1 and 15 years, not expecting renewals difficulties. In the opinion of the Board of Directors, those leases shall be renewed upon expiry under market conditions, so as to allow the allocation of the amortization of gross costs of the fixed assets acquired within the useful life period described in Note 4.2, and in the case where transfer occurs, no significant effects are expected.

As of 31 December 2022, there are property, plant and equipment assets in operation that are fully amortized for an amount of EUR 1,211 thousand (EUR 838 thousand as of 31 December 2021).

It is Company policy to take out all the insurance policies considered necessary to safeguard against any risks that might affect its property, plant and equipment.

8. Investments in Group companies and associates

8.1. Equity instruments

The breakdown of direct and indirect shareholdings in Group companies and associates, together with their carrying amount, the breakdown of equity and the dividends received from them, is shown in Appendix I.

At 31 December 2022 and 2021 there are no investees which, with a stake of less than 20%, it is concluded that there is significant influence or, in the case of investees with a stake of more than 20%, it may be concluded there is no significant influence.

The breakdown of the direct shareholdings in Group companies as well as the movement of the years 2022 and 2021 is as follows:

2022

Shareholding in Group companies	Thousands of Euros
At 31 December 2021	**20,218,413**
Additions[1]-	
Cellnex France Groupe, S.A.S.	1,948,574
Cellnex Switzerland AG	20,696
Cellnex UK Limited	2,044,023
Cellnex Poland Sp. z.o.o.	128,267
CLNX Portugal, S.A.	53,558
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	32,312
Ukkoverkot Oy	68
Disposals[1]-	
Cellnex UK Limited	(23,940)
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	(55,292)
	4,148,266
At 31 December 2022	**24,366,679**

1 The “additions" and "Disposals" for the financial year also include the entries corresponding to the application of hedge accounting as described below

2021

Shareholding in Group companies	Thousands of Euros
At 31 December 2020	**13,081,300**
Additions 1-	
Cellnex France Groupe, S.A.S.	2,200,000
Cellnex Italia, S.p.A.	3,603,000
Cellnex Switzerland AG	17,731
Cellnex UK Limited	29,743
Cellnex Poland Sp. z.o.o.	2,414,138
Cellnex Sweden, AB	633,000
CLNX Portugal, S.A.	116,000
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	136,390
Ukkoverkot Oy	179
Disposals 1-	
Cellnex Netherlands B.V.	(22,900)
Cellnex Telecom España, S.L.U.	(1,986,165)
Towerlink Portugal, ULDA	(4,000)
Cellnex Poland, sp. z o.o	(3)
	7,137,113
At 31 December 2021	**20,218,413**

1 The “additions" and "Disposals" for the financial year also include the entries corresponding to the application of hedge accounting as described below.

Shareholding in Group companies	Thousands of Euros	
	Net Value 2022	Net Value 2021
Cellnex Austria GmbH	953,035	953,035
Cellnex Denmark ApS	350,005	350,005
Cellnex Finance Company, S.A.U.	1,000,060	1,000,060
Cellnex France Groupe, S.A.S.	6,472,965	4,524,391
Cellnex Ireland Limited	499,000	499,000
Cellnex Italia, S.p.A.	4,555,310	4,555,310
Cellnex Netherlands B.V.	488,455	488,455
Cellnex Sweden, AB	633,002	633,002
Cellnex Switzerland, AG	619,544	598,848
Cellnex Telecom España, S.L.U.	821,335	821,335
Cellnex Poland Sp. z.o.o.	2,542,405	2,414,138
Cellnex UK Limited	3,906,811	1,886,728
Cignal Infrastructure Services, Ltd.	178,636	178,636
CLNX Portugal, S.A.	1,206,942	1,153,384
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	113,410	136,390
Ukkoverkot Oy	25,764	25,696
Total	**24,366,679**	**20,218,413**

As of 31 December 2022 and 2021, the Company has not registered valuation corrections in the investments in Group companies based on the criteria described in Note 4.3.1.

The main movements of the year 2022 correspond to the following operations:

(i) Agreement with Hutchison in the United Kingdom

Within the framework of the agreement reached by the Company with CK Hutchison Networks Europe Investments S.à.r.l ("Hutchison") during the financial year 2020, during the second half of 2022, the Company together with its investee Cellnex UK Limited have completed the agreements with CK Hutchison Holdings with respect to the United Kingdom, after receiving approval from the British Markets and Competition Authority (CMA) to them and the subjection to divestiture by Cellnex of approximately 1,100 sites operated by Cellnex in the United Kingdom.

Within the framework of this agreement, the Company has completed the following operations:

- On November 10, 2022, the Company has carried out a capital increase that is fully subscribed and paid by CK Hutchison Networks Europe Investments S.à.r.l through the non-monetary contribution corresponding to the credit right maintained against the Group company regarding the part of the purchase price of Hutchinson's business in the United Kingdom that the Company had to settle in treasury shares. As a result of the tendered operation, the Company becomes the holder of the aforementioned receivable whose fair value at the time of the operation amounted to 1,237,422 thousand euros, equivalent to the market value of the shares delivered, both in the increase and as those held in treasury stock (Note 11.1), by the Company at the time of completion of the operation.

- Subsequently, the aforementioned account receivable has been partially collected for a total amount of 500,000 thousand euros and the remaining amount has been capitalized as a higher value of the investment held by the Company in Cellnex UK limited.

- Additionally, on the same date the Company made a capital contribution in its investee company Cellnex UK Limited, for an amount of 1,307 million euros. That capital contribution, together with cash that the aforementioned investee company has obtained from the company of the Group Cellnex Finance Company, S.A., has been used, on the one hand, to finance the part of the acquisition that was to be settled in cash.

As a result of the above operations, the company has increased its stake in Cellnex UK Limited by 2,044,023 thousand euros in 2022.

(ii) Digital Infrastructure Vehicle II SCSp SICAV-RAIF

During the second half of 2022, the investee Digital Infrastructure Vehicle II SCSp SICAV – RAIF ("DIV") has made a contribution refund to the Company for a total amount of 51.8 million euros. As a result, the Company's shareholding in this investee has decreased to 20.62% (33.33% as of 31 December 2021). The return is a consequence of the entry of other investors into the fund who have subscribed to said capital previously owned by the Company. Likewise, the Company has received a distribution of 4.6 million euros from the investee, of which 3.5 million euros have been recorded as a lower cost of the participation since they do not correspond to results generated by the subgroup of the investee company since its acquisition.

iii) Cellnex France Groupe S.A.S

During the first and second half of 2022, the Company has formalized capital increases in the investee company Cellnex France Groupe, S.A.S. for a total amount of 1,949 million euros respectively. This financing has been carried out with the aim of acquiring an additional 30% stake in On Tower France S.A.S ("On Tower France") by Cellnex France Groupe.

iv) Cellnex Poland S.p. z.o.o.

On March 1, 2022, the Company has formalized a capital increase in its investee company Cellnex Poland S.p. z.o.o ("Cellnex Poland"), for an amount of PLN 615 million (128 million euros) that has been fully subscribed and paid. This capital increase has been carried out with the aim of acquiring an additional 10% stake in On Tower Poland sp z.o.o ("On Tower Poland") from Cellnex Poland from Iliad Purple.

v) CLNX Portugal, S.A.

On September 28, 2022, the Company has formalized a capital increase in its investee company CLNX Portugal, S.A. ("Cellnex Portugal"), for an amount of 53,557 thousand euros that has been fully subscribed and paid. This capital increase has been carried out with the aim of carrying out the acquisition of 100% of the share capital of Hivory Portugal S.A by CLNX Portugal S.A.

Changes in the portfolio as a result of the exchange rate:

During 2022, the coverage of net investment in businesses abroad of certain companies such as Cellnex UK Limited and Cellnex Switzerland AG represented a decrease and an increase in the cost of investment in these investees amounting to 23,940 thousand euros and 20,696 thousand euros, respectively (increases of 29,743 thousand euros and 17,731 thousand euros, respectively, during the year 2021). This change was made for consideration in the income statement for the year (under the heading "Change in the fair value of financial instruments") due to the exchange rate effect of the part of the hedge considered as effective hedging, this impact being offset by the effect of the hedge contracted (see Note 12.2), also recorded under the same heading of the income statement "Change in the fair value of financial instruments" (see Nota 15.5).

The main additions in 2021 relate to the following transactions:

i) Agreement with Hutchison

Within the framework of the agreement reached by the Company with CK Hutchison Networks Europe Investments S.à.r.L. ("Hutchison") during the second half of 2020 described below in the detail of the main movements recorded in 2020, the Company has completed the following acquisitions during the financial year 2021:

- On 21 January 2021, the Company made a capital contribution to its investee company Cellnex Sweden, AB ("Cellnex Sweden"), amounting to EUR 633 million. This capital contribution has been destined to the acquisition of 100% of the share capital of HI3G Networks AB (currently, On Tower Sweden AB) by Cellnex Sweden, dated January 25, 2021.

- On June 21, 2021, the Company has approved a capital increase amounting to EUR 3,603 million to Cellnex Italia, S.p.A. fully paid-up, which has been destined to the acquisition of 100% of the share capital of CK Hutchison Networks Italia SPA ("Networks Co Italy").

ii) Cellnex Poland Sp. z.o.o.

On March 25, 2021, the Company has approved a capital increase in its investee company Cellnex Poland sp. z.o.o o ("Cellnex Poland") amounting to PLN 3,850 million, approximately EUR 829 million. This capital increase has been destined to the acquisition of 60% of On Tower Poland sp. z.o.o (formerly Elphin Sp. s.o.o).

In connection with such acquisition, a 40% interest is established by the other shareholder to exercise a right to sell (i) a 10% (and not less than 10%) interest for a period of 30 days from the first anniversary of the closing date of the acquisition and (ii) all for a period between the 62nd business day following the first anniversary of the closing date of the acquisition. and the fourth anniversary of the same subject to certain conditions.

Likewise, on July 6, 2021, the Company has approved a capital increase in Cellnex Poland for an amount of PLN 7,125 million, approximately EUR 1,585 million. This capital increase has been destined to the acquisition of 99.99% of Polkomtel Infrastrukura sp. z.o.o.

iii) Cellnex France Groupe, S.A.S.

On September 1, 2021, the Company has formalized in the investee company Cellnex France Groupe, S.A.S. a capital increase amounting to EUR 2,200 million with the aim of acquiring Hivory, S.A.S. for an amount of EUR 5,282 million, with the rest of the amount of the acquisition financed by the Group Company Cellnex Finance Company, S.A.U.

iv) CLNX Portugal, S.A.

On July 27, 2021, the Company has formalized a capital increase amounting to EUR 112 million, in addition to that made on March 12, 2021 for an amount of EUR 4 million in the investee company CLNX Portugal, S.A. with the aim of acquiring 100% of Infratower, S.A. for an amount of EUR 215 million, with the rest of the amount of the acquisition financed by the Group Company Cellnex Finance Company, S.A.U.

v) Digital Infrastructure Vehicle II SCSp SICAV-RAIF

As part of the acquisition of Cignal Infrastructure Netherlands, Cellnex Telecom, S.A. and Deutsche Telekom A.G. signed, in their capacity as initial partners of the fund, a letter of commitment under which the Company undertook to invest EUR 200 million in Digital Infrastructure Vehicle II SCSp ("DIV"). During the second quarter of 2021, DIV disposed of approximately EUR 136 million which the Company paid with cash on hand.

vi) Cellnex Telecom España, S.L.U.

On February 3, 2021, Cellnex Telecom España, S.L.U. has proceeded to the refund of the entire monetary contribution made by the Company on December 17, 2020 for an amount of EUR 2,000 million. Of the total, EUR

1,986 million have been registered with payment to the holdings held since they did not correspond to results generated by the subgroup of the investee company since its acquisition.

vii) Cellnex Netherlands B.V.

On 21 January 2021, Cellnex and Cellnex Netherlands, B.V. signed a framework agreement with Deutsche Telekom A.G., Deutsche Telecom Europe, B.V. and DIV which, inter alia, sets out the conditions, stages and mechanisms for making a contribution in kind, through DIV, of 100% of the share capital of T-Mobile Infra, B.V. ("T-Mobile Infra") to Cellnex Netherlands, B.V. in exchange for a 37.65% stake in the share capital of Cellnex Netherlands, B.V. As a result of this transaction, the Company has now held a 62.35% stake in Cellnex Netherlands, B.V. as of December 31, 2021 (100% as of December 31, 2020). In addition, Cellnex, DIV and a Dutch foundation concluded a put option contract, which provides for DIV's right to sell its 37.65% minority stake to Cellnex (see Notes 16 and 20) whose fair value at 31 December 2021 amounts to EUR 296 million.

On the other hand, during the month of May 2021, Cellnex Telecom, S.A. has approved the distribution of dividends amounting to EUR 22,900 thousand that have been recorded as the lowest cost of participation in Cellnex Netherlands, B.V. (a sole proprietorship 100% owned by Cellnex Telecom, S.A.), since they did not correspond to results generated by the subgroup of the investee company since its acquisition.

Changes in the portfolio as a result of the exchange rate:

During the year 2021, the net investment coverage in foreign businesses of certain companies such as Cellnex UK Limited and Cellnex Switzerland AG represented an increase in the cost of investment in these investees for an amount of EUR 29,743 thousand and EUR 17,731 thousand, respectively (decrease and increase of EUR 14,664 thousand and EUR 1,926 thousand, respectively, during the year 2020). This variation was made with counterpart in the income statement for the year (under the heading "Change in fair value in financial instruments" due to the exchange rate effect for the part of the hedge considered as effective hedging, this impact being offset by the effect of the contracted coverage (see Note 12.2), also registered in the same heading of the income statement "Change in fair value in financial instruments" (see Note 15.5).

8.2. Impairment

As indicated in Note 4.3, at the end of the year, the Company evaluates whether any of the investments recorded in books show signs of impairment and, if applicable, their recoverable value.

For this purpose, the method for estimating the recoverable value from the net equity value was used first.

In those cases in which when applying said method it has been shown that the book value was higher, the recoverable amount of the investment has been determined based on the present value of the future cash flows derived from the investment, calculated by estimating their share in the cash flows expected to be generated by the investee, or the market value (price of recent similar transactions in the market) minus the costs associated with the sale.

In those cases in which the main activity of the investee is holding company shares, the recoverable amount has been calculated based on the aggregation of the present value of the future cash flows derived from the investment of its subsidiaries.

In order to determine this current value of the future cash flows derived from the investment, the following has been mainly carried out:

– The projections of income and expenses of the impairment tests of the previous year have been reviewed to evaluate possible deviations. In this sense, no significant deviations have been observed in the review of the impairment tests for 2021 with respect to the results for the year 2022.

– The time frame in which the corresponding investment is estimated to generate cash flows has been determined. The projections cover a period of more than five years of cash flows after the end of the year, due to the duration of existing service contracts with customers. In this sense, the projections consider a projected period (33 years on average) until the sharing ratio reaches normal market standards and, at that time, the residual value is determined.

– The corresponding projections of income and expenses have been made, according to the following general criteria:

1. For revenue, trends were forecast assuming a different increase for each CGU of the consumer price index (CPI) in each country as well as the conditions agreed with the MNOs (floors, caps and escalators where applicable) in which the assets are used or the business operates as well as increases activity through collocation of new MNOs until a standard tenancy of mature markets is achieved.

2. For expenses, trends were considered in light of expected changes in the respective CPIs and the projected performance of the business. as well as expected cost reductions from the efficiency programs launched by the Group.

3. In addition, the Group considered the impact of infrastructure maintenance and expansion to be carried out, using the best estimates available based on the Group's experience and taking into account the projected performance of the activity. Current market guidance given in relation to the ratio of maintenance and expansion capex to revenues amounts to c.3% and c.10%, respectively.

4. Taxes have been also considered in the projections on a country-by-country basis.

– The cash projections obtained from the projection of income and expenses carried out according to the above-mentioned criteria, have been updated to the discount rate resulting from adding to the cost of money without risk in the long term, the risk premium assigned by the market to the country where the activity of the company is carried out, the risk premium assigned by the market to each business (both considering a long-term vision).The potential impact of climate change risks described in Note 19 has been adequately considered in the projections of the evidence of deterioration, without significant impacts.

– The projections for the first years are generally based on the end of the 2022 financial year, the 2023 budget and the latest medium-term projection (2024-2025).

– Finally, in relation to the CGU's located in the United Kingdom, the potential increase in the risk and uncertainty inherent to Brexit was taken into account in the evaluation of the impairment losses, since a prudent estimate was made of cash flow to ensure that the models would not have to be adjusted significantly as a result of Brexit. In this regard, the budgets and forecasts from prior periods used to determine the recoverable amounts were reviewed in order to ensure that they continued to reflect current economic conditions.

As a result of the foregoing, during the 2021 and 2020 periods the need to record impairment losses in any of the investments recorded under this caption has not been revealed.

As of 31 December 2022, and 2021, there is no provision for impairment of the value of the shares held in Group companies and associates.

The most significant assumptions used in determining the fair value of the investments in Group companies in 2022 and 2021 were as follows:

The discount rate is initially calculated using the weighted average cost of capital (WACC) determined applying the Capital Asset Pricing Model. In this regard, the WACC determined in 2022 for Tradia Telecom, On Tower, Metrocall, Cellnex Italia, Towerlink Netherlands, Cellnex UK, Shere Masten, Swiss Towers, Alticom, On Tower Netherlands, Cellnex France, On Tower France, Swiss Infra, Cignal Ireland, Omtel, On Tower Portugal, On Tower UK, On Tower AT, On Tower DK, On Tower IE, On Tower SE, On Tower PL, Towerlink PL, T-Mobile Infra, Hivory and Infratower was 6.5%, 6.5%, 6.5%, 6.9%, 5.5%, 5.9%, 5.5%, 4.9%, 5.5%, 5.5%, 5.7%, 5.7%, 4.9%, 5.9%, 6.1%, 6.1%, 5.9%, 5.5%, 5.7%, 5.9%, 5.8%, 7.4%, 7.4%, 5.5%, 5.7%

and 6.1%, respectively (WACC in 2021 for Tradia Telecom, On Tower, Metrocall, Towerco, Cellnex Italia, Towerlink Netherlands, Cellnex UK, Shere Masten, Swiss Towers, Alticom, On Tower Netherlands, Cellnex France, On Tower France, Swiss Infra, Cignal Ireland, Omtel, On Tower Portugal, On Tower UK, On Tower AT, On Tower DK and On Tower IE was 5.6%, 5.3%, 5.3%, 5.5%, 5.5%, 4.8%, 5.2%, 4.8%, 4.2%, 4.8%, 4.8%, 4.6%, 4.6%, 4.2%, 4.8%, 5.6%, 5.6%, 5.2%, 4.5%, 4.5% and 4.8%, respectively).

The compound annual growth rate for all CGUs was between 1% and 5% per annum in 2022 and 3.5% in 2021.

The ‘terminal g’, considered for all CGUs in 2022 was between 1% and 2% and in 2021 was 2.5% for all CGUs apart from Tradia Telecom which represented 1.0% due to the broadcasting component.

As indicated above, there have been no significant variations in the discount rate considered between 2022 and 2021.

Sensitivity to changes in key assumptions

With regard to evidence of impairment of investments in the Group's companies, the recoverable value (determined on the basis of fair value as noted above) obtained from them exceeds the book value of the registered shares, so that applying significant changes in the assumptions used in those calculations would not result in a significant risk of impairment.

According to the sensitivity analysis carried out, in the event of variations considered reasonable in discount rates, growth rates of terminal value "g" and growth rates of activity, there would still be no deterioration in investments in Group companies registered by the Company as of 31 December 2022 and 2021.

In this way, the recoverable amount obtained exceeds the book value of the Group's holdings in companies, although the sensitivity analysis carried out in the projections clearly demonstrates a high tolerance (between 10% and 20%) changes in key assumptions used.

8.3. Other information

The Company has no commitments in relation to its investees other than the financial investments made, as described in Note 16.2, with the exception of the balances held with those companies, which are included in Note 17.3.

9. Current and non-current financial investments

The breakdown of current and non-current financial investments by categories is as follows:

Clases	Thousands of Euros							
	Long-Term Financial Instruments				Short-Term Financial Instruments		Total	
	Equity Instruments		Credits, derivative financial instruments and others		Credits, derivative financial instruments and others			
Categories	2022	2021	2022	2021	2022	2021	2022	2021
Financial assets at cost								
Investments in Group companies and associates (Note 8)	24,366,679	20,218,413	—	—	—	—	24,366,679	20,218,413
Financial investments	257	263	—	—	—	—	257	263
Financial assets at amortised cost:								
Investments in Group companies and associates (Note 17.3)	—	—	6,564	6,001	207,783	2,613,474	214,347	2,619,475
Debtors and other accounts receivable	—	—	—	—	57,599	53,088	57,599	53,088
Credits to third parties	—	—	5,308	7,948	2,574	2,495	7,882	10,443
Others	—	—	692	810	—	—	692	810
Assets at fair value with changes in profit and loss:								
Derivative financial instruments (Note 12.2)	—	—	17,718	—	—	77	17,718	77
Total	**24,366,936**	**20,218,676**	**30,282**	**14,759**	**267,956**	**2,669,134**	**24,665,174**	**22,902,569**

The Company join a venture capital fund in the ICT sector, with an undertaking to subscribe six hundred thousand shares with a nominal value of one euro each. The initial disbursement amounted to EUR 90 thousand, accounting for 15% of the equity undertaken by the Company.

As of 31 December 2022, additional contributions and partial reimbursements have been made for 30 and 36 thousand, respectively (49 and 67 thousand EUR, respectively, as of 31 December 2021).

"Credits to third parties" includes an amount of EUR 5,906 thousand (EUR 8,401 thousands as of 31 December 2021), corresponding to the combined book value of the net receivables that arises as a result of the company's 2020 procurement of two derivative financial instruments that are contractually linked and whose terms of exchanges make them jointly classified as a receivables.

"Other Financial Assets" includes the amount of the rental deposit of the office contract in Zona Franca (see Note 16.3).

10. Cash and cash equivalents

The breakdown of cash and cash equivalents is as follows:

	Thousands of Euros	
	31/12/2022	31/12/2021
Cash	983	128,681
Total	**983**	**128,681**

As of 31 December 2022 and 2021 the Company has not contracted fixed-term deposits with credit institutions.

11. Net equity

11.1. Capital and treasury shares

Share capital

At 31 December 2021, the share capital of Cellnex amounted to EUR 169,832 thousand and was represented by 679,327,724 cumulative and indivisible ordinary registered shares of EUR 0.25 par value each, fully subscribed and paid.

At 31 December 2022, in accordance with the capital increases detailed below, the share capital of Cellnex Telecom increased by EUR 6,787 thousand to EUR 176,619 thousand, represented by 706,475,375 cumulative and indivisible ordinary registered shares of EUR 0.25 par value each, fully subscribed and paid.

Changes in 2022

Capital increase in November 2022

On 5 November 2022, the Board of Directors of the Company, by virtue of the authorisation by the Ordinary General Shareholders' Meeting of Cellnex held on 28 April 2022, declared the capital of the Company to be increased by a non-monetary contribution of 6,787 thousand euros. On November 10, 2022, the public deed of capital increase was duly registered in the Mercantile Registry.

The Capital Increase was carried out through the issuance of 27,147,651 regulatory ordinary shares (hereinafter, "New Shares") at a subscription price (nominal plus issue premium of 49.81 euros for each new share.

The new Shares were subscribed and fully paid, together with the share premium, by CK Hutchison Networks Europe Investments S.à.r.l (see Note 8.1) through the non-monetary contribution of the credit right maintained against the Company referring to the part of the purchase price of the Hutchinson business in the United Kingdom whose fair value at the date of the operation amounted to 1,237,422 thousand euros, equivalent to the market value of the shares delivered, and which involved the delivery of 27,147,651 new shares (985,422 thousand euros) and 6,964,144 treasury shares (251,823 thousand euros).

No preferential subscription rights were granted on the New Shares because it was an increase in share capital charged to non-monetary contributions, in accordance with Article 304 of the Capital Companies Law. New Shares offer the same political and economic rights as ordinary shares of the Company.

The shares have been admitted to listing on the Spanish Stock Exchanges, with actual trading beginning on 11 November 2022.

Changes in 2021

March 2021 Capital Increase

On 30 March 2021, the Company's Board of Directors, in accordance with the authorization granted by the Annual General Shareholders' Meeting of Cellnex, held on 29 March 2021, approved a capital increase (hereinafter, the "Capital Increase") through cash contributions and recognising the preferential subscription right of the Cellnex's shareholders, as detailed below:

The Capital Increase was carried out through the issuance and sale of 192,619,055 ordinary registered shares (hereinafter, "New Shares") at a subscription price (nominal plus share premium) of EUR 36.33 per each new share. Thus, the Capital Increase amounted to approximately EUR 7,000 million, which has been fully subscribed.

Preferential subscription rights were assigned to all Cellnex shareholders who acquired shares up to 31 March 2021 and whose transactions were registered in Iberclear up to 6 April 2021 (both inclusive). Each share in circulation at that time granted the right to receive a preferential subscription right (48 rights were required to subscribe 19 new shares). The pre-emptive subscription period ended on 15 April 2021.

The New Shares offer the same political and economic rights as the ordinary shares of the Company.

The funds from the capital increase will be used to support the acquisition of Cellnex's active projects pipeline.

On 23 April 2021, the public deed for the Capital Increase, was duly registered.

On 27 April 2021, the 192,619,055 New Shares were admitted to trading on the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia.

Significant Shareholders

In accordance with the notifications concerning the number of shares held made to the National Securities Market Commission, the shareholders who hold significant shareholdings in the share capital of the Company, both directly and indirectly, greater than 3% of the share capital at 31 December 2022 and 2021, are as follows:

	% Ownership	
	2022	2021
Edizione, S.r.l. [(1)]	8.53%	8.53%
The Children's Investment Master Fund [(2)]	7.09%	5.00%
GIC Private Limited [(3)]	7.03%	7.03%
JP Morgan Chase	5.38%	—
Blackrock, Inc.	5.05%	5.21%
Canada Pension Plan Investment Board	4.97%	5.00%
CK HUTCHISON HOLDINGS LIMITED	4.83%	—
Fundación Bancaria Caixa D' Estalvis i Pensions de Barcelona	4.77%	4.77%
Norges Bank	3.00%	3.00%
FMR, LLC. [(4)]	—	3.22%
Wellington Management Group LLP [(5)]	—	4.28%
Capital Research and Management Company [(6)]	—	3.88%
Total	**50.65%**	**49.92%**

Source: National Securities Market Commission ("CNMV").

[(1)] Edizione S.r.l. ("Edizione") controls Sintonia S.p.A. ("Sintonia") which in turn controls ConnecT Due S.r.l.

[(2)] The Children's Investments Master Fund is managed by the TCI Fund Management Limited by means of certain investment agreements. TCI Fund Management Limited is controlled by Christopher Anthony Hohn. The transactions were executed across a number of venues, including regulated markets, MFT, and OTC. TCI's stake (c.7.1%) consists of shares (c.1.6% share capital) and derivatives (c.5.5% share capital)

[(3)] GIC Private Limited holds directly 100% of the share capital of GIC Special Investments Private Limited ("GICSI"). GICSI provides direction and management to GIC Infra Holdings Private Limited, which in turn holds 100% of the share capital of Lisson Grove Investment Private Limited.

[(4)] At the end of June 2022, FMR, LLC. decreased its position under 3% of the voting rights.

[(5)] Wellington Management Company LLP is a direct controlled undertaking of Wellington Investment Advisors Holdings LLP, which, in turn, is a direct controlled undertaking of Wellington Group Holdings LLP, which in turn, is a direct controlled undertaking of Wellington Management Group LLP.

[(6)] The Capital Group Companies, Inc. ("CGC") is the parent company of Capital Research and Management Company ("CRMC") and Capital Bank & Trust Company ("CB&T"). CRMC is a U.S.-based investment management company that serves as investment manager to the American Funds family of mutual funds, other pooled investment vehicles, as well as individual and institutional clients.

As of 31 December 2022 and 2021, Edizione positioned itself as a reference shareholder of Cellnex Telecom, S.A. with a 8.53% stake in its capital. (8.53% at 31 December 2021).

In addition, as partial consideration for the CK Hutchison Holdings Transaction with regards to the United Kingdom, Hutchison held at closing of the transaction a participation of 4.8% of the Company.

As at 31 December 2022 and 2021, none of the significant shareholders, whether individually or together, controls the Company.

Treasury shares

On 19 May 2021, Cellnex announced a treasury shares purchase programme up to a limit of EUR 24.7 million and with a maximum of 520,000 shares representing 0.076% of the share capital of the Company. This purchase programme will be used for delivery to employees according to the employee remuneration payable in shares. On 28 October 2021, the above mentioned purchase program was expanded up to a limit of EUR 44.7 million and with a maximum of 820,000 shares representing 0.12% of the share capital of the Company. In this regard, on 21 November 2021, Cellnex communicated the termination of the purchase programme, having reached the maximum number of shares to be acquired.

During the second half of 2021, Cellnex Board of Directors approved the Cellnex' s Treasury Share Policy, which is available on the Corporate Website. Thus, during 2022, Cellnex carried out discretional purchases of treasury shares for an amount of EUR 302,207 thousand (57,755 thousand during 2021). These purchases have been carried out under the delegation from the general shareholders meeting to the Board of Directors of May 2018 and fulfilling the principles established in the treasury shares policy. The use of the treasury shares acquired under discretional purchases will depend on the agreements reached by the Corporate Governance bodies.

In addition, as of 31 December 2022 and 2021, 291,258 and 123,969 treasury shares have been transferred to employees in relation to employee remuneration payable in shares, respectively. Moreover, in the context of Hutchison United Kingdom Acquisition (see Note 8.1), Cellnex transferred 6,964,144 treasury shares plus 27,147,651 new Shares issued. Thus, the total shares delivered to Hutchison was 34,111,795 Cellnex shares.

At 31 December 2022, the Company has registered a loss of EUR 52,391 thousand (a profit of EUR 634 thousand at the end of 2021), net of fees and commissions, as a result of these operations and this has been taken as a reserve movement in the balance sheet.

The number of treasury shares as at 31 December 2022 and 2021 amounts to 1,119,007 and 1,202,351 shares, respectively and represents 0.158% of the share capital of Cellnex Telecom, S.A. (0.177% as at 31 December 2021).

The movement in the portfolio of treasury shares during 2022 and 2021 has been as follows:

2022

	Number (Thousands of Shares)	Average price	Purchases /Sales (Thousands of Euros)
At 1 January 2022	**1,202**	**50.570**	**60,802**
Purchases	7,328	41.240	302,207
Sales/Others	(7,411)	42.550	(315,390)
At 31 December 2022	**1,119**	**42.541**	**47,619**

2021

	Number (Thousands of Shares)	Average price	Purchases /Sales (Thousands of Euros)
At 1 January 2021	**200**	**40.326**	**8,078**
Purchases	1,126	51.292	57,755
Sales/Others	(124)	40.586	(5,031)
At 31 December 2021	**1,202**	**50.569**	**60,802**

11.2. Share premium

As of 31 December 2022 and 31 December 2021, the share premium increased by EUR 942 million and EUR 6,811 million, to EUR 15,523 million and EUR 14,581 million respectively., due to the capital increase described in Note 11.1.

During 2022, a cash pay out to shareholders of EUR 36,635 thousand (32,216 thousand at 31 December 2021) was declared from the share premium account (See Note 11.4).

11.3. Reserves

The breakdown of this account is as follows:

	Thousands of Euros	
	31/12/2022	31/12/2021
Legal reserve	19,000	19,000
Voluntary reserves	267	45,288
Other reserves	(49,930)	3,172
	(30,663)	**67,460**

Legal reserve

In accordance with the consolidated text of the Spanish Limited Liability Companies Act, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve may not be distributed to shareholders unless the Company is liquidated.

The legal reserve may be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount.

Apart from the purpose mentioned above, the legal reserve may be used to offset losses incured unless it exceeds 20% of the capital and no other sufficient reserves are available for such purpose.

At 31 December 2022 and 2021, because of the capital increases during 2022 and 2021, explained in Note 11.1, and for the losses the legal reserve had not reached the legally established minimum.

Voluntary reserves

On 14 February 2018, Cellnex Telecom España, S.L.U acquired 100% of the shares of Retevisión-I, S.A.U., Tradia Telecom, S.A.U. and On Tower Telecom Infraestructuras, S.A.U. owned by Cellnex Telecom, S.A., for a book value of EUR 977 million. The capital gain generated by this operation amounted to EUR 86 million, and was recorded with a credit to reserves.

Voluntary reserves are freely available.

Other equity instruments

This caption mainly includes the equity impact of convertible bond issues, amounting to EUR 230,147 thousand as of 31 December 2022 (EUR 230,692 thousand as of 31 December 2021) as well as the impact of the Long-Term Incentive Plans liquidable in shares or options, amounting to EUR 26,354 thousand as of December 31, 2022 (EUR 23,451 thousand as of December 31, 2021).

During the 2022 financial year the caption balance increased by EUR 2,358 thousand as a result of the registration of the Long-Term Incentive Plans described in note 16.4 of these annual accounts (EUR 9,978 thousand as of December 31, 2021), as well as the April 2022 bond conversion. (Note 12.1)

Hedge Reserve

This line item includes the reserve generated by the effective portion of the changes in the fair value of the derivative financial instruments designated and classified as cash flow hedges and/or hedges of net investments in foreign operations.

11.4. Interim dividend and proposed dividends

On 21 July 2020, the Annual Shareholders' Meeting approved the distribution of a dividend charged to the share premium reserve to a maximum of EUR 109 million, to be paid upfront or through instalments during the years 2020, 2021, 2022 and 2023. It was also agreed to delegate to the Board of Directors the authority to establish, if this is the case, the amount and the exact date of each payment during said period, always attending to the maximum overall amount stipulated.

According to the aforementioned Shareholders' Remuneration Policy, (i) the shareholder remuneration corresponding to the fiscal year 2020 was equivalent to that of 2019 (EUR 26.6 million) increased by 10% (to EUR 29.3 million); (ii) the shareholder remuneration corresponding to the fiscal year 2021 was equivalent to that of 2020, increased by 10% (to EUR 32.2 million); and (iii) the shareholder remuneration corresponding to the fiscal year 2022 is equivalent to that of 2021, increased by 10% (to EUR 35.4 million).

In 2022, in compliance with the Company´s Shareholders' Remuneration policy, the Board of Directors, pursuant to the authority granted by resolution of the Annual Shareholders' Meeting of 21 July 2020, approved the distribution of a cash pay-out charged to the share premium reserve of EUR 11,820 thousand, which represented EUR 0.01761 for each existing and outstanding share with the right to receive such cash pay-out. In addition, in 2022, the Board of Directors approved the distribution of a dividend charged to the share premium reserve of EUR 24,815 thousand, which represented 0.03518 euros for each existing and outstanding share with the right to receive such cash pay-out.

On 15 December 2022, the Board of Directors approved the following Shareholders' Remuneration Policy corresponding to the fiscal years 2023 and 2024: (i) the shareholder remuneration corresponding to fiscal year 2023 will be equivalent to that of 2022 (EUR 36.6 million) increased by 10% (EUR 40.3 million); (ii) the shareholder remuneration corresponding to fiscal year 2024 will be equivalent to that of 2023 increased by 10% (EUR 44.3 million).

The payment of the dividends will be made on the specific dates to be determined in each case and will be duly announced.

Notwithstanding the above, the Company's ability to distribute dividends depends on a number of circumstances and factors including, but not limited to, net profit attributable to the Company, any limitations included in financing agreements and Group's growth strategy. As a result of such or other circumstances and factors, the Company may modify the Shareholders' Remuneration Policy or may not pay dividends in accordance with the Shareholders' Remuneration Policy at any given time. In any case, the Company will duly announce any future amendment to the Shareholders' Remuneration Policy.

12. Current and non-current debt

The breakdown, by category, of short and long-term debts payable is as follows:

Classes	Thousands of Euros											
	Long-Term Financial Instruments						Short-Term Financial Instruments				Total	
	Obligations and debts with financial institutions		Derivative financial instruments		Other financial liabilities		Obligations and debts with financial institutions		Other financial liabilities			
Categories	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Financial liabilities at amortized cost or cost	7,005,975	6,943,420	—	—	508,886	499,788	47,059	654,781	15,253	15,602	7,577,173	8,113,591
Financial liabilities at fair value with changes in profit and losses:												
Derivate financial instruments of hedges of a net investment in a foreign operation (Note 12.2)	—	—	17,653	14,339	—	—	—	—	—	—	17,653	14,339
Financial liabilities at fair value with changes in net equity:												
Derivate financial instruments of cash flow hedge (Note 12.2)	—	—	—	2,622	—	—	—	—	—	—	—	2,622
Total	**7,005,975**	**6,943,420**	**17,653**	**16,961**	**508,886**	**499,788**	**47,059**	**654,781**	**15,253**	**15,602**	**7,594,826**	**8,130,552**

During the year ended at 31 December 2022, the Company decreased its borrowings from bond issues and loans and credit facilities (which do not include “Derivative Financial Instruments” or “Other financial liabilities”) by EUR 545,167 thousand to EUR 7,053,034 thousand.

The decrease in "Obligations" as of December 31, 2022 is mainly due to the settlement and amortization of the bond with a nominal of 600 million euros, issued on July 27, 2015 and whose maturity date was July 27, 2022.

The purpose of the financial policy, approved by the Board of Directors of the Company, is to obtain financing, at the lowest cost and longer possible term, diversifying the sources of financing. Additionally, it is intended to promote access to the capital market and have greater flexibility in financing contracts that facilitate the continuation of the growth strategy of the Group of which the Company is head.

Likewise, at the end of 2022, 99% (99% in 2021) of the financial debt was at a fixed interest rate or fixed through hedges.

At December 31, 2022 and December 31, 2021, the financial debt detail by (i) maturity, (ii) by type of debt and (iii) by currency is the following:

(i) Borrowings by maturity

2022

	Thousands of Euros							
	Limit	Current	Non-current					Total
			2024	2025	2026	2027	2028 and subsequent years	
Bond Issues	7,150,328	59,476	752,431	602,167	839,876	698,520	4,163,116	7,115,586
Accruals of bond arrangements expenses	—	(12,417)	(11,168)	(10,270)	(8,115)	(6,216)	(14,366)	(62,552)
Derivative financial instruments	—	—	—	—	17,653	—	—	17,653
Other financial liabilities	—	15,253	—	6,000	—	502,886	—	524,139
Total	**7,150,328**	**62,312**	**741,263**	**597,897**	**849,414**	**1,195,190**	**4,148,750**	**7,594,826**

2021

	Thousands of Euros							
	Limit	Current	Non-current					Total
			2023	2024	2025	2026	2027 and subsequent years	
Bond Issues	7,741,369	667,648	2,394	752,431	597,410	833,166	4,820,541	7,673,590
Accruals of bond arrangements expenses	—	(12,867)	(12,409)	(11,151)	(10,256)	(8,105)	(20,601)	(75,389)
Derivative financial instruments	—	—	—	—	—	7,751	9,210	16,961
Other financial liabilities	—	15,602	4,500	—	6,000	—	489,288	515,390
Total	**7,741,369**	**670,383**	**(5,515)**	**741,280**	**593,154**	**832,812**	**5,298,438**	**8,130,552**

(ii) Borrowings by type of debt

	Thousand of Euros					
	Notional as of 31/12/2022(*)			Notional as of 31/12/2021(*)		
	Limit	Drawn	Undrawn	Limit	Drawn	Undrawn
Bond issues	7,150,328	7,150,328	—	7,741,369	7,741,369	—
Total	**7,150,328**	**7,150,328**	**—**	**7,741,369**	**7,741,369**	**—**

(*) These concepts include the notional value of each caption and are not the gross or net value of the caption. See “Borrowings by maturity”.

(iii) Borrowings by currency

	Thousand of Euros	
	31/12/2022(*)	31/12/2021(*)
EUR	7,366,164	7,928,368
CHF	291,214	277,573
Total	**7,657,378**	**8,205,941**

(*) The amounts shown in the preceding table relate to the cash flows set forth in the contracts, which differ from the carrying amount of the borrowings due to the effect of avoiding the incorporation of accrual expenses.

As described in Note 5.1 of these annual accounts, the exchange rate risk on net investment in shares of Group companies operating in currencies other than the euro is managed both through loans and obligations denominated in the relevant foreign currency and through derivative financial instruments (see Note 12.2). In this context, the Company maintains investments in Group companies (Cellnex UK Limited and Cellnex Switzerland, AG) in foreign currency (Pound Sterling and Swiss Francs) and maintains loans and other obligations in Pound Sterling and Swiss francs acting as natural investment coverage in those companies.

As a result of the reorganization of the financial function, some of these debts that the Company maintained as of 31 December 2020 have been subrogated by Cellnex Finance Company, S.A.U. In this sense, the Company and Cellnex Finance Company, S.A.U. with the aim of maintaining the coverage of foreign currency investments in the Company, which they previously maintained through natural coverage through the aforementioned foreign currency debts, have formalized a swap of foreign exchange (see Note 12.2) for a nominal of CHF 150,000 thousand and a value of EUR 136,005 thousand. In addition, the Company has contracted with third currency swaps that, together with debt issued in euros, act as natural coverage of foreign currency investments.

Finally, as of 31 December 2022, once the above mentioned restructuring has been considered, the Company maintains, on the one hand, euro obligations which, together with a swap in contracted currencies with a value of EUR 450,000 thousand and a value of GBP 382,455 thousand, act as a natural coverage of net investment in Cellnex UK Limited and, on the other hand, Swiss franc bonds amounting to CHF 285,000 thousand and a value of EUR 289,428 thousand acting as natural coverage of net investment in Cellnex Switzerland, AG. The interests accrued not paid as of 31 December 2022 amount to CHF 1,759 thousand and a value of EUR 1,786 thousand.

12.1. Bond issues

The detail of the bonds and other financing instruments at 31 December 2022 and 2021 is as follows:

	Thousand of Euros	
	31/12/2022	31/12/2021
Bond issues	7,053,034	7,598,201
Bond issues	**7,053,034**	**7,598,201**

i) Euro Medium Term Note Programme – (EMTN) Programme

From 2015 to May 2020, the Group formalized and subsequently renewed a Euro Medium Term Note Programme (the "EMTN Programme") through the Company. This Programme was registered on the Irish Stock Exchange listed as Euronext Dublin, allowing for the issue of bonds up to an aggregate amount of EUR 10,000 million. The last renewal date was in May 2020.

Since December 2020, Cellnex Finance Company, S.A.U. is the Group's company that leads the financing activity. In these sense, a guaranteed Euro Medium Term Note Programme (the "Guaranteed EMTN Program") was constituted in Cellnex Finance Company, S.A.U., guaranteed by the Company, registered on the Irish Stock Exchange listed as Euronext Dublin, and which allows the issuance of bonds for an aggregate amount of EUR 10,000 million. The Guaranteed EMTN Program was last renewed in July 2022 for a period of 12 months with a maximum aggregate amount of EUR 15,000 million.

Following the establishment of the Guaranteed EMTN Program by Cellnex Finance Company, S.A.U., the Group has ceased to renew the EMTN Program with the Company.

In March 2016 Cellnex was added to the list of companies whose corporate bonds are eligible for the European Central Bank (ECB) Corporate Sector Purchase Programme (CSPP). Since May 2015 under the aforementioned EMTN programme, the Company issued bonds aimed at qualified investments, according to the following details.

2022

						Thousands of Euros	
Issue Date	Duration	Maturity Date	Fitch / S&P rating	ISIN	Fixed Coupon payable per annum	**Amount of issue**	**Amount of issue at 31 December 2022**
10/8/2016	8 years	16/1/2024	BBB-/BB+	XS1468525057	2.38%	750,000	750,000
16/12/2016	16 years	20/12/2032	BBB-/NA	XS1538787497	3.88%	65,000	65,000
18/1/2017	8 years	18/4/2025	BBB-/BB+	XS1551726810	2.88%	335,000	335,000
7/4/2017	9 years	7/4/2026	BBB-/NA	XS1592492125	Eur 6M+2.27%(1)	80,000	80,000
3/8/2017	10 years	3/8/2027	BBB-/NA	XS1657934714	Eur 6M+2.20%	60,000	60,000
31/7/2019	10 years	31/7/2029	BBB-/NA	XS2034980479	1.90%	60,500	60,500
20/1/2020	7 years	20/4/2027	BBB-/BB+	XS2102934697	1.00%	450,000	450,000
29/1/2020	7 years	18/2/2027	BBB-/NA	CH0506071148	0.78%	187,874	187,874
26/6/2020	5 years	18/4/2025	BBB-/BB+	XS2193654386	2.88%	165,000	165,000
26/6/2020	9 years	26/6/2029	BBB-/BB+	XS2193658619	1.88%	750,000	750,000
17/7/2020	5 years	17/7/2025	BBB-/BB+	CH0555837753	1.10%	101,554	101,554
23/10/2020	10 years	14/10/2030	BBB-/BB+	XS2247549731	1.75%	1,000,000	1,000,000
						4,004,928	**4,004,928**

(1) Coupon hedged by Interest Rate Swaps. See section of derivative financial instruments.

Swiss franc bond issues are listed on the Swiss Stock Exchange and euro issues are listed on the Irish Stock Exchange.

2021

Issue Date	Duration	Maturity Date	Fitch / S&P rating	ISIN	Fixed Coupon payable per annum	Thousands of Euros	
						Amount of issue	**Amount of issue at 31 December 2021**
27/7/2015	7 years	27/7/2022	BBB-/BB+	XS1265778933	3.13%	600,000	600,000
10/8/2016	8 years	16/1/2024	BBB-/BB+	XS1468525057	2.38%	750,000	750,000
16/12/2016	16 years	20/12/2032	BBB-/NA	XS1538787497	3.88%	65,000	65,000
18/1/2017	8 years	18/4/2025	BBB-/BB+	XS1551726810	2.88%	335,000	335,000
7/4/2017	9 years	7/4/2026	BBB-/NA	XS1592492125	Eur 6M+2.27%(1)	80,000	80,000
3/8/2017	10 years	3/8/2027	BBB-/NA	XS1657934714	Eur 6M+2.20%	60,000	60,000
31/7/2019	10 years	31/7/2029	BBB-/NA	XS2034980479	1.90%	60,500	60,500
20/1/2020	7 years	20/4/2027	BBB-/BB+	XS2102934697	1.00%	450,000	450,000
29/1/2020	7 years	18/2/2027	BBB-/NA	CH0506071148	0.78%	179,072	179,072
26/6/2020	5 years	18/4/2025	BBB-/BB+	XS2193654386	2.88%	165,000	165,000
26/6/2020	9 years	26/6/2029	BBB-/BB+	XS2193658619	1.88%	750,000	750,000
17/7/2020	5 years	17/7/2025	BBB-/BB+	CH0555837753	1.10%	96,796	96,796
23/10/2020	10 years	14/10/2030	BBB-/BB+	XS2247549731	1.75%	1,000,000	1,000,000
						4,591,368	**4,591,368**

(1) Coupon hedged by Interest Rate Swaps. See section of derivative financial instruments.

62,552 thousand euros as of December 31, 2022 and 75,389 thousand as of December 31, 2021 are deducted from the heading "Obligations" of the balance sheet as of "Obligations" for formalization expenses and advisors that the Company accrues during the years of validity of the obligations with imputation to the income statement for the year following a financial criterion.

The arrangement expenses and advisors' fees accrued in the income statement for the year ended 31 December 2022 in relation to the bond issues amounted to EUR 13,102 thousand (EUR 13,012 thousand as of 31 December 2021).

Convertible bonds issue

The Company has issued the Convertible Bonds described in the table below, all of them addressed to qualified investors

2022

Issue	Initial Duration	Maturity	Fitch / S&P rating	ISIN	Coupon rate	**Balance as at 31 December 2022 (Thousands of Euros)**
16/1/2018	8 años	16/1/2026	BBB-/NA	XS1750026186	1.50%	570,945
21/1/2019	7 años	16/1/2026	BBB-/NA	XS1750026186	1.50%	188,931
5/7/2019	9 años	25/7/2028	BBB-/NA	XS2021212332	0.50%	851,510
20/11/2020	11 años	20/11/2031	BBB-/NA	XS2257580857	0.75%	1,436,105
TOTAL						**3,047,491**

2021

Issue	Initial Duration	Maturity	Fitch / S&P rating	ISIN	Coupon rate	**Balance as at 31 December 2021 (Thousands of Euros)**
16/1/2018	8 years	16/1/2026	BBB-/NA	XS1750026186	1.50%	566,223
21/1/2019	7 years	16/1/2026	BBB-/NA	XS1750026186	1.50%	186,943
5/7/2019	9 years	5/7/2028	BBB-/NA	XS2021212332	0.50%	837,490
20/11/2020	11 years	20/11/2031	BBB-/NA	XS2257580857	0.75%	1,418,057
TOTAL						**3,008,713**

These convertible bonds have been treated as a compound instrument and have been split into its two components: a debt component amounting EUR 3,047 million, corresponding to the present value of the coupons and principal discounted at the interest rate of a bond, with same nominal amount and maturity, without the convertibility option; and an equity component, for the remaining amount, due to the bondholder option to convert into shares, included in the heading “Other equity instruments”.

During the first half of 2022, a total of 4,600 thousand euros corresponding to the issuance of the convertible bond with maturity in 2026 has been converted into shares. The impact reflected by this conversion into "other equity instruments" and "reserves" amounts to EUR 544 thousand and EUR 267 thousand respectively.

Clauses regarding changes of control

The Terms and Conditions of the bonds to be issued under the EMTN Programme and of the Convertible Bonds include a change of control put clause, at the option of bondholders, which could result in its early repayment.

For the bonds issued under the EMTN Programme, the put option can only be triggered if a change of control event occurs and there is a rating downgrade caused by the change of control event (as defined in the Terms and Conditions of the EMTN Programme). For the Convertible Bond, the put option can only be triggered if a change of control occurs or if a tender offer triggering event occurs (as defined in the Terms and Conditions of the Convertible Bonds).

Under the EMTN Programme and the Convertible Bonds, a “change of control event” is defined as the acquisition of more than 50% of the voting rights in respect of Cellnex or the right to appoint or dismiss all or the majority of the members of the Board of Directors of Cellnex.

Bonds obligations and restrictions

As at 31 December 2022 and 2021, Cellnex had no restrictions regarding the use of proceeds from its bond offerings, had not provided any collateral for any obligations in connection with its outstanding bonds and the bonds ranked pari passu with the rest of Cellnex's unsecured and unsubordinated borrowings.

– Euro-Commercial Paper Programme – (ECP) Programme

In June 2018 Cellnex established an Euro-Commercial Paper Programme (the "ECP Programme") with the Irish Stock Exchange, plc. trading as Euronext Dublin, which was renewed in June 2020. The ECP Programme has a limit of EUR 500 million or its equivalent in GBP, USD and CHF. During 2021, the Group ceased to renew the ECP Programme with the Company, as the Guaranteed ECP Programme was established by Cellnex Finance in the fourth quarter of 2021, following the same steps than the Guaranteed ECP Programme.

Bonds obligations and restrictions

As at 31 December 2022 and 2021, Cellnex had no restrictions regarding the use of proceeds from its bond offerings, had not provided any collateral for any obligations in connection with its outstanding bonds and the bonds ranked pari passu with the rest of Cellnex's unsecured and unsubordinated borrowings.

Bond issuances, which are traded on active markets, are valued in EUR 6,369 thousand, based on market prices at the corresponding closing date.

12.2 Derivative financial instruments

The Company has complied with the requirements detailed in Note 4 on valuation standards in order to classify the financial instruments detailed below as hedging. In particular, the Company carries out an analysis of the extent to which changes in the fair value or cash flows of the hedging instrument would offset changes in the fair value or cash flows of the hedged item attributable to the risk to be hedged. Taking into account this analysis, the Company determines the existence of the economic relationship and the coverage ratio.

At each year-end, the Company analyses the ineffectiveness and assesses whether there is still an economic relationship or whether the coverage ratio established is appropriate. The possible sources of ineffectiveness considered by the Company in the designation of the coverage ratio and determination of the coverage ratio are:

– The hedging instrument and the hedged item have different expiration dates, start dates, trading dates, repricing dates, etc.

– The initial value of the hedging instrument is non-zero.

– The underlying of the hedged item and the hedging instrument are not homogeneous.

a) Cash flow Hedge:

2022

Covered Item	Hedging instruments	Covered Risk	Type	Thousands of Euros				
				Notional Value	Maturity (*)	Changes in Fair Value Recognised in Income Statement	Fair Value Hedging Instrument	
							Asset	Liability
Variable interest rate financing	Interest rate swap	Euribor 6M	Variable to fixed	80,000	4/7/2026	—	6,326	—

(*) The maturity of the hedging instrument coincides th the year in which cashflows are expected to ocurr and affect the profit and loss account.

2021

Covered Item	Hedging instruments	Covered Risk	Type	Thousands of Euros				
				Notional Value	Maturity (*)	Changes in Fair Value Recognised in Income Statement	Fair Value Hedging Instrument	
							Asset	Liability
Variable interest rate financing	Interest rate swap	Euribor 6M	Variable to fixed	80,000	4/7/2026	—	—	2,622

(*) The maturity of the hedging instrument coincides th the year in which cashflows are expected to occur and affect the profit and loss account.

The breakdown of the amounts recorded in equity and profit and loss account for the years 2022 and 2021 is as follows:

	Thousands of Euros	
	2022	2021
Results directly attributed to net equity	8,949	2,285
Results transferred to the profit and loss account:		
Of those included under the heading of "Financial Expenses"	(433)	227

The following are the derivative financial instruments hedging cash flows as of December 31, 2022 and 2021, indicating their notional or contractual values, their maturity dates and their fair values:

2022

	Thousands of Euros							
	31/12/2022							
	National amount	2023	2024	2025	2026	2027	Subsequent years	Valor razonable neto (*)
Interest rate swaps:								
Cash flow hedges	80,000	1,507	2,215	1,813	835	—	—	6,326
Total	**80,000**	**1,507**	**2,215**	**1,813**	**835**	**—**	**—**	**6,326**

(*) The maturity of the hedging instrument coincides with the year in which cash flows are expected to occur and affect the profit and loss account.

2021

	Thousands of Euros							
	31/12/2021							
	National amount	2022	2023	2024	2025	2026	Subsequent years	Net fair value (*)
Interest rate swaps:								
Cash flow hedges	80,000	(960)	(729)	(460)	(370)	(144)	—	(2,622)
Total	**80,000**	**(960)**	**(729)**	**(460)**	**(370)**	**(144)**	**—**	**(2,622)**

(*) The maturity of the hedging instrument coincides with the year in which cash flows are expected to occur and affect the profit and loss account.

Interest rate swaps

Bonds issued in April 2017 amounting to EUR 80 million and maturing in April 2026 have been covered by interest rate swaps that convert the interest rate on bonds from variable- to- fixed bond (see Note 12). The total amount and maturity of the interest rate swaps match with those of the underlying bond. By contracting these interest rate swaps, the resulting fixed interest rate this issue of 80 million euros is 2.945%.

Other Swaps

During the 2022 and 2021 financial year, the following operations were carried out:

– During the first quarter of 2022, the Company designated cash acquired in Polish zlotys in the amount of 615 million Polish zlotys, to cover the disbursement in relation to the investment commitment acquired in March 2022 in relation to the acquisition of an additional 10% of On Tower Poland Sp. z.o.o. Consequently, the euro-Polish zloty conversion differences amounting to EUR -5,835 thousand (EUR -4,376 thousand excluding the tax effect) have been recognised under the heading "Adjustments for changes in value" in the accompanying balance sheet.

– During the first quarter of 2021, the Company designated cash acquired in Polish zlotys in the amount of 3,850 million Polish zlotys, to cover the disbursement in connection with the investment commitment acquired in October 2020 for the acquisition of On Tower Poland Sp. z.o.o., which was completed on March 31, 2021 (see Note 8.1). The cash purchased in Polish zlotys was classified as a hedge when the requirements for such classification were met since, inter alia, that investment commitment was linked to a transaction highly probable at the time of acquisition of the foreign currency. Consequently, the euro-Polish zloty conversion differences amounting to EUR 19,626 thousand (EUR 14,719 thousand excluding the tax effect) have been recognised under the heading "Adjustments for changes in value" in the accompanying balance sheet.

– During the third quarter of 2021, the Company designated cash acquired in Polish zlotys in the amount of 7,125 million Polish zlotys, to cover the disbursement in connection with the investment commitment acquired in February 2021 for the acquisition of Polkomtel Sp. z.o.o., which was completed on July 8, 2021 (see Note 8.1). The cash purchased in Polish zlotys was classified as a hedge when the requirements for such classification were met since, inter alia, that investment commitment was linked to a transaction highly probable at the time of acquisition of the foreign currency. Consequently, the euro-Polish zloty conversion differences amounting to EUR (1,654) thousand (EUR (1,241) thousand excluding the tax effect) have been recognised under the heading "Adjustments for changes in value" in the accompanying balance sheet.

b) Hedges of a net investment in a foreign operation:

2022

Hedge item	Hedging Instrument	Covered Risk	Thousands of Euros				
			Notional Value	Result Hedging Instrument	Result Covered Item Attributable to Covered Risk	Fair Value Hedging Instrument	
						Asset	Liability
Investments in the United Kingdom	Cross currency swap	GBP/EUR exchange rate	450,000	23,940	(23,940)	11,392	—
Investments in Switzerland	Cross currency swap	CHF/EUR exchange rate	136,005	(20,696)	20,696	—	17,653

2021

Hedge item	Hedging Instrument	Covered Risk	Thousands of Euros				
			Notional Value	Result Hedging Instrument	Result Covered Item Attributable to Covered Risk	Fair Value Hedging Instrument	
						Asset	Liability
Investments in the United Kingdom	Cross currency swap	GBP/EUR exchange rate	450,000	(29,743)	29,743	—	9,210
Investments in Switzerland	Cross currency swap	CHF/EUR exchange rate	136,005	(17,731)	17,731	—	5,129

The following are the derivative financial instruments hedging net investment in abroad businesses as of December 31, 2022 and 2021, indicating their notional or contractual values, their maturity dates and their fair values:

2022

	Thousands of Euros							
	31/12/2022							
	National amount	2023	2024	2025	2026	2027	Subsequent years	Net fair value (*)
Cross currency swaps:								
Hedges of a net investment in a foreign operation	586,005	(4,141)	(3,948)	(3,703)	(24,252)	29,548	—	(6,261)
Total	**586,005**	**(4,141)**	**(3,948)**	**(3,703)**	**(24,252)**	**29,548**	**—**	**(6,261)**

(*) The difference between the future cash flows and the derivative financial instruments net fair value, corresponds to the bilateral credit risk adjustment.

2021

	Thousands of Euros							
	31/12/2021							
	National amount	2022	2023	2024	2025	2026	Subsequent years	Net fair value (*)
Cross currency swaps:								
Hedges of a net investment in a foreign operation	586,005	(4,584)	(4,396)	(4,292)	(4,128)	(14,547)	16,753	(14,339)
Total	**586,005**	**(4,584)**	**(4,396)**	**(4,292)**	**(4,128)**	**(14,547)**	**16,753**	**(14,339)**

(*) The difference between the future cash flows and the derivative financial instruments net fair value, corresponds to the bilateral credit risk adjustment.

Interest rate swaps and/or exchange rates in different currencies

During the 2022 and 2021 financial year, the following operations were carried out:

– At the end of 2020,The Company formalized a Cross Currency Swap (“CCS”) amounting to CHF 183 million (EUR 170,011 thousand) with Cellnex Finance Company, S.A. The arrangement of the derivative financial instrument was carried out with the aim of obtaining natural hedge in the foreign currency investment in Cellnex Switzerland AG when the debt was transferred to Cellnex Finance S.A.U. with the reorganization of the Group's financial structure (see Notes 8 and 17.3). During the 2021 financial year, derived from the early repayment of the debt by Cellnex Finance Company, S.A.U., the previous swap was restructured by formalizing a new currency swap for the amount of CHF 150 million (EUR 136,005 thousand) with the aim of continuing to maintain the coverage in foreign currency investment of the subsidiaries of Switzerland.

Other Swaps

Finally, without being a contracted derivative financial instrument, the Company applied net investment hedging to certain debts held in a currency other than the euro to cover exchange rate risk on net investments from foreign operations as described in Note 12 iii).

c) Trading derivate financial instruments

On September 22, 2021, the company formalized a repurchase agreement for debt securities amounting to EUR 500 million with a financial institution. The Company has complied with the requirements detailed in Note 4 on valuation standards to be considered and valued as a single combined instrument and, consequently, to be registered as a single transaction equivalent to an interest rate swap. Although, it cannot be qualified as a hedging derivative financial instrument. Accordingly, the change in fair value of EUR 77 thousand has been recognized under the heading "Change in the fair value of financial instruments" in the accompanying profit and loss account.

12.3. Other financial liabilities

The caption "Other non-current financial liabilities" corresponds to the outstanding balance for the purchase of companies made by the Company (see Note 8.1).

In the context of the acquisition of OMTEL, Estructuras de Comunicacaoes, S.A. (see Note 8), this caption includes the current value of the outstanding amount of the total acquisition price, amounting to EUR 570 million, to be paid on 31 December 2027 or if certain cases of non-compliance ("certain events of default") materialize, whichever comes first. The amount of the previous deferred payment is updated to its present value at an annual market discount rate of 2.65% at each period end. As of 31 December 2022, the present value of the deferred payment was EUR 502,740 thousand. For its part, the impact under the caption "Financial expenses" of the corresponding accompanying profit and loss account for the year amounted to EUR 13,452 thousand.

In addition, arising from the acquisition of Ukkoverkot Oy (see Note 8) a financial liability has been recorded at the current value of the variable price of EUR 10,500 thousand, which will be paid if certain established compliances materialize, with EUR 4,500 thousand in 2023 and EUR 6,000 thousand in 2025.

The caption "other financial liabilities" corresponds to the outstanding balance with fixed asset suppliers as a result of the acquisitions of fixed assets undertaken by the Company during the current year (see Notes 6 and 7).

12.4. Guarantees delivered and financial ratios

As of 31 December 2022, the Company acts as guarantor in relation to the financing agreements arranged and loans drawn by Cellnex Finance Company, S.A.U. for an equivalent value in euros of EUR 57 million (EUR 107 million as at 31 December 2021) and EUR 1,931 million (EUR 193 million as at 31 December 2021), respectively, as well as in relation to the EMTN program established by Cellnex Finance Company, S.A.U. The Company acts as guarantor in relation to the bond issues completed by the group company Cellnex Finance Company, S.A.U, during the year 2022, for a total amount of 7,065 million(EUR 6,065 million as at 31 December 2021).

As of 31 December 2022, the Company acts as guarantor in relation to the undrawn loans and credit facilities provided policy not arranged by Cellnex Finance Company, S.A.U. for an amount of 2,847 million euros (4,300 million euros on December 31, 2021).

In this respect, there are no obligations or financial ratios associated with guaranteed financing agreements that may result in liabilities being immediately claimable by the lender at the date of these annual accounts.

12.5. Corporate rating

As of 31 December 2022, Cellnex Telecom holds a long-term "BBB-" (Investment Grade) rating with a stable outlook, granted by the international credit agency Fitch Ratings Ltd as confirmed by a report issued on 17 January 2023, and a long-term "BB+" with a positive outlook, granted by the international credit agency Standard & Poor's Financial Services LLC, confirmed in the report issued on 11 November 2022.

13. Income tax and tax situation

13.1. Tax-related disclosures

Cellnex Telecom, S.A.,is taxed under the tax consolidation regime, for the purposes of Corporate Tax, being the Parent Company of the Tax Group, the subsidiaries of which are composed of investees at least 75% owned by it and with tax residence in Spain. The subsidiaries companies included in the tax consolidation group in 2021 are the following: Cellnex Telecom España, S.L.U., Retevisión-I, S.A.U., Tradia Telecom, S.A.U., On Tower Telecom Infraestructuras, S.A.U., S.L., Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A., Zenon Digital Radio, S.L. and Cellnex Finance Company, S.A.U.

During the year 2016, the Company became the parent company of a new tax consolidation group for the purposes of the Value Added Tax in Spain.

Status of inspections and litigation

The Company has pending verification of all taxes not legally prescribed. In relation to Corporate Tax, the years that are pending verification are from the year 2018 onwards. Due to interpretative differences of the current fiscal regulations applicable to some operations, fiscal liabilities of a contingent nature of difficult objective quantification could be revealed in the future. In any case, the consequences that could arise should not significantly affect the annual accounts of the Company.

On 3 July 2018, the Company received notice of initiation of tax audit for the concepts Corporate Income Tax (Consolidated Group), corresponding to the 2015 and 2016 fiscal years, and Value Added Tax, corresponding to the periods between April and December 2015 (individual) and 2016 (VAT group). In these sense, on 12 June 2020, tax records were issued in accordance with corporation tax for the years 2015 to 2018. For 2015 and 2016, the minutes are final. For 2017 and 2018, the minutes are provisional, since the inspection procedure merely verified basically the correct application of the reduction of income from the transfer of certain intangible assets. The total amount resulting from the taxes payable for the Company amounted to EUR 1,177 thousand and has been recorded in reserves. The Company's Administrators have considered that the criteria applied by the tax authorities do not have a significant impact on the years open to inspection.

Also, on 9 June 2020 unaccepted tax reassessments were communicated in respect of VAT. The proposed assessment amounted to EUR 2,413 thousand. The reason for the reassessment was the different interpretation of the financial activity carried out and how this affects the deductibility of certain items. The allegations put forward by the Company were not accepted and on 22 December 2020 final assessments were communicated. In January 2021 the Company has appealed the final assessments before the Economic-Administrative Court and requested for the adjournment of the assessments by granting a bank guarantee to the Spanish Tax Authorities. As of 31 December 2022, the appeal before the Central Economic-Administrative Court is pending resolution.

In December 2021, the Dutch Tax Authorities issued initial tax assessments in relation to the amount of real estate transfer tax (“RETT”) paid in respect of the 2016 acquisitions of Protelindo Netherlands B.V. and Shere Group Limited. Cellnex shall engage with the Dutch Tax Authorities to appeal the assessment and no material impact is expected. During 2022, the Dutch Tax Authorities raised assessments relating to historic (2012) RETT transactions affecting Towerlink Netherlands B.V. and Shere Masten B.V. Cellnex has entered into litigation with the Dutch Tax Authorities regarding such assessments, but with no material impact expected to arise.

In all cases, the inspection authorities have considered the Group's approach to be reasonable and have expressly stated that no sanctions will be proposed.

The Company considers that there were no significant impacts arising from the tax audit, nor possible significant interpretative differences in tax legislation.

13.2. Current balances with public authorities

Details of current balances with public authorities are as follows:

Receivables

	Thousands of Euros	
	31/12/2022	31/12/2021
Corporate tax refundable	3,323	—
VAT refundable	15,061	184
Total	**18,384**	**184**

The debtor balance for VAT as of 31 December 2022 corresponds to the amount of VAT receivable by the Group in the order for December and as of 31 December 2021 corresponds to input VAT.

Payables

	Thousands of Euros	
	31/12/2022	31/12/2021
VAT payable	836	2,911
Personal Income tax withholdings	734	461
Social security taxes payable	271	223
Total	**1,841**	**3,595**

The VAT credit balance as of 31 December 2022 corresponds to the amount of VAT pending accrual for the amount of EUR 836 thousand (EUR 2,911 thousands as of 31 December 2021.

13.3. Reconciliation between net accounting income and taxable income

Reconciliation between net accounting income and taxable income for income tax purposes is as follows:

2022

	Thousands of Euros		
	Increases	Decreases	Total
Net accounting income for the period			(52,005)
Income tax for the period			(62,956)
Permanent differences:			
Donations	1,565	—	1,565
Dividends (Note 15.1)	—	(133,029)	(133,029)
Issue of equity instruments	—	(236)	(236)
Temporary differences:			
Non-deductible financial expenses	65,377	—	65,377
Remuneration Provisions	8,351	(3,294)	5,057
Equity instruments remuneration	—	—	—
Other	—	(147)	(147)
Taxable income	**75,293**	**(136,706)**	**(176,374)**

2021

	Thousands of Euros		
	Increases	Decreases	Total
Net accounting income for the period			(92,971)
Income tax for the period			(63,734)
Permanent differences:			
Donations	2,833	—	2,833
Dividends (Note 15.1)	—	(95,075)	(95,075)
Issue of equity instruments	—	(142,204)	(142,204)
Temporary differences:			
Non-deductible financial expenses	188,617	—	188,617
Remuneration Provisions	9,085	(6,495)	2,590
Equity instruments remuneration	42	(42)	—
Other	—	(348)	(348)
Taxable income	**200,577**	**(244,164)**	**(200,292)**

In the 2022 and 2021 financial years, dividends from group companies in fiscal consolidation and the costs of issuing equity instruments that have been eliminated for the determination of the tax base are considered as permanent differences.

The temporary differences correspond mainly to the amounts provided during the financial year related to the Long-Term Incentive Plan and the exceptional delivery of shares to employees which are not deductible until the time of payment of the employees (see Note 16.4), as well as the amount of non-deductible financial expenses of the Tax Consolidation Group in the 2022 financial year.

13.4. Reconciliation between net accounting income and income tax expense

The standard income tax rate for 2022 and 2021 is 25%.

Reconciliation between net accounting income and income tax expense is as follows:

	Thousands of Euros	
	2022	2021
Profit (Loss) before tax	(114,961)	(156,705)
Theoretical tax	28,740	39,176
Impact on tax expense from (permanent differences):		
Donations and libels	(391)	(708)
Dividends (Note 15.1)	33,257	23,769
Shares to employees	59	—
Deductions	700	700
Income tax expense for the year	**62,365**	**62,937**
Other tax effects	591	797
Income tax expense	**62,956**	**63,734**

13.5. Breakdown of income tax expense

The main items of income tax expense in the year are as follows:

	Thousands of Euros	
	2022	2021
Current tax		
For continuing operations	44,794	15,222
For discontinued operations	591	(14,771)
Deferred tax		
For continuing operations	17,571	47,715
For discontinued operations	—	15,568
Income tax expense	**62,956**	**63,734**

Tax withholdings and prepayments totalled EUR 6,194 thousand as of 31 December 2022 (EUR 0 thousand in 2021)

13.6. Deferred taxes

The balance of the recognised deferred assets and liabilities, as well as their movement during the financial year, was as follows:

	Thousands of Euros			
	31/12/2022		31/12/2021	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
At 1 January	**149,139**	**—**	**84,655**	**—**
Debits/ (Credits) in income statements	29,230	—	61,640	—
Debits/ (Credits) in equity	859	1,530	2,844	—
At 31 December	**179,228**	**1,530**	**149,139**	**—**

	Thousands of Euros	
	2022	2021
(Debits)/Credits in income statements		
Deferred tax assets	29,230	61,640
(Debits)/Credits in equity		
Deferred tax assets	859	2,844
Deferred tax liabilities	1,530	—
Total (Debits)/Credits due to deferred tax	**31,619**	**64,484**

The breakdown of the deferred taxes is as follows::

	Thousands of Euros	
	31/12/2022	31/12/2021
Deferred tax assets:		
Tax credits for negative tax bases	50,921	43,010
Non deductible financial expense	101,398	85,407
Tax credits for deductions	13,550	9,803
Employee Benefit obligations	6,383	4,741
Derivative financial instruments	—	635
Hedge linked to a highly likely transaction in foreign currency	6,036	4,577
Convertible Bond	752	752
Others	188	214
Total deferred tax assets	**179,228**	**149,139**
Deferred tax liabilities:		
Hedging derivative	1,530	—
Total deferred tax liabilities	**1,530**	**—**

The deferred tax assets indicated above were recognised in the balance sheet because the Company's Directors considered that, based on their best estimate of the Company's future earnings, it is probable that these assets will be recovered.

In addition, during the 2022 and 2021 financial year, the Company recorded a deferred tax asset for the non-deductibility of the financial expense of companies, as head of the Spanish Tax Group amounting to EUR 15,991 and EUR 62,397 thousand, respectively.

Also, during the 2022 financial year, the Company has activated credits on negative tax bases amounting to EUR 1,517 thousand (EUR 3,005 thousand during the 2021 financial year), as head of the Fiscal Consolidation Group.

Expected schedule for reversal the deferred tax assets and liabilities

In most cases, the use of the Company's deferred tax assets and liabilities is conditional upon the future performance of the business activities, the tax regulations of the country in which it operates, and the strategic decisions to which it may be subject. Under the assumption used, it is estimated that the deferred tax assets and liabilities recognised in the balance sheet at 31 December 2022 and 2021 will be used as follows:

	Thousands of Euros		
	2022		2021
	166140		
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets
Less than one year	13,088	—	882
More than one year	166,140	1,530	148,257
At 31 December	**179,228**	**1,530**	**149,139**

14. Foreign currency balances and transactions

The detail of the most significant balances and transactions in foreign currency, valued at the year-end exchange rate and the average exchange rates for the year, respectively, is as follows:

	Thousands of Euros	
	2022	2021
Accounts receivable	50	2,174
Loans received	815,264	795,012
Accounts payable	1,602	1,731
Services rendered	46	128
Services received	17,098	3,963

The breakdown of the exchange differences recognised in 2022 and 2021, by type of financial instrument, is as follows:

	Thousands of Euros	
	Transactions settled during the year	
	2022	2021
Other assets and liabilities	4,715	(4,708)
Total	**4,715**	**(4,708)**

15. Revenue and expenses

15.1. Revenue

Revenue in 2022 and 2021 was as follows:

	Thousands of Euros	
	2022	2021
Dividends (Note 17.3)	140,030	99,351
Interest income (Note 17.3)	22,830	15,437
Total	**162,860**	**114,788**

"Interest income" was generated by the Company's cash pooling operation with Group companies as well as for guarantees granted in relation to the financing agreements arranged and loans drawn by Cellnex Finance Company, S.A.U. (see Notes 12.4 and 17.3). The interest rate stipulated in these operations is the market rate.

15.2. Other operating income

"Other operating income" relates to services rendered to Group companies as management fees as well as the re-invoicing of expenses related to the building's rental and supply costs and other costs (see Notes 16.3 and 17.3).

15.3. Staff costs

The detail of staff costs is as follows:

	Thousands of Euros	
	2022	2021
Wages and salaries	32,415	31,233
Compensation	783	207
Social Security contributions	2,600	2,190
Other employee benefit costs	3,669	2,769
Staff costs	**39,467**	**36,399**

The average number of employees at the Company at the end of the 2022 and 2021, broken down by job category and gender, is as follows:

	2022			2021		
	Male	Female	Total	Male	Female	Total
Chief Executive Officer	1	—	1	1	—	1
Senior management	7	2	9	8	1	9
Other executives, senior and middle management	33	11	44	27	8	35
Other employees	57	57	114	54	49	103
	98	**70**	**168**	**90**	**58**	**148**

The number of employees at the Company in 2022 and 2021, broken down by job category and gender, was as follows:

	2022			2021		
	Male	Female	Total	Male	Female	Total
Chief Executive Officer	1	—	1	1	—	1
Senior management	7	2	9	7	1	8
Other executives, senior and middle management	34	14	48	31	11	42
Other employees	54	59	113	59	54	113
	96	**75**	**171**	**98**	**66**	**164**

The average number of employees at the Company with a level of disability of 33% or above in 2022 and 2021 was zero.

At the end of 2022, the Board of Directors is composed of five male Directors and six female Directors (six male Directors and five female Director at the end of 2021).

15.4. Other operating expenses

The detail of “Other operating expenses” on the income statement is as follows:

	Thousands of Euros	
	2022	2021
Leases and royalties	3,812	4,259
Independent professional services	39,278	41,302
Advertising, publicity and public relations	5,057	6,009
Other external services	33,989	26,640
Total external services	**82,136**	**78,210**

15.5. Net financial profit/loss

The breakdown of financial income and costs by item is as follows:

	Thousands of Euros			
	2022		2021	
	Income	Expense	Income	Expense
Finance income and interest from third parties	1,148	—	282	—
Finance expenses and interest from third parties	—	(189,349)	—	(202,374)
Finance expenses and interest from Group and Associates (Note 17.3)	—	(10,900)	—	(472)
Change in fair value of financial instruments	16,900	(26,080)	47,551	(29,867)
Exchange rate differences	11,559	(6,844)	(3,916)	(792)
	29,607	**(233,173)**	**43,917**	**(233,505)**
Financial Profit/loss		**(203,566)**		**(189,588)**

The change in fair value of financial instruments for 2022 and 2021 is as follows:

	Thousands of Euros	
	2022	2021
Gain/(Loss) on hedges	(9,180)	17,684
	(9,180)	**17,684**

This item includes mainly the net impact deriving from the accounting treatment of net investments in foreign operations as hedges (see Note 12.2).

16. Commitments and obligations

16.1. Contingent liabilities

At 31 December 2022 the Company had guarantees with third parties amounting to EUR 37,915 thousands (EUR 37,094 thousands in 2021) (see Note 16.5).

16.2. Purchase commitments

The Company is a guarantor of the acquisition operations committed by the Group as well as the deployment of future sites for an amount of EUR 14,765 million (7,361 million as of 31 December 2021).

Cellnex, DIV and Dutch foundation entered into an agreement upon closing, which set forth the right of DIV to sell its 37.65% non-controlling interest to Cellnex, at a price to be calculated pursuant to said agreement. Thus, as a consequence, the Group maintains a liability corresponding to the contingent commitment to purchase the 29.88% of Cellnex Netherlands' shares from third-party shareholder.

Additionally, the Company has not purchase contracts signed for tangible and intangible fixed assets neither for 2022 nor 2021.

16.3. Operating lease commitments

The Company leases spaces, equipment and vehicles under operating leases.

Most of the leases are for one year and have a renewable option at expiry under market terms. In some cases, the lease term is greater than one year, also with renewal options.

Total future minimal rentals payable under operating leases are recurring, as all the current leases are considered to be essential for the Company's operations.

The detail of operating lease payments undertaken by the Company is as follows:

Minimum operating lease payments	Thousands of Euros	
	2022	2021
Within one year	3,077	3,144
1 to 5 years	11,464	12,575
More than 5 years	20,098	22,029
Total	**34,639**	**37,748**

The main operating lease owned by the Company is the contract between Iberdrola Inmobiliaria Patrimonio, S.A.U. and the Company signed on 11 April 2019 for the corporate building management services, understood by them, the rental of corporate offices of Torre Llevant in Zona Franca (Barcelona), for a period of 15 years. The rent paid in 2022 was EUR 3,812 thousand (EUR 4,259 thousand in 2021).

The Torre Llevant building is already built, and the delivery took place on the 16 July 2021,

16.4. Employee benefit obligations

ILP (2019-2021)

As described in the Note 4.5, the Company, based on the best possible estimate of the obligation associated with said plan and taking into account all available information, as of 31 December 2021, the Company recorded a provision of 6,962 thousand euros under the heading "Other equity instruments" in the accompanying balance sheet. Therefore, the impact on the income statement attached at the end of 2022 amounts to 19 thousand euros.

ILP (2020-2022)

As described in the Note 4.5, as of December 2022, the estimated cost of the ILP (2020- 2022) is €6.1 million. The objectives set for this plan have not been met and therefore no pay-out will be made to management.

ILP (2021-2023)

As described in Note 4.5, the Company, based on the best possible estimate of the obligation associated with said plan and taking into account all available information, as of December 31, 2021, the Company has recorded a provision of 4,903 thousand euros under the heading "Other equity instruments" of the accompanying balance sheet (2,350 thousand euros at the end of 2021). Therefore, the impact on the income statement attached at the end of 2022 amounts to 2,554 thousand euros (2,350 thousand euros at the end of 2021).

ILP (2022-2024)

As described in Note 4.5, the Company, based on the best possible estimate of the obligation associated with said plan and taking into account all available information, as of December 31, 2022, the Company has recorded a provision of 1,780 thousand euros under the heading "Other equity instruments" of the accompanying balance sheet.

16.5. Other Contingencies

On 19 May 2009, the Board of the National Commission on Markets and Competition (CNMC in Spanish) imposed a fine of EUR 22.7 million on Cellnex Telecom, S.A. (formerly Abertis Telecom, S.A.U.) for abusing its dominant position in the Spanish market for transmitting and broadcasting TV signals, pursuant to article 2 of the Competition Act and article 102 of the Treaty on the Functioning of the European Union. The Company filed an appeal for judicial review with the National Appellate Court against the CNMC fine, which was dismissed in the judgement passed on 16 February 2012. This judgement was appealed to the Supreme Court on 12 June 2012. On 23 April 2015 the appeal was resolved, upholding the appeal and annulling the decision of the CNMC with regard to the amount of the fine, ordering the current CNMC to recalculate that amount in accordance with the provisions of law 16/89. On 29 September 2016 the CNMC issued a decision recalculating the aforementioned amount (EUR 18.7 million), which was appealed to the Spanish High Court on September 26, 2016. On July 27, 2022 a judgement was issued rejecting said appeal. The Company has filed an appeal against it. Based on the opinion of its legal advisors, the provision recorded in this regard at 31 December 2022 by Retevisión-I, S.A.U., amounted to EUR 18.7 million in "non-current provisions and other liabilities" of the balance sheet (EUR 18.7 million at the end of 2021).

On 8 February 2012, the Board of the National Commission on Markets and Competition (CNMC in Spanish) imposed a fine of EUR 13.7 million on Cellnex Telecom, S.A. (formerly Abertis Telecom, S.A.U.) for having abused its dominant position, pursuant to article 2 of the Competition Act and article 102 of the Treaty on the Functioning of the European Union. The company allegedly abused its dominant position in wholesale service markets with access to infrastructure and broadcast centres of Cellnex for broadcasting DTT signals in Spain, and retail service markets for transmitting and distributing DTT signals in Spain by narrowing margins. On 21 March 2012, the Company filed an appeal for judicial review against the decision of the CNMC with the National Appellate Court, also requesting a delay of payments with regard to the fine until the court passes a ruling on this matter. This delay was granted on 18 June 2012.

On 20 February 2015 the National Appellate Court partially upheld the appeal, ordering the CNMC to recalculate the fine as it considered that the criteria used at the time by the CNMC were not appropriate. Notwithstanding the foregoing, on 26 May 2015, an appeal was filed with the Supreme Court against the judgement of the National Appellate Court on the grounds that it is not only about the recalculation of the amount but also that the Company did not break any competition rules.

On 23 March 2018, the Supreme Court issued a judgment dismissing the appeal, and is awaiting the return of the file to the CNMC for the recalculation of the sanction. Cellnex Telecom, S.A. filed a nullity incident, which was dismissed on 19 July 2018. On 10 October 2018, Cellnex Telecom, S.A. filed an appeal with the Constitutional Court against the ruling. On 13 February 2019 the Constitutional Court dismissed Cellnex Telecom, S.A.'s appeal. Following the corresponding calculation procedure, the CNMC has ruled that the amount of the fine should not be amended. Cellnex Telecom, S.A., has filed an appeal against such decision. The original guarantee was provided on 4 February 2020. With regard to these proceedings, at 31 December 2022, the provision recognised based on the opinion of their legal advisers, amounted to EUR 13.7 million in "non-current provisions and other liabilities" of the balance sheet of Retevision-I, S.A.U. (EUR 13.7 million at the end of 2021).

Moreover, and because of the spin-off of Abertis Telecom, S.A.U. (now Abertis Telecom Satélites, S.A.U.) on 17 December 2013, Cellnex Telecom, S.A. assumed all rights and obligations that may arise from the aforementioned legal proceedings, as they relate to the spin-off business (terrestrial telecommunications). An agreement has therefore been entered into between Cellnex Telecom, S.A. and Abertis Telecom Satélites, S.A.U. stipulating that if the aforementioned amounts have to be paid, Retevisión-I, S.A.U. will be responsible for paying these fines. At 31 December 2022, Cellnex Telecom, S.A. has provided three guarantees amounting to EUR 32.5 million (EUR 32,5 milion as of 31 de diciembre de 2021) to cover the disputed rulings with the CNMC explained above.

17. Related party transactions

17.1. Directors and Senior Management

The remuneration earned by the Company's directors as at 31 December 2022 and 2021 was as follows:

i. The members of the Board of Directors received EUR 2.069 thousand for exercising the duties in their capacity as directors of Cellnex Telecom, S.A. (EUR 1,706 thousand in 2021).

ii. For performing senior management duties, the Chief Executive Officer:

    a. received EUR 1,300 thousand, corresponding to fixed remuneration (EUR 1,300 thousand in 2021).

    b. has accrued EUR 1,576 thousand corresponding to annual variable remuneration, estimated assuming 121% of accomplishment (EUR 1,275 thousand in 2021).

    c. as detailed in Note 16.4., the objectives set for the 2020-2022 LTIP have not been met and therefore no pay-out will be made. As at 31 December 2021, was accrued EUR 1,920 thousand for the achievement of the multi-annual objectives established in the “Long Term Incentive Plan" that consolidated in December 2021.

    Note: The accounting provision in relation to all the "ILPs" in progress, for the year ended on December 31, 2022 amounted to EUR 3,033 thousand (EUR 2,546 thousand in 2021). See Note 16.4.

iii. In addition, the Chief Executive Officer of Cellnex Telecom, S.A. has received, as other benefits, contributions made to cover pensions and other remuneration in kind in the amount of EUR 325 thousand and EUR 33.6 thousand, respectively (EUR 325 thousand and EUR 32 thousand in 2021).

iv. The CEO's severance package, accrued and payable in 2023, will be calculated according to the parameters that were duly approved at the General Shareholders' Meeting on 28 April 2022.

Cellnex defines Senior Management as executives that perform management duties and report directly to the Chief Executive Officer. Fixed and variable remuneration for the year ended on 31 December 2022 for members of Senior Management amounted to EUR 5,822 thousand (EUR 5,323 thousand in 2021). As detailed in Note 16.4., the objectives set for the 2020-2022 LTIP have not been met and therefore no pay-out will be made. As at 31 December 2021, was accrued EUR 4,165 thousand for the achievement of the multi-annual objectives established in all the “Long Term Incentive Plan” that consolidated in December 2021, estimated assuming 100% of accomplishment. Note: The accounting provisions for all the LTIPs in progress, for the year ended on 31 December 2022 amounted to EUR 4,811 thousand (EUR 4,447 thousand in 2021).

In addition, members of Senior Management received, as other benefits, contributions made to cover pensions and other remuneration in kind to the amount of EUR 500 thousand and EUR 190 thousand, respectively (EUR 423 thousand and EUR 190 thousand in 2021).

The Company has taken out executives and directors civil liability policy for the members of the Board of Directors, the Chief Executive Officer and all the Senior Management of the Cellnex Telecom group at a cost amounting to EUR 926 thousand at 31 December 2022 (EUR 967 thousand in 2021).

17.2. Other disclosures concerning Directors

In accordance with the article 229 of the Spanish Limited Liability Companies Law, the directors have reported that neither they nor any persons related to them are involved in any situations that may lead to a direct or indirect permanent conflict with the Company's interests that could not be managed, if occurs, with the appropriate measures.

17.3. Group companies and associates

The financial assets and liabilities held by the Company with Cellnex Group companies and associates at year-end 2022 and 2021, with the exception of equity instruments (see Note 8.1), are as follows:

2022

	Thousands of Euros					
	Assets			Liabilities		
	Non-Current loans	Current loans	Receivables	Non-Current Loans	Current Loans	Payables
Adesal Telecom SL	—	14	—	—	—	—
Alticom B.V.	107	—	209	—	—	—
Cellnex Austria GmbH	125	—	124	—	—	—
Cellnex Connectivity Solutions Limited	—	—	245	—	—	—
Cellnex Denmark ApS	152	—	311	—	—	—
Cellnex Finance Company, S.A.U	—	96,451	7,011	1,420,000	80,606	946
Cellnex France Groupe, S.A.S	166	—	27	—	—	—
Cellnex France, S.A.S.	182	—	1,718	—	—	—
Cellnex Ireland Limited	—	—	142	—	—	—
Cellnex Italia S.p.A	451	—	3,184	—	—	59
Cellnex Netherlands B.V.	87	—	390	—	1	—
Cellnex Poland sp. z o.o.	239	—	996	—	—	—
Cellnex Sweden, A.B	91	—	250	—	—	—
Cellnex Switzeland AG	126	—	1,054	—	—	—
Cellnex Telecom España, S.L.U.	50	768	391	—	2,258	—
Cellnex UK Limited	268	—	1,533	—	—	121
Cignal Infrastructure Netherlands B.V.	3	—	300	—	—	—
Cignal Infrastructure Limited	244	—	518	—	—	—
CLNX Portugal SA	206	—	651	—	—	—
Edzcom Oy	—	—	25	—	—	363
Hivory SAS	10	—	2,246	—	—	—
Infratower, S.A.	—	—	65	—	—	—
Nexloop France, S.A.S	53	—	141	—	—	—
OMTEL,Estructuras de Comunicaçoes, S.A.	66	—	802	—	—	—

On Tower Denmark, ApS	—	—	173	—	—	—
On Tower Ireland Limited	—	—	212	—	—	—
On Tower Netherlands BV	—	—	1	—	—	—
On Tower Poland s.p.z.o.o	31	—	703	—	—	—
On Tower Sweden, AB.	—	—	263	—	—	—
On Tower UK, Ltd	1,345	—	1,878	—	—	—
On Tower Telecom Infraestructuras, S.A.U.	—	11,156	760	—	—	—
On Tower Austria , GmbH	—	—	392	—	—	—
OnTower France, S.A.S.	86	—	1,187	—	—	—
OnTower Portugal, S.A.	—	—	225	—	—	—
Radiosite Limited	—	—	75	—	—	—
Retevisión-I, S.A.	1,022	77,961	1,426	—	—	—
Shere Masten B.V.	119	—	241	—	—	—
Springbok Mobility	—	—	2	—	—	—
Swiss Infra Services S.A.	158	—	1,844	—	—	—
Swiss Towers AG	191	—	1,793	—	—	—
Towerlink France S.A.S	—	—	108	—	—	—
Towerlink Netherlands BV	—	—	52	—	—	—
Towerlink Poland Sp. z.o.	5	—	2,956	—	—	—
Towerlink Portuga, ULDA	—	—	15	—	—	—
Tradia Telecom, S.A.U	939	16,249	1,273	—	—	—
Ukkoverkot Oy	—	—	17	—	—	—
Watersite Limited	—	—	46	—	—	—
Wayworth Limited	—	—	1	—	—	—
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	42	4,645	44	—	396	—
Zenon Digital Radio, S.L.	—	539	26	—	—	—
Total	**6,564**	**207,783**	**38,046**	**1,420,000**	**83,261**	**1,489**

2021

	Thousands of Euros					
	Assets			Liabilities		
	Non-Current loans	Current loans	Receivables	Non-Current Loans	Current Loans	Payables
Adesal Telecom, S.L.	—	12	1	—	—	—
Alticom B.V.	—	—	5	—	—	—
Belmont Infra Holding, S.A.	—	—	408	—	—	—
Cellnex Austria GmbH	56	—	217	—	—	—
Cellnex Connectivity Solutions Limited	—	—	240	—	—	—
Cellnex Denmark ApS	60	—	91	—	—	—
Cellnex Finance Company, S.A.U.	—	2,534,654	12,771	5,129	70,220	171
Cellnex France Groupe, S.A.S.	125	—	1,105	—	—	—
Cellnex France, S.A.S.	271	—	3,737	—	—	—
Cellnex Ireland Limited	—	—	87	—	—	—
Cellnex Italia, S.p.A.	477	—	7,145	—	—	784
Cellnex Netherlands B.V.	376	—	355	—	1	—
Cellnex Poland Sp. z o.o.	59	—	749	—	—	—
Cellnex Sweden, AB	41	—	—	—	—	—
Cellnex Switzeland AG	—	—	649	—	—	—
Cellnex Telecom España, S.L.U.	225	182	1,205	—	68,258	—
Cellnex UK Consulting Limited	—	—	2	—	—	—
Cellnex UK Limited	997	—	1,227	—	—	122
Cignal Infrastructure Services	415	—	298	—	—	—
CLNX Portugal S.A.	313	—	—	—	—	—
Edzcom Oy	—	—	29	—	—	77
Grid Tracer AG	—	—	7	—	—	—
Nexloop France, S.A.S.	—	—	194	—	—	—
OMTEL,Estructuras de Comunicaçoes, S.A.	340	—	1,481	—	—	—
On Tower Denmark ApS	—	—	126	—	—	—
On Tower Ireland Limited	—	—	170	—	—	—
On Tower Poland S.p z.o.o.	—	—	33	—	—	—
On Tower Sweden, AB	—	—	80	—	—	—
On Tower UK 1, Ltd.	—	—	78	—	—	—
On Tower UK 2, Ltd.	—	—	58	—	—	—
On Tower UK 4, Ltd.	—	—	7	—	—	—
On Tower UK, Ltd.	—	—	4,116	—	—	—
On Tower Telecom Infraestructuras, S.A.U.	—	5,130	62	—	—	—
On Tower Austria GmbH	—	—	314	—	—	—
OnTower France, S.A.S.	160	—	3,803	—	—	—

OnTower Portugal, S.A.	—	—	4	—	—	—
Radiosite Limited	—	—	75	—	—	—
Retevisión-I, S.A.U.	792	57,851	4,306	—	—	897
Shannonside Communications Limited	—	—	1	—	—	—
Shere Masten B.V.	—	—	4	—	—	—
Springbok Mobility	—	—	11	—	—	—
Swiss Infra Services, S.A.	259	—	1,666	—	—	—
Swiss Towers AG	271	—	1,546	—	—	—
Towerco, S.p.A	—	—	405	—	—	—
Towerlink France, S.A.S.	—	—	176	—	—	—
Towerlink Portugal, S.A.	—	—	28	—	—	—
Tradia Telecom, S.A.U.	724	12,346	2,538	—	—	331
Ukkoverkot Oy	—	—	3	—	—	—
Watersite Limited	—	—	39	—	—	—
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	40	2,869	188	—	269	—
Zenon Digital Radio, S.L.	—	430	10	—	—	—
Total	**6,001**	**2,613,474**	**51,850**	**5,129**	**138,748**	**2,382**

As of 31 December 2022, under the caption "Credits to Group companies and non-current partners, the Company has registered the amounts corresponding to:

– This heading includes the debit balance for long-term credits for the accounting provision in relation to all the "ILP" in progress 2021-2023 and 2022-2024.

As of 31 December 2022, under the caption "Credits to Group companies and current partners" the Company has registered the amounts corresponding to:

– Current debtor balance of the receivables with the Group companies that are part of the Tax Consolidation Group, by consolidated corporate tax regime amounting to EUR 120,055 thousand (EUR 82,788 thousand at the end of 2021).

– Current debtor balance of the receivables with the Group companies that are part of the Tax Consolidation Group, by consolidated VAT tax regime, amounting to EUR 2,039 thousand of euros (3,466 thousand at the end of 2021). .

– This heading includes the debit balance for short-term loans for Cash Pooling with Cellnex Finance Company, S.A.U. for a total of 85,668 thousand of euros (2,527,220 thousand at the end of 2021).

As of December 31, 2022, under the heading "Debts with Group companies and non-current associates" the Company has registered the amounts corresponding to:

– As of December 30, 2022 a loan was formalized with Cellnex Finance, S.A.U for a total amount of 1,420 million euros with a maturity of 5 years.

As of December 31, 2022, under the heading "Debts with Group companies and current associates" the Company has registered the amounts corresponding to:

– On December 10, 2020, a centralized multi-currency treasury management contract was signed between the Spanish companies of the Cellnex Group and Cellnex Finance Company, S.A.U., which includes both short-term and long-term provisions, and with a duration of one year, tacitly renewable for annual periods. In relation to this contract, as of December 31, 2022, the Company maintains short-term debt amounting to 74,926 thousand euros (68,943 thousand euros at the end of 2021), and accrued interest amounted to 385 thousand euros (39 thousand euros at the end of 2021)

- Creditor balances with the Group companies that are part of the Tax Consolidation Group, under the consolidated corporate income tax regime amounting to 4,246 thousand euros (3,495 thousand euros at the end of 2021).

- Creditor balances with the Group companies that are part of the Tax Consolidation Group, under a consolidated VAT taxation regime amounting to 397 thousand euros (270 thousand euros at the end of 2021).

As of 31 December 2022 and 2021, there are no long-term debts to Group companies and associates**.**

The Company's transactions with Cellnex Group companies and associates in 2021 and 2020 are as follows:

2022

	Thousands of Euros				
	Income			Expenses	
	Dividends	Services rendered	Accrued interests	Services received	Accrued interests
Alticom B.V.	—	208	—	—	—
Breedlink BV	—	2	—	—	—
Cellnex Austria GmbH	—	273	—	—	—
Cellnex Connectivity Solutions Limited	—	422	—	—	—
Cellnex Denmark ApS	—	378	—	—	—
Cellnex Finance Company, S.A.U	—	630	22,798	716	10,900
Cellnex France Groupe, S.A.S	—	816	—	—	—
Cellnex France, S.A.S.	—	4,703	—	—	—
Cellnex Ireland Limited	—	206	—	—	—
Cellnex Italia S.p.A	32,688	9,635	—	937	—
Cellnex Netherlands B.V.	—	1,067	—	—	—
Cellnex Poland sp. z o.o.	—	1,344	—	—	—
Cellnex Sweden, A.B	—	321	—	—	—
Cellnex Switzeland AG	—	1,047	—	—	—
Cellnex Telecom España, S.L.U.	106,246	1,943	—	—	—
Cellnex UK Limited	—	1,841	—	—	—
Cignal Infrastructure Netherlands B.V.	—	893	—	—	—
Cignal Infrastructure Limited	—	294	—	—	—
CLNX Portugal SA	—	516	32	62	—

Digital Infrastructure Veh	1,096	—	—	—	—
Edzcom Oy	—	—	—	2,117	—
Grid Tracer AG	—	3	—	—	—
Infratower, S.A.	—	95	—	—	—
Nexloop France, S.A.S	—	229	—	—	—
OMTEL,Estructuras de Comunicaçoes, S.A.	—	1,459	—	—	—
On Tower Denmark, ApS	—	641	—	—	—
On Tower Ireland Limited	—	848	—	—	—
On Tower Netherlands BV	—	1	—	—	—
On Tower Poland s.p.z.o.o	—	2,354	—	—	—
On Tower Sweden, AB.	—	994	—	—	—
On Tower UK, Ltd	—	5,985	—	25	—
On Tower Telecom Infraestructuras, S.A.U.	—	2,002	—	55	—
On Tower Austria , GmbH	—	1,565	—	—	—
OnTower France, S.A.S.	—	3,945	—	—	—
OnTower Portugal, S.A.	—	881	—	—	—
Radiosite Limited	—	142	—	—	—
Retevisión-I, S.A.	—	3,003	—	11,766	—
Shere Masten B.V.	—	427	—	—	—
Swiss Infra Services S.A.	—	1,620	—	—	—
Swiss Towers AG	—	1,581	—	—	—
Towerlink France S.A.S	—	385	—	—	—
Towerlink Netherlands BV	—	209	—	—	—
Towerlink Poland Sp. z.o.	—	2,956	—	—	—
Towerlink Portuga, ULDA	—	48	—	—	—
Tradia Telecom, S.A.U	—	1,638	—	5,019	—
Ukkoverkot Oy	—	9	—	—	—
Watersite Limited	—	87	—	—	—
Wayworth Limited	—	2	—	—	—
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	—	99	—	—	—
Zenon Digital Radio, S.L.	—	25	—	—	—
Total	**140,030**	**62,018**	**22,830**	**20,697**	**10,900**

During the second half of 2022, Digital Infrastructure Vehicle II SCSp SICAV – RAIF ("DIV") has made a contribution refund to the Company for a total amount of 51.8 million euros (See Note 8).

The Company has received a distribution of 4.6 million euros from Digital Infrastructure Vehicle II SCSp, of which 3.5 million euros have been recorded as lower cost of the participation since they do not correspond to results generated by the subgroup of the investee company since its acquisition.

2021

	Thousands of Euros				
	Income			Expenses	
	Dividends	Services rendered	Accrued interests	Services received	Accrued interests
Alticom B.V.	—	221	—	—	—
Belmont Infra Holding S.A.	—	408	—	—	—
Breedlink B.V.	—	3	—	—	—
Cellnex Austria GmbH	—	218	—	—	—
Cellnex Connectivity Solutions Limited	—	240	—	—	—
Cellnex Denmark ApS	—	152	—	—	—
Cellnex Finance Company, S.A.U.	—	485	12,967	188	471
Cellnex France Groupe, S.A.S.	—	890	—	—	—
Cellnex France, S.A.S.	—	3,951	—	—	—
Cellnex Ireland Limited	—	87	—	—	—
Cellnex Italia, S.p.A.	59,847	6,737	—	799	—
Cellnex Netherlands B.V.	—	1,040	—	—	1
Cellnex Poland Sp. z o.o.	—	441	—	—	—
Cellnex Sweden, AB	—	99	—	—	—
Cellnex Switzeland AG	—	713	—	—	—
Cellnex Telecom España, S.L.U.	39,504	1,915	—	231	—
Cellnex UK Consulting Limited	—	2	—	—	—
Cellnex UK Limited	—	1,170	1	—	—
Cignal Infrastructure Services	—	294	—	—	—
CLNX Portugal, S.A.	—	—	2,469	—	—
Edzcom Oy	—	28	—	8	—
Grid Tracer AG	—	7	—	—	—
Nexloop France, S.A.S.	—	194	—	—	—
OMTEL,Estructuras de Comunicaçoes, S.A.	—	1,474	—	—	—
On Tower Denmark, ApS	—	120	—	—	—
On Tower Ireland Limited	—	168	—	—	—
On Tower Poland S.p. z.o.o.	—	33	—	—	—
On Tower Sweden, AB	—	80	—	—	—
On Tower UK 1, Ltd.	—	78	—	—	—
On Tower UK 2, Ltd.	—	58	—	—	—
On Tower UK 4, Ltd.	—	7	—	—	—
On Tower UK, Ltd.	—	4,051	—	—	—
On Tower Telecom Infraestructuras, S.A.U.	—	3,320	—	51	—

On Tower Austria GmbH	—	314	—	—	—
OnTower France, S.A.S.	—	3,763	—	—	—
OnTower Portugal, S.A.	—	313	—	—	—
Radiosite Limited	—	75	—	—	—
Retevisión-I, S.A.U.	—	2,788	—	11,224	—
Shannonside Communications Limited	—	1	—	—	—
Shere Masten B.V.	—	452	—	—	—
Springbok Mobility	—	9	—	—	—
Swiss Infra Services, S.A.	—	1,400	—	—	—
Swiss Towers AG	—	1,415	—	—	—
Towerco, S.p.A	—	402	—	—	—
Towerlink France, S.A.S.	—	176	—	—	—
Towerlink Netherlands B.V	—	209	—	—	—
Towerlink Portugal, S.A.	—	29	—	—	—
Tradia Telecom, S.A.U.	—	1,620	—	4,247	—
Ukkoverkot Oy	—	3	—	—	—
Watersite Limited	—	39	—	—	—
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	—	194	—	—	—
Zenon Digital Radio, S.L.	—	10	—	—	—
Total	**99,351**	**41,896**	**15,437**	**16,748**	**472**

Cellnex Telecom, S.A.approved a dividend distribution for an amount of EUR 22,900 thousand from Cellnex Netherlands, B.V. which has been recognised as a reduction of the cost of the investment (see Note 8).

In relation to the aforementioned operations, the Company continue acting as a guarantee of the subrogated debt by Cellnex Finance Company, S.A.U (see Note 12.4).

17.4. Other related parties

Other related parties, in addition to the Group companies and associates indicated in Note 17.3 above and as defined in Spain's General Accounting Plan, include shareholders (and their subsidiaries) of Cellnex Telecom, S.A. that exercise significant influence over it, those with the right to appoint a director or those with a stake of more than 3%.

On 12 July 2018, ConnecT acquired 29.9% of the Company's share capital. ConnecT is controlled by Sintonia, a subholding company wholly-owned by Edizione S.r.L and, in turn, Sintonia is the largest shareholder of Atlantia. As a result, as of 31 December 2018, Edizione S.r.L, together with its group of companies, is considered a party related to the Company. As of 31 December 2021, Edizione S.r.L is listed as a reference shareholder of Cellnex Telecom, S.A. with a 8.53% stake.

<u>Services rendered and received</u>

The transactions carried out with Abertis Group companies and The Cellnex Foundation during 2022 and 2021 financial years are as follows:

2022

	Thousands of Euros	
	Income	Expenses
	Services rendered	Services rendered
The Cellnex Foundation	58	1,000
Total	**58**	**1,000**

2021

	Thousands of Euros	
	Income	Expenses
	Services rendered	Services rendered
Abertis Autopistas España, S.A.	135	—
Total	**135**	**—**

The Company carries out all its transactions with related parties on an arm's length basis. Also, given that transfer prices are adequately documented, the Company's Directors consider that there are no significant risks that could give rise to material liabilities in the future.

<u>Other</u>

The other assets and liabilities held by the Company with companies of the Abertis group and associates at 31 December 2022 and 2021 are the following:

2022

	Thousands of Euros	
	Assets	Liabilities
	Receivables	Payables
Abertis Autopistas España, S.A.	6	58
Total	**6**	**58**

2021

	Thousands of Euros	
	Assets	Liabilities
	Receivables	Payables
Abertis Autopistas España, S.A.	160	—
Total	**160**	**—**

18. Other information

18.1. Audit fees

In 2022 and 2021 the fees for financial audit and other services provided by the auditor of the Company's financial statements, Deloitte, S.L., or by companies related to these auditors as a result of control, common ownership or common management, were as follows:

	Thousands of Euros							
	2022				2021			
	Audit of financial statements (1)	Other services from the auditor	**Total Services of the auditor**	**Non-auditor services**	Audit of financial statements (1)	Other services from the auditor	**Total Services of the auditor**	**Non-auditor services**
Fees corresponding to Deloitte, S.L. or other Company in the same Group	1,165	10	**1,175**	**229**	987	135	**1,122**	**3,082**
Total professional services	**1,165**	**10**	**1,175**	**229**	**987**	**135**	**1,122**	**3,082**

(1))Includes the limited review of the consolidated interim financial statements of the Group as of June 30, 2022

18.2. Information on deferral of payment to suppliers.

The information required by the additional third decree of Law 15/2010 of 5 July (modified by the second final decree of Law 31/2014) prepared in accordance with the resolution issued by the Spanish Accounting and Auditing Institute (AAI) of 29 January 2016 in relation to the information to be disclosed in the annual report with regard to the average supplier payment period for commercial transactions, is set up below:

	Thousands of Euros	
	2022	2021
Total payments in the year	84,484	71,401
Total payments outstanding	3,708	18,728
Average payment period to suppliers (days)	18	21
Ratio of transactions paid (days)	18	24
Ratio of transactions outstanding (days)	20	8

In accordance with the AAI resolution, only the delivery of goods and services from the date Law 31/2014 of 3 December came into force have been taken into account.

For the sole purpose of the disclosure of information required by this resolution, the term 'suppliers' relates to the trade payables for debts with suppliers of goods or services included in the caption 'Suppliers, Group and Associated companies' and 'Trade and other payables' in the short term liabilities of the balance sheet.

Average payment period to suppliers is understood to mean the period lapsed from the delivery of goods or services by the supplier to the actual payment of the transaction.

	2022
Monetary volume (thousands of euros)	79,902
Percentage of total payments made	95 %
Number of invoices	4,309
Percentage of all invoices paid	92 %

18.3 Modification or termination of contracts

There has been no conclusion, modification or early termination of any contract between the Company and any of its partners or Directors or person acting on their behalf, affecting operations outside the ordinary traffic of the Company or that has not been carried out under normal conditions.

19. Environmental information

Group’s key objective is to generate sustained value in the short, medium and long term, through responsible management of the business, incorporating the interests and expectations of the Company’s stakeholders. In this sense, in 2021, the Board of Directors approved the Group's Environmental, Social and Governance (ESG) Policy and the Environment and Climate Change Policy.

Additionally, within the environmental management system already implemented and certified, Cellnex periodically updates the identification and evaluation of its environmental aspects, risks and opportunities related to the Group’s activity and the derived environmental impacts, as well as the significance criteria. The most significant impacts are extracted from these evaluations, to which end a monitoring system is established and actions are planned to mitigate them. However, due to the nature of the business, the most significant environmental aspect is energy. In this context, the Group of which it is the Dominant Company, monitors its energy consumption to achieve maximum efficiency and the least possible impact on the environment and therefore on society. From an economic point of view, in the vast majority of contracts with mobile network operators and customers, energy costs are transferred to them, as the Group only manages the necessary infrastructure and access to energy, and transfers energy costs to customers in a transparent manner.

The Company considers that in the context of its operations it complies with applicable environmental protection laws and the Company has procedures designed to encourage and ensure such compliance. Finally, potential contingencies, indemnities and other environmental risks which the Company or its subsidiaries could incur are sufficiently covered by its third-party liability insurance policies.

20. Events after the reporting period

i) Resignation presented by Mr. Tobías Martínez Gimeno, as director of Cellnex and, therefore, as its CEO.

The Company announced the resignation presented by Mr. Tobias Martínez Gimeno, by letter dated January 10, 2023, as a director of Cellnex and, therefore, as CEO (CEO), with effect from June 3, 2023.

The Council acknowledged the resignation of the CEO and put in place the necessary mechanisms for his succession. The choice of the final effective date will allow you to attend the Ordinary General Shareholders' Meeting to examine the accounts for the 2022 financial year, initially scheduled for June 1, 2023.

ii) Cellnex entered into a EUR 700 million term loan facility agreement to refinance its debt

On 27 February 2023, Cellnex Finance, as borrower, and the Company, as guarantor, entered into a EUR 700,000 thousand term loan facility agreement to refinance by means of a subsequent intra-Group financing between Cellnex Finance, as lender, and Cellnex UK, as borrower, the existing GBP 600,000 thousand term loan facility agreement entered into by Cellnex UK, as borrower, and the Company, as guarantor, on 5 November 2019 (as amended and restated on 9 December 2020 and on 23 December 2021). The new financing maintains an attractive interest expense while extending the average life of the Group's debt.

ii) The Society cancelled a Cross Currency Swap ("CCS") amounting to EUR 450 million

In February 2023, the Society cancelled a Cross Currency Swap ("CCS") for EUR 450 million and an equivalent sterling value of GBP 382 million which were designated together with the bond issue of EUR 450 million executed in January 2020 as a natural hedge of the net investment made in United Kingdom Group's subsidiaries.

21. Explanation added for translation to English

These financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Company in Spain (see Note 2.1). Certain accounting practices applied by the Company that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

Cellnex Telecom, S.A.

APPENDIX I. Direct and indirect shareholdings to the Notes to the 2022 financial statements

(Thousands of Euros)

Direct ownership interest

Company	Registered Office	Activity	% Direct ownership	Ownership net value	Auditor	Net Equity: Share Capital	Net Equity: Share premium and reserves (interim dividend deducted)	Operating profit/loss	Profit for the year	Dividends received
2022:										
Cellnex Italia, S.p.A.	Via Cesare Giulio Viola, 43 CAP 00148 Roma	Holding	100%	4,555,310	Deloitte	1,000	4,503,466	237,041	141,936	32,688
Cellnex Netherlands, B.V.	Papendorpseweg 75-79 3528 BJ Uthrecht, the Netherlands	Holding	70.00%	488,455	Deloitte	1	831,173	(6,385)	(4,826)	—
Cellnex UK Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Holding	100%	3,906,811	Deloitte	1,349,303	2,630,994	(28,638)	(54,291)	—
Cellnex France Groupe, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Holding	100%	6,472,965	Deloitte	4,156,040	1,429,892	(14,084)	(55,690)	—
Cellnex Telecom España, S.L.U.	Juan Esplandiú, 11-13 28007 Madrid	Holding	100%	821,335	Deloitte	103,753	621,499	(2,681)	105,764	106,246

(*) Unaudited financial statements at 31 December 2022.

This appendix forms an integral part of Note 8 to the 2022 financial statements, with which it should be read.

Company	Registered Office	Activity	% Direct ownership	Ownership net value	Auditor	Net Equity		Operating profit/loss	Profit for the year	Dividends received
						Share Capital	Share premium and reserves (interim dividend deducted)			
2022:										
Cellnex Switzerland, AG	Thurgauerstrasse, 136 8152 Opfikon	Holding	72.22%	619,544	Deloitte	184	725,977	(1,343)	(1,983)	—
Cignal Infrastructure Services, Ltd.	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18, YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	178,636	Deloitte	3,252	64,474	6,413	3,994	—
Ukkoverkot Oy	Gräsäntörmä 2, 02200 Espoo, Finland	Holding	100%	25,764	Deloitte	3	7,896	377	369	—
CLNX Portugal	Av. Fontes Pereira de Melo, nº 6 7 º direito, Distrito: Lisboa Concelho: Lisboa Fregesia , San Antonio 1050 121 Lisboa	Holding	100%	1,206,942	Deloitte	200	692,989	1,063	10,324	—
Cellnex Finance Company, S.A.	Juan Esplandiú, 11-13 28007 Madrid	Group Finance Company	100%	1,000,060	Deloitte	60	993,423	(4,557)	33,660	—

(*) Unaudited financial statements at 31 December 2022.

This appendix forms an integral part of Note 8 to the 2022 financial statements, with which it should be read.

Company	Registered Office	Activity	% Direct ownership	Ownership net value	Auditor	Net Equity		Operating profit/loss	Profit for the year	Dividends received
						Share Capital	Share premium and reserves (interim dividend deducted)			
2022:										
Cellnex Sweden, AB	Box 162 85, 103 25 Stockholm	Holding	100%	633,002	Deloitte	628,345	(10,197)	(638)	(5,692)	—
Cellnex Austria, GmbH	Schubertring 6, 1010 Vienna	Holding	100%	953,035	Deloitte	35	949,436	(1,775)	(1,398)	—
Cellnex Ireland Limited	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18, YV50,	Holding	100%	499,000	Deloitte	499,000	(12,105)	(1,249)	(4,979)	—
Cellnex Poland sp z.o.o.	Plac Marsz. Józefa Pilsudskiego 100-078 Warsaw	Holding	100%	2,542,405	—	84,209	2,417,389	(2,464)	(1,996)	—
Cellnex Denmark, ApS	Ørestads Boulevard 114, 4th floor, 2300 Copenhagen S	Holding	100%	350,005	Deloitte	349,797	(3,817)	(700)	2,743	—
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	5, Heienhaff in L-1736 Senningerberg	Investment vehicle	21%	113,410	—	—	—	—	—	1,096
Total ownership				**24,366,679**						**140,030**

(*) Unaudited financial statements at 31 December 2022.

This appendix forms an integral part of Note 8 to the 2022 financial statements, with which it should be read.

Cellnex Telecom, S.A.

Appendix I to the Notes to the 2022 financial statements
(Thousands of Euros)

Indirect Ownership Interests

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity: Share Capital	Net Equity: Share premium and reserves (interim dividend deducted)	Operating profit/loss	Profit for the year
2022:									
Retevisión-I, S.A.U.	Juan Esplandiú, 11 28007 Madrid	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	Deloitte	81,270	33,970	107,584	79,558
Tradia Telecom, S.A.U.	Paseo de la Zona Franca 105 (Torre Llevant), 08038-Barcelona	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	Deloitte	131,488	45,089	26,076	19,773
On Tower Telecom Infraestructuras, S.A.U.	Juan Esplandiú, 11 28007 Madrid	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	Deloitte	72,725	356,226	55,399	17,838
MBA Datacenters, S.L.	Paseo de la Zona Franca 105 (Torre Llevant), 08038-Barcelona	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	—	3	305	97	(107)
Metrocall, S.A.	c/ Juan Espladiú 11-13 29007 Madrid	Implementation, management and explotation of the mobile network in Madrid's subway	60%	Cellnes Telecom España S.L.U.	Deloitte	2,750	10,451	1,665	1,249
Adesal Telecom, S.L.	Ausias March 20, Valencia	Provision of related services for terrestrial communications concessions and operators	60.08%	Tradia Telecom, S.A.U.	Deloitte	3,228	2,707	760	566
Zenon Digital Radio, S.L. (*)	Paseo de la Zona Franca 105 (Torre Llevant), 08038-Barcelona	Provision of telecommunications equipment	100%	Tradia Telecom, S.A.U.	—	32	3,040	444	333

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Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2022:									
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	Paseo de la Zona Franca 105 (Torre Llevant), 08038-Barcelona	Construction and operation of optic fiber telecommunications	100%	Tradia Telecom, S.A.U.	Deloitte	6,825	18,615	7,971	5,786
Nextcell, S.r.L.	via Cesare Giulio Viola 43, Roma	Terrestrial telecommunications infrastructure operator	100%	Cellnex Italia, S.p.A.	Deloitte	10	2,328	(175)	(127)
Retower, S.R.L	Via Ruggero Fauro n. 4 CAP 00197 Roma	Terrestrial telecommunications infrastructure operator	100%	Cellnex Italia, S.p.A.	—	99	2,046	—	—
Towerlink Netherlands, B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	70%	Cellnex Netherlands, B.V.	Deloitte	—	77,788	9,169	7,349
Shere Masten, B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	70%	Cellnex Netherlands, B.V.	Deloitte	18	229,283	20,237	16,764
Breedlink, B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	70%	Cellnex Netherlands, B.V.	Deloitte	—	(712)	(69)	27
Alticom, B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	70%	Cellnex Netherlands, B.V.	Deloitte	18	184,549	1,256	510
On Tower Netherlands, B.V.	Axelstraat, 58, 4537 AL, Terneuzen, The Netherlands	Terrestrial telecommunications infrastructure operator	70%	Cellnex Netherlands, B.V.	Deloitte	1,825	18,989	4,753	3,012

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						Share Capital	Share premium and reserves (interim dividend deducted)		
2022:									
Springbok Mobility	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-	Provision telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	Deloitte	2,001	(753)	(424)	(426)
Cignal Infrastructure Netherlands BV	Waldorpstraat 80, 2521 CD The Hague, The Netherlands	Terrestrial telecommunications infrastructure operator	70%	Cellnex Netherlands, B.V.	Deloitte	10	(51,279)	28,532	18,594
Cellnex France, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	Deloitte	281,543	795,315	19,351	(20,034)
Towerlink France, S.A.S. (*)	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France, S.A.S.	—	260,020	(15,339)	(12,114)	(18,570)
Nextloop France, S.A.S	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	51%	Cellnex France Groupe, S.A.S.	Deloitte	33,550	21,343	12,754	(18,262)
On Tower France S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	Deloitte	381,384	1,699,021	66,463	23,819
Compagnie Foncière ITM 1 (*)	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	—	1	(81)	—	—

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						Share Capital	Share premium and reserves (interim dividend deducted)		
2022:									
Hivory, SAS	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S. / Hivory II, SAS	Deloitte	35,343	588,036	153,515	80,997
Cellnex France Infrastructures, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	Deloitte	200	1,801	—	(140)
Cellnex UK Midco, Ltd.	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Limited	Deloitte	—	207,271	5	(23)
Watersite Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	28,912	(5,687)	2,983	2,791
Radiosite Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	31,029	4,478	7,025	6,417
London Connectivity Partnership Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Fixed and mobile telecommunications services provider	100%	Cellnex UK Midco, Ltd.	—	—	—	—	—
Cellnex Connectivity Solutions Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	1,924	134,031	2,253	1,252

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						Share Capital	Share premium and reserves (interim dividend deducted)		
2022:									
Cellnex UK Consulting Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	2,529	467	(180)	(130)
On Tower UK, Ltd.	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK, Limited	Deloitte	3,460	1,976,720	168,489	114,920
On Tower UK 1, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	On Tower UK , Ltd	—	3,017	26,218	2,841	2,793
On Tower UK 2, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	On Tower UK 1, Ltd	—	4,498	4,982	4,900	4,887
On Tower UK 3, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	On Tower UK , Ltd	—	2,908	(1,630)	106	97
On Tower UK 4, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	On Tower UK , Ltd	—	15	8,032	184	131
On Tower UK 5, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	On Tower UK , Ltd	—	—	—	1,123	1,123

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						Share Capital	Share premium and reserves (interim dividend deducted)		
2022:									
Cellnex UK In-Building Solutions Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK, Limited	—	—	(107)	(7)	(11)
Cignal Infrastructure UK Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK, Limited	—	—	(159,871)	8,710	3,230
Swiss Towers, AG	Thurgauerstrasse, 136 8152 Opfikon	Terrestrial telecommunications infrastructure operator	72%	Cellnex Switzerland AG	Deloitte	275,392	67,769	31,005	83,925
Swiss Infra Services, SA	Thurgauerstrasse, 136 8152 Opfikon	Terrestrial telecommunications infrastructure operator	72%	Swiss Towers AG	Deloitte	90	34,433	42,720	30,331
Grid Tracer, AG (*)	Thurgauerstrasse, 136 8152 Opfikon	Internet of Things	40%	Swiss Towers, AG	—	93	292	(52)	(78)
OMTEL, Estructuras de Comunicaçoes, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho: Lisboa Fregesia, rroios 1050 121 Lisboa	Terrestrial telecommunications infrastructure operator	100%	CLNX Portugal, S.A.	Deloitte	552,845	(3,518)	19,394	8,704
On Tower Portugal, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho: Lisboa Fregesia, rroios 1050 121 Lisboa	Terrestrial telecommunications infrastructure operator	100%	CLNX Portugal, S.A.	Deloitte	6,150	82,062	17,574	8,726

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						Share Capital	Share premium and reserves (interim dividend deducted)		
2022:									
Infratower SA	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho:Lisboa Fregesia, Arroios 1050 121 Lisboa	Terrestrial telecommunications infrastructure operator	100%	CLNX Portugal, S.A.	Deloitte	100	27,264	(3,004)	(2,280)
Towerlink Portugal, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho:Lisboa Fregesia, Arroios 1050 121 Lisboa	Fixed and mobile telecommunications services provider	100%	CLNX Portugal, S.A.	Deloitte	50	4,157	(69)	(121)
Cignal Infrastructure Portugal, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, 1050 121 Lisboa	Fixed and mobile telecommunications services provider	100%	CLNX Portugal, S.A.	Deloitte	50	(17)	(26)	(20)
Hivory Portugal, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, 1050 121 Lisboa	Fixed and mobile telecommunications services provider	100%	CLNX Portugal, S.A.	Deloitte	100	69,903	(820)	(687)
Cellcom Ireland Limited (en proceso de liquidación)	Suite 311 Q house, 76 Furze Road Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cignal Infrastructure Limited	Deloitte	—	21	—	—
Shannonside Communications Limited	Suite 311 Q house, 76 Furze Road Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cignal Infrastructure Limited	Deloitte	—	38	25	18
On Tower Ireland Limited	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Ireland Limited	Deloitte	1,000	152,028	21,783	15,928

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						Share Capital	Share premium and reserves (interim dividend deducted)		
2022:									
Rock Solid Transmission Limited	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of related services for terrestrial communications concessions and operators	100%	Cignal Infrastructure Limited	Deloitte	51	30	155	125
Wayworth Limited (*)	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cignal Infrastructure Limited	—	—	133	146	127
Edzcom Oy	Gräsäntörmä 2, 02200 Espoo, Finland	Provision of communication sites used by Mobile Network Operators	100%	Ukkoverkot Oy	Deloitte	—	(203)	(1,107)	(1,305)
On Tower Austria, GmbH	Brünner Straβe 52, 1210 Vienna	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Austria, GmbH	Deloitte	35	244,608	34,293	(1,155)
On Tower Denmark, ApS	Scandiagade 8, 2450 Kobenhavn SV	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Denmark, ApS	Deloitte	8,652	105,562	16,133	10,179
Towerlink Poland, S.p.z.o.o.	Konstruktorska 4, Warsaw 02-673, Poland	Terrestrial telecommunications infrastructure operator	100%	Cellnex Poland, S.p.z.o.o	Deloitte	22,636	473,954	49,195	22,993
On Tower Poland, S.p.z.o.o.	Wynalazek 1, 02-677 Warszawa	Terrestrial telecommunications infrastructure operator	70%	Cellnex Poland, S.p.z.o.o	Deloitte	403,518	920,397	24,909	(1,662)
Cignal Infrastructure Poland sp. z.o.o.	Warsaw, at Plac Marszałka Józefa Piłsudskiego 1, 00-078 Warsaw	Terrestrial telecommunications infrastructure operator	100%	Cellnex Poland, S.p.z.o.o	Deloitte	531	4,783	(32)	(32)

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						Share Capital	Share premium and reserves (interim dividend deducted)		
2022:									
Remer Sp. z o.o.	ul. Komitetu Obrony Robotników 45D, 02-146 Warsaw	Terrestrial telecommunications infrastructure operator	100%	Cellnex Poland, S.p.z.o.o	Deloitte	38	566	(44)	(44)
On Tower Sweden, AB	Box 7012, 121 07 Stockholm-Globen	Terrestrial telecommunications infrastructure operator	100%	Cellnex Sweden AB	Deloitte	5	126,988	27,303	20,674
Torre de Collserola, S.A.	Ctra. Vallvidrera a Tibidabo, s/n Barcelona	Construction and operation of infrastructures and telecommunications	41.75%	Retevisión-I, S.A.U.	Deloitte	4,520	175	38	4
Consorcio de Telecomunicaciones Avanzadas, S.A. (COTA)	C/ Uruguay, parcela 13R, nave 6, Parque Empresarial Magalia, Polígono Industrial Oeste Alcantarilla (Murcia)	Provision of related services for terrestrial communications concessions and operators	29.50%	Tradia Telecom, S.A.U.	Deloitte	1,000	282	508	736
Nearby Sensors, S.L. (*)	C/Berruguete 60-62, Barcelona	Computing and deployment of loT and automation of hybrid	13%	Tradia Telecom, S.A.U.	Deloitte	47	183	(321)	(284)

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Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2022:									
Nearby Computing, S,L. (*)	C/Travessera de Gràcia, 18, Barcelona	Development of softwares amd IT app	22%	Tradia Telecom, S.A.U.	Areas Auditores	6	355	(495)	(380)

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Cellnex Telecom, S.A.

Appendix I to the Notes to the 2021 financial statements
(Thousands of Euros)

Direct Ownership Interest

Company	Registered Office	Activity	% Direct ownership	Ownership net value	Auditor	Net Equity: Share Capital	Net Equity: Share premium and reserves (interim dividend deducted)	Operating profit/loss	Profit for the year	Dividends received
2021:										
Cellnex Italia, S.p.A.	Via Cesare Giulio Viola, 43 CAP 00148 Roma	Holding	100%	4,555,310	Deloitte	1,000	4,572,496	94,571	(36,331)	59,847
Cellnex Netherlands, B.V.	Papendorpseweg 75-79 3528 BJ Uthrecht, the Netherlands	Holding	75%	488,455	Deloitte	1	839,188	(9,572)	(8,200)	—
Cellnex UK Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Holding	100%	1,886,728	Deloitte	1,349,303	437,251	(16,238)	(28,032)	—
Cellnex France Groupe, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Holding	100%	4,524,391	Deloitte	2,207,466	2,295,494	(11,441)	(36,552)	—
Cellnex Telecom España, S.L.U.	Juan Esplandiú, 11-13 28007 Madrid	Holding	100%	821,335	Deloitte	103,753	701,999	(649)	25,749	39,504

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Company	Registered Office	Activity	% Direct ownership	Ownership net value	Auditor	Net Equity		Operating profit/loss	Profit for the year	Dividends received
						Share Capital	Share premium and reserves (interim dividend deducted)			
2021:										
Cellnex Switzerland, AG	Thurgauerstrasse, 136 8152 Opfikon	Holding	72%	598,848	Deloitte	184	727,907	(1,177)	(1,436)	—
Cignal Infrastructure Services, Ltd.	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18, YV50, Ireland	Fixed and mobile telecommunications services provider	100.00%	178,636	Deloitte	3,252	61,250	6,317	17,349	—
Ukkoverkot Oy	Gräsäntörmä 2, 02200 Espoo, Finland	Holding	100%	25,696	Deloitte	3	6,928	979	968	—
CLNX Portugal	Av. Fontes Pereira de Melo, nº 6 7 º direito, Distrito: Lisboa Concelho: Lisboa Fregesia , San Antonio 1050 121 Lisboa	Holding	100%	1,153,384	Deloitte	200	817,052	(4,336)	5,765	—
Cellnex Finance Company, S.A.	Juan Esplandiú, 11-13 28007 Madrid	Group Finance Company	100%	1,000,060	Deloitte	60	1,000,000	(2,168)	(4,488)	—

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Company	Registered Office	Activity	% Direct ownership	Ownership net value	Auditor	Net Equity: Share Capital	Net Equity: Share premium and reserves (interim dividend deducted)	Operating profit/loss	Profit for the year	Dividends received
2021:										
Cellnex Sweden, AB	Box 162 85, 103 25 Stockholm	Holding	100%	633,002	Deloitte	628,345	(2)	(1,596)	(10,697)	—
Cellnex Austria, GmbH	Schubertring 6, 1010 Vienna	Holding	100%	953,035	Deloitte	35	950,564	(1,421)	(1,128)	—
Cellnex Ireland Limited	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18, YV50,	Holding	100%	499,000	Deloitte	499,000	(1,710)	(7,127)	(10,395)	—
Cellnex Poland sp z.o.o.	Plac Marsz. Józefa Pilsudskiego 100-078 Warsaw	Holding	100%	2,414,138	—	84,209	2,313,627	(28,653)	(28,111)	—
Cellnex Denmark, ApS	Ørestads Boulevard 114, 4th floor, 2300 Copenhagen S	Holding	100%	350,005	Deloitte	349,797	(1,344)	94	(2,474)	—
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	5, Heienhaff in L-1736 Senningerberg	Investment vehicle	33%	136,390	—	—	—	—	—	—
Total ownership				**20,218,413**						**99,351**

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Cellnex Telecom, S.A.

Appendix I to the Notes to the 2021 financial statements

(Thousands of Euros)

Indirect Ownership Participation

Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity: Share Capital	Net Equity: Share premium and reserves (interim dividend deducted)	Operating profit/loss	Profit for the year
2021:									
Retevisión-I, S.A.U.	Juan Esplandiú, 11 28007 Madrid	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	Deloitte	81,270	94,145	28,567	19,362
Tradia Telecom, S.A.U.	Paseo de la Zona Franca 105 (Torre Llevant), 08038-Barcelona	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	Deloitte	131,488	50,189	9,147	9,243
On Tower Telecom Infraestructuras, S.A.U.	Juan Esplandiú, 11 28007 Madrid	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U.	Deloitte	72,725	367,480	34,837	4,108
Gestora del Espectro, S.L. (*)	Juan Esplandiú, 11 28007 Madrid	Provision of related services for terrestrial communications concessions and operators	100%	Cellnex Telecom España, S.L.U.	—	—	(1)	—	—
Metrocall, S.A.	c/ Juan Espladiú 11-13 29007 Madrid	Implementation, organization and operation of the mobile network in Madrid	60%	Cellnex Telecom España S.L.U.	Deloitte	2,750	9,494	1,282	957
Adesal Telecom, S.L.	Ausias March 20, Valencia	Provision of related services for terrestrial communications concessions and operators	60%	Tradia Telecom, S.A.U.	Deloitte	3,228	2,296	555	411
Zenon Digital Radio, S.L. (*)	Paseo de la Zona Franca 105 (Torre Llevant), 08038-Barcelona	Provision of telecommunications equipment	100.00%	Tradia Telecom, S.A.U.	—	32	2,585	614	455

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						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	Paseo de la Zona Franca 105 (Torre Llevant), 08038-Barcelona	Terrestrial telecommunications infrastructure operator	100%	Tradia Telecom, S.A.U.	Deloitte	6,825	14,089	6,400	4,680
TowerCo, S.p.A.	Via Cesare Giulio Viola, 43 CAP 00148 Roma	Terrestrial telecommunications infrastructure operator	100%	Cellnex Italia, S.p.A.	Deloitte	20,100	6,301	10,056	6,514
CK Hutchinson Networks Italia, S.p.A.	Largo Metropolitana 5, 20017 RHO (Milan)	Terrestrial telecommunications infrastructure operator	100%	Cellnex Italia, S.p.A.	Deloitte	70,000	1,312,212	65,196	29,743
Iaso Group Immobiliare, S.r.L.	via Cesare Giulio Viola 43, Roma (RM)	Terrestrial telecommunications infrastructure operator	100%	Cellnex Italia, S.p.A.	Deloitte	10	42	—	—
Towerlink Netherlands, B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	75%	Cellnex Netherlands, B.V.	Deloitte	—	71,502	7,538	6,286
Shere Masten, B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	75%	Cellnex Netherlands, B.V.	Deloitte	18	214,212	17,682	14,925
Breedlink, B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	75%	Cellnex Netherlands, B.V.	Deloitte	—	(647)	(62)	(35)

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Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
Alticom, B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	75%	Cellnex Netherlands, B.V.	Deloitte	18	52,118	546	(477)
On Tower Netherlands, B.V.	Axelstraat, 58, 4537 AL, Terneuzen, The Netherlands	Terrestrial telecommunications infrastructure operator	75%	Cellnex Netherlands, B.V.	Deloitte	1,825	14,810	5,089	3,269
Springbok Mobility	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-	Terrestrial telecommunications infrastructure operator	75%	Cellnex France Groupe, S.A.S.	Deloitte	1	(366)	(385)	(387)
Cignal Infrastructure Netherlands BV	Waldorpstraat 80, 2521 CD The Hague, The Netherlands	Provision of related services for concessionaires and terrestrial	75%	Cellnex Netherlands, B.V.	Deloitte	10	(55,417)	11,655	4,138
Cellnex France, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	Deloitte	21,543	815,631	20,295	(20,315)
Towerlink France, S.A.S. (*)	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France, S.A.S.	—	20	(1,044)	(6,971)	(14,292)
Nextloop France, S.A.S	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	51%	Cellnex France Groupe, S.A.S.	Deloitte	3,050	26,765	5,609	(3,370)

(*) Unaudited financial statements at 31 December 2021.

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						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
On Tower France S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	70%	Cellnex France Groupe, S.A.S.	Deloitte	381,384	44,722	72,154	33,583
Compagnie Foncière ITM 1 (*)	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	—	1	(68)	(13)	(13)
Hivory, SAS	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S. / Hivory II, SAS	Deloitte	35,343	596,366	29,719	17,050
Hivory II, SAS	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	Deloitte	802,480	461,698	—	(5,371)
Cellnex UK Midco, Ltd.	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Limited	Deloitte	1,349,303	437,251	(2,120)	(1,712)
Watersite Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	28,912	(7,225)	2,191	1,924
Radiosite Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	31,029	1,726	3,508	2,741

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						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
London Connectivity Partnership Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	—	—	—	—	—
Cellnex Connectivity Solutions Limited	Level 4, R+, 2 Blagrave Street, Reading,	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	1,924	137,580	(3,494)	(3,534)
Cellnex UK Consulting Limited	Level 4, R+, 2 Blagrave Street, Reading,	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	2,529	(904)	1,701	1,365
On Tower UK, Ltd.	Level 4, R+, 2 Blagrave Street, Reading,	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK, Limited	Deloitte	3,460	649,830	82,873	41,113
On Tower UK 1, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading,	Terrestrial telecommunications infrastructure operator	100%	On Tower UK , Ltd	—	3,017	29,264	(2,433)	(3,033)
On Tower UK 2, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading,	Terrestrial telecommunications infrastructure operator	100%	On Tower UK 1, Ltd	—	4,498	5,615	554	(631)
On Tower UK 3, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading,	Terrestrial telecommunications infrastructure operator	100%	On Tower UK , Ltd	—	2,908	(1,630)	—	—

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Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity: Share Capital	Net Equity: Share premium and reserves (interim dividend deducted)	Operating profit/loss	Profit for the year
2021:									
On Tower UK 4, Ltd. (*)	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	On Tower UK , Ltd	—	15	8,581	(604)	(547)
On Tower UK 5, Ltd. (*)	Level 4, R+, 2 Blagrave Street,	Internet of Things	100%	On Tower UK , Ltd	—	—	—	—	—
Swiss Towers, AG	Thurgauerstrasse, 136 8152 Opfikon	Terrestrial telecommunications infrastructure operator	100%	Cellnex Switzerland AG	Deloitte	275,392	61,312	28,785	5,695
Swiss Infra Services, SA	Thurgauerstrasse, 136 8152 Opfikon	Terrestrial telecommunications infrastructure operator	90%	Swiss Towers AG	Deloitte	90	72,384	35,187	19,252
Grid Tracer, AG (*)	Thurgauerstrasse, 136 8152 Opfikon	Internet of Things	55%	Swiss Towers, AG	—	93	35	294	239
OMTEL, Estructuras de Comunicaçoes, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho: Lisboa Fregesia, rroios 1050	Terrestrial telecommunications infrastructure operator	100%	CLNX Portugal, S.A.	Deloitte	576,345	(10,716)	17,664	6,197
On Tower Portugal, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho: Lisboa Fregesia, rroios 1050	Terrestrial telecommunications infrastructure operator	10%	CLNX Portugal, S.A.	Deloitte	6,150	78,395	25,156	15,943

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						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
Infratower SA	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho:Lisboa Fregesia, Arroios 1050 121 Lisboa	Terrestrial telecommunications infrastructure operator	100%	CLNX Portugal, S.A.	Deloitte	100	212,033	(998)	(1,044)
Towerlink Portugal, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, Distrito: Lisboa Concelho:Lisboa Fregesia, Arroios 1050 121 Lisboa	Provision of communication sites used by Mobile Network Operators	100%	CLNX Portugal, S.A.	Deloitte	50	4,157	255	122
Cignal Infrastructure	Av. Fontes Pereira de Melo, nº6, 7º direito,	Provision of communication sites used by Mobile Network Operators	100%	CLNX Portugal, S.A.	Deloitte	50	—	(17)	(17)
Cellcom Ireland Limited (en proceso de liquidación)	Suite 311 Q house, 76 Furze Road Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cignal Infrastructure Limited	Deloitte	—	201	—	(180)
Shannonside Communications Limited	Suite 311 Q house, 76 Furze Road Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cignal Infrastructure Limited	Deloitte	—	67	35	30
On Tower Ireland Limited	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18 YV50, Ireland	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Ireland Limited	Deloitte	1,000	136,988	20,917	14,772
Wayworth Limited (*)	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18	Provision of communication sites used by Mobile Network Operators	100%	Cignal Infrastructure Limited	—	—	1	151	132

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Company	Registered Office	Activity	% Indirect ownership	Company holding the indirect participation	Auditor	Net Equity		Operating profit/loss	Profit for the year
						Share Capital	Share premium and reserves (interim dividend deducted)		
2021:									
Edzcom Oy	Gräsäntörmä 2, 02200 Espoo, Finland	Provision of communication sites used by Mobile Network Operators	100%	Ukkoverkot Oy	Deloitte	—	3,263	(3,356)	(3,466)
On Tower Austria, GmbH	Brünner Straβe 52, 1210 Vienna	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Austria, GmbH	Deloitte	35	232,857	34,615	11,750
On Tower Denmark, ApS	Scandiagade 8, 2450 Kobenhavn SV	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Denmark, ApS	Deloitte	8,652	103,237	13,248	7,301
Towerlink Poland, S.p.z.o.o.	Konstruktorska 4, Warsaw 02-673, Poland	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Poland, S.p.z.o.o	Deloitte	22,636	463,192	21,422	15,801
On Tower Poland, S.p.z.o.o.	Wynalazek 1, 02-677 Warszawa	Provision of communication sites used by Mobile Network Operators	60%	Cellnex Poland, S.p.z.o.o	Deloitte	403,518	941,430	(4,686)	(14,736)
Sapastre sp. z o.o.	Warsaw, at Plac Marszałka Józefa Piłsudskiego 1, 00-078 Warsaw	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Poland, S.p.z.o.o	Deloitte	—	—	—	—
On Tower Sweden, AB	Box 7012, 121 07 Stockholm-Globen	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Sweden AB	Deloitte	5	116,496	26,555	20,363

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2021:									
Torre de Collserola, S.A.	Ctra. Vallvidrera a Tibidabo, s/n Barcelona	Construction and operation of infrastructures and telecommunications	41.75%	Retevisión-I, S.A.U.	Deloitte	4,520	171	36	4
Consorcio de Telecomunicaciones Avanzadas, S.A. (COTA)	C/ Uruguay, parcela 13R, nave 6, Parque Empresarial Magalia, Polígono Industrial Oeste Alcantarilla (Murcia)	Provision of related services for terrestrial communications concessions and operators	29.50%	Tradia Telecom, S.A.U.	Deloitte	1,000	282	541	406
Nearby Sensors, S.L. (*)	C/Berruguete 60-62, Barcelona	Computing and deployment of loT and automation of hybrid IT-OT processes (industraial IoT), which will arise from the deployment of 5G	13%	Tradia Telecom, S.A.U.	Deloitte	47	452	(321)	(258)
Nearby Computing, S,L. (*)	C/Travessera de Gràcia, 18, Barcelona	Development of softwares amd IT app	23%	Tradia Telecom, S.A.U.	Areas Auditores	6	1,019	(620)	(470)

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Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

Cellnex Telecom, S.A.

Directors' Report
for the year ended
31 December 2022

1. Information required under Article 262 of the Spanish Limited Liability Companies Law

1.1 Situation of the Company

Cellnex Telecom, S.A. (a company listed on the Barcelona, Bilbao, Madrid, and Valencia stock exchanges) is the parent company of a group in which it is the sole shareholder and the majority shareholder of the companies operating in the various business lines and geographical markets. Cellnex offers its customers a suite of solutions and technologies designed to ensure the conditions for reliable top-quality transmission for the wireless dissemination of voice, data, and audiovisual content. The company also delivers innovative connectivity solutions and develops the necessary infrastructure ecosystem for the roll-out of new technologies. Cellnex's business model focuses on the neutral and shared management of telecommunications infrastructures while strengthening its commitment to sustainability, as Cellnex aims to keep improving in this matter and extend its commitment throughout its value chain and stakeholder groups.The services provided by Cellnex are:

- Telecom Infrastructure Service (TIS): Co-location, Built to Suit, and Distributed Antenna System (DAS), and Small Cells.

- Broadcast: Terrestrial Network Operator for TV Broadcasters (Using DTT, Digital Terrestrial Television), and Radio Broadcasters (Using AM, FM and DAB technologies), and

- Other network services: Mission Critical Private networks, Business Critical Private Networks, Connectivity services, Infrastructure management, Smart Cities and Internet of Things (IoT) solutions.

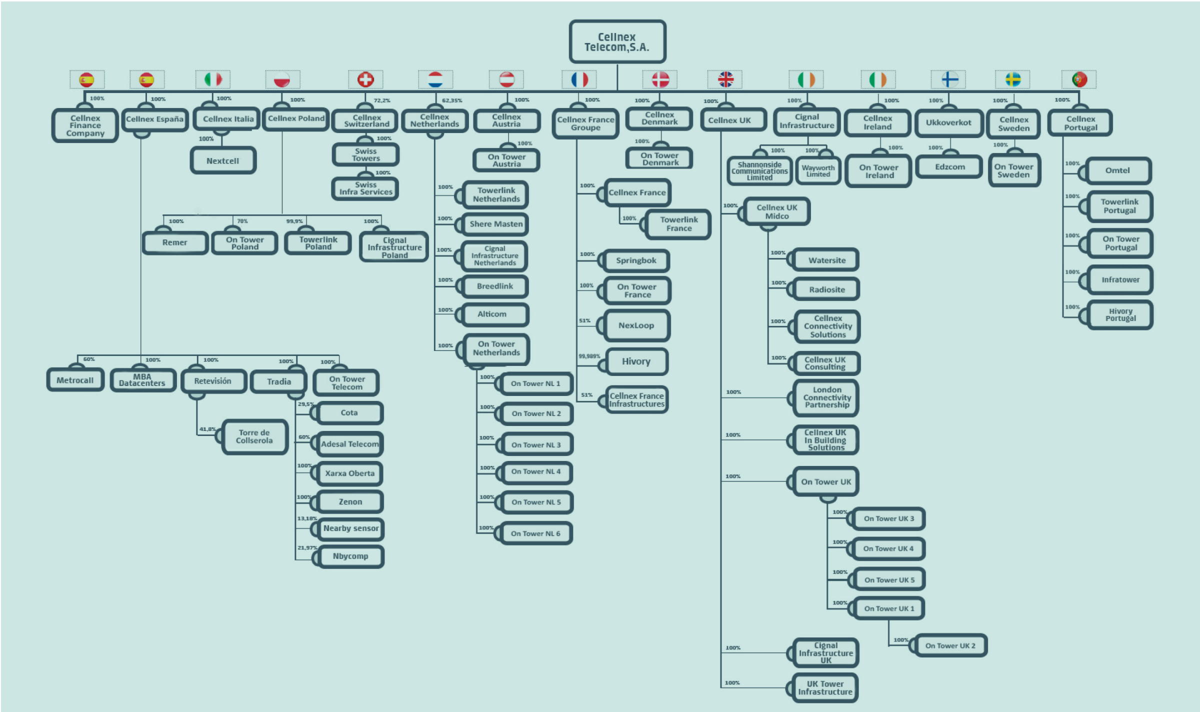
Cellnex is the main neutral[1] infrastructure operator for wireless telecommunication in Europe, focused on the neutral and shared management. Due to the success of its business model, Cellnex's operations have grown exponentially in recent years. A product of this growth has been the expansion of its European presence, increasing operational complexity and widening the scope of products and services offered by the company. With the Group's main offices in Spain, this growth has resulted in Cellnex having footprint in a total of 12 European countries (Austria, Denmark, France, Ireland, Italy, the Netherlands, Poland, Portugal, Spain, Sweden, Switzerland and the United Kingdom) with the goal of driving digitalisation and creating a pan-European telecommunications infrastructure platform. Cellnex has a portfolio of 110,830 sites in the balance and 127,267 if including the ones in the process of completion or with planned roll-outs up to 2030.

The company is listed on the continuous market of the Spanish stock exchange and is part of the selective IBEX 35 and EuroStoxx 100 indices. It is also present in the main sustainability indices, such as CDP (Carbon Disclosure Project), Sustainalytics, FTSE4Good, and MSCI.

Cellnex's reference shareholders include GIC, Edizione, TCI, Blackrock, CPP Investments, CriteriaCaixa and Norges Bank.

[1]Neutral: without the mobile network operator holding as a shareholder (i) more than 50% of the voting rights or (ii) the right to appoint or remove a majority of the members of the Board of Directors. The loss of the Group's neutral position (i.e. by having one or more mobile network operators as a major shareholder) may make sellers of infrastructure assets reluctant to enter into new joint ventures, mergers, divestitures or other arrangements with the Group (which also affects the organic growth of the business). As the Group grows, management expects that large network operators may become open to collaborating with the Group in various ways, such as by selling their sites or other infrastructure assets to Cellnex, including in exchange for shares, which could adversely affect the Group's business and future prospects, as this type of transaction could affect the perceived neutrality of the Group.

As of 31 December 2022, the organisational structure of the Cellnex Group, hereinafter Cellnex or the Group, is as follows:



The breakdown of direct and indirect shareholdings in Group companies and associates is shown in Appendix I of the accompanying financial statements.

1.2 Business model and Significant events in 2022

Cellnex offers its clients telecom infrastructure services for sustainable connectivity so that customers do not have to manage the infrastructures and networks over which their systems operate. Cellnex neutral host nature makes its model the most efficient possible, as Cellnex develops multi-operator sites which means decreasing costs to its clients, increasing sustainability to telecom and connectivity ecosystem, and rapidly meeting all stakeholders' expectations as services are quickly deployed. In this regard, Cellnex sites are the option of choice for the Mobile Network Operators (MNOs) as well as other telcos and operators for sustainable connectivity.

Cellnex range of services are aimed at ensuring the conditions for reliable and high-quality transmission for both fibre and wireless telecommunications.

The services provided by Cellnex are:

- Telecom Infrastructure Service (TIS): Co-location, Built to suit, and Distributed Antenna System (DAS), and Small Cells.

- Broadcast: Terrestrial Network Operator for TV Broadcasters (Using DTT, Digital Terrestrial Television), and Radio Broadcasters (Using AM, FM and DAB technologies).

- Other network services: Mission Critical Private networks, Business Critical Private Networks, Connectivity services, Infrastructure management, Smart Cities and Internet of Things (IoT) solutions.

Although the main service is Telecom Infrastructure Services, Cellnex offers other types of services in the different countries in which it is present, as presented below.

In this regard, the portfolio of services provided by Cellnex can be marketed in all the countries where the company is present, always complying with the market regulations and particular regulations of each country.

90.4%	6.4%	3.2%
Telecom Infrastructure Services (TIS)	Broadcasting Networks	Network Services and others

__Telecommunications Infrastructure Services (TIS)__

Cellnex operates in 147,581 Point of Presence (PoPs), has a portfolio of 110,830 sites, including BTS committed deployments and is committed to the development of new generation networks.

Cellnex Portugal partnerships with Digi for the deployment of 2,000 PoPs until the end of 2023
Cellnex Portugal and Digi reached a nationwide strategic long-term agreement comprising the roll-out of 2,000 PoPs (Points of Presence) until the end of 2023. This agreement demonstrates the effort of Cellnex Portugal in supporting both incumbents and new market entrants to provide the best possible mobile communications coverage and quality of service throughout Portugal.

Cellnex Site Share solution enables Mobile Network Operators (MNOs) to develop and grow their networks, cost-effectively and efficiently, as Site Share allows MNO to place their radio base stations on Cellnex managed structures and sites in return for an annual license fee. This service involves adapting sites for new co-locations or multiple network modifications required by the operators (installation of new technologies, equipment changes, upgrades...). The objective is to meet and improve the SLAs (service level agreements) offered by Cellnex, which are of two main types: The delivery time SLA, when an Operator requests a new shelter or a network modification to carry it out with the highest quality and in the agreed time or better; and the Operation and Maintenance (O&M) SLA to provide the services with the agreed continuity and service level, and to work proactively in their improvement.

Moreover, Cellnex offers a diversity of topography from dense-urban and suburban to rural locations, including an unrivalled selection of high and privilege positioned sites, enabling its customers to extend its coverage to fill gaps, increase density of PoPs and enabling them to expand to new spectrum bands.

Cellnex Spain expands its co-location services acquiring bitNAP company
In 2022 Cellnex Spain has acquired the company bitNAP, a company that develops co-location, connectivity and interconnection services for operators from a data center of more than 3,000m2 located in Barcelona.

Also, wherever a new telecommunications site is required, Cellnex's Built-to-Suit service will build on demand. In this sense, Cellnex will develop brand new, high quality, shareable infrastructures, taking care of everything: from the site location search, the permits and landlord agreements management, the site and tower construction to the connection to the power grid. The sites are available in a range of heights from 15m to more than 50m, and the site will be tailored to customer requirements and to the environmental regulations.

During 2022 Cellnex has been working on the concept of "The augmented TowerCo", a model aimed at supporting customers in defining, implementing, operating and maintaining infrastructures and assets adjacent to towers, including active equipment. These adjacent assets include distributed antenna systems (DAS) and Small Cells, which are key to increase the network coverage levels and capacity; fibre-to-the-tower (FTTT), to expand data transmission capacity; and edge data centres and edge computing, key to ensure the low latencies (response times) crucial for the delivery of critical applications and processes. The augmented TowerCo model is based on the company's know-how and expertise in end-to-end services.

Cellnex UK and BT strengthen their relationship with multi-decade partnership agreement

Cellnex UK and BT plc have agreed to enhance their current MSSA (Master Site Services Agreement), due to end in 2030,with a multi-decade partnership agreement. As part of the deal, BT may choose to extend the MSSA on an "all or nothing basis" for further renewal periods, giving both parties long-term certainty and strengthening their relationship.

DAS (Distributed Antenna System) and Small cells

Small Cells and Distributed Antenna Systems (DAS) are systems aimed to increase the network coverage and capacity, by extending the mobile operators coverage, mainly in indoor and in outdoor highly crowded areas, where the signal level and capacity of existing mobile operators base stations don't reach the required levels of service. Instead of providing coverage with high power base stations, Cellnex provides tailored coverage with a system of distributed radios and antennas. This allows outstanding mobile connectivity to spots where large numbers of users are concentrated, such as stadiums, skyscrapers, shopping malls, crowded outdoor areas or airports. These solutions also provide excellent coverage to underground places like tunnels, car parks or railway stations. In addition, DAS and Small Cells are one of the base infrastructures from which the new 5G communication standard will be deployed.

Cellnex UK acquires industry-leading connectivity provider Herbert In-Building Wireless

The acquisition will expand Cellnex UK's indoor connectivity business and sees the creation of a new Cellnex company, Cellnex UK In-Building Solutions (CUKIS), which will be led by Tim Loynes, HiBW's current Director. The creation of CUKIS will further strengthen Cellnex UK's current indoor connectivity business.

Milan Underground M4 with 5G ready mobile coverage

Thanks to DAS solutions applied by Cellnex Italia, the first 6 stations of the M4 (Blue Line) inaugurated on November 26th 2022 are equipped with a network of mini-antennas (DAS) to guarantee WINDTRE and iliad users a stable and high-performance 4G and 5G Ready mobile connection.

The same DAS technological solution will also be deployed in the additional 2 stations to be opened by the first half of 2023, as well as in the next 13 stations to be completed by 2024.

Ensuring stable and high-performance mobile coverage in the public transport network is one of the key factors in transforming a city, and its transport network, into a smart city. Thanks to the agreement between Cellnex Italia and M4, the company managing Line 4 as well as its design and construction, WINDTRE and iliad users will be able to have a dedicated 4G mobile coverage, with a 5G-Ready infrastructure soon to be activated, on the first 6 stations of the Blue Line of the Milan subway. The 6 stops inaugurated in November 2022, for a total of 5km of route, connect Linate Airport with Piazzale Dateo.

Cellnex Sweden to offer indoor coverage for Bauhaus

Cellnex Sweden has signed an agreement with German hardware and DIY chain Bauhaus to provide mobile coverage inside its shops in the Nordic country. Bauhaus wants to be at the forefront of innovation and customer experience and has trusted Cellnex Sweden for the design, installation, start-up and operation of multi-operator distributed antenna systems (DAS) which, once deployed in the shops, will make it easier for customers to use their mobile phones to call, browse, manage their payments with digital solutions, and access the websites of members of the Bauhaus customer club in a fast and seamless way.

The collaboration project between both companies has started in the Bauhaus department stores located in Sundsvall and Löddeköpinge in Sweden, but it is expected that it can be extended to other stores of the chain in the Nordic country.

Cellnex Spain to revolutionise the stadium fan experience via mobile

Cellnex has installed a Distributed Antenna System (DAS) at the Real Betis Balompié football club's Benito Villamarín Stadium to provide all spectators at the match with optimal mobile coverage, even when its maximum 60,000 spectators capacity is reached. To this end, Cellnex has teamed up with specialized partners to roll out and test an application that can offer fans a unique experience through their mobile phones. This is an innovative real-time edge streaming video, with eight cameras, which allows viewers to enjoy a live audiovisual experience on their mobile phones, on the pitch that complements the match experience. This connectivity infrastructure, will turn Benito Villamarín Stadium into a Smart Stadium.

Network and other services

Cellnex offers integrated and adaptable solutions to develop a connected society and make the Smart concept a tangible reality in both urban and rural areas. These include: Mission Critical Private Networks (MCPN) services, Business Critical Private Networks (BCPN) services, connectivity services, Operation and Maintenance services and IoT and Smart City services.

Audiovisual broadcasting networks

Cellnex is one of the leading operators of broadcasting infrastructures in Europe. In its high tower sites Cellnex host main TV and radio broadcasters, from where it transmits TV and radio signals to all homes and users. Thanks to the defined operation processes and to the high reliability of the infrastructure in its sites Cellnex can guarantee the stringent high levels of availability required by its clients.

Cellnex Spain has circa 3,000 sites that transmit Digital Terrestrial Television (DTT) and radio signals. It is leading the innovation of the DTT platform in Spain: better quality and hybrid services and Mobility. Cellnex has led the evolution of the broadcast quality to Ultra High Definition (UHD). In collaboration with Radio Televisión Española (RTVE), Cellnex has broadcasted the World Cup in Qatar in UHD (4K and HDR image and Dolby sound). Cellnex is providing to the main Spanish TV broadcasters the LOVEStv platform using HbbTV (Hybrid broadcast broadband TV), this service is combining broadcast television and broadband capabilities to provide the viewer with a better, more flexible and high quality TV experience delivered through Digital Terrestrial Television. During past MWC 2022, Cellnex participated in a full end-to-end live streaming demonstration using 5G Broadcast, delivering content to smartphone devices and showcas-ting broadcast/multicast capabilities over 5G. For radio services, Cellnex offers FM and digital radio broadcasting (DAB).

In this sense, some of the outstanding projects of 2022 carried out by Cellnex Spain are the execution of the extension with RTVE (the state-owned public corporation of radio and television service) for DTT and FM services by the period of one year, and the concession of the contract for the supply and maintenance of Andorra Telecom's DTT stations. In addition, customers continue to trust in Cellnex for the renewals and extensions of their contracts, thanks to the operational excellence that Cellnex has been demonstrating, both in DTT and in radio during the many years of commercial relationship.some of the outstanding projects of 2022 carried out by Cellnex Spain are the execution of the extension with RTVE (the state-owned public corporation of radio and television service) for DTT and FM services by the period of five years, and the concession of the contract for the supply and maintenance of Andorra Telecom's DTT stations. In addition, customers continue to trust in Cellnex for the renewals and extensions of their contracts, thanks to the operational excellence that Cellnex has been demonstrating, both in DTT and in radio during the many years of commercial relationship.

Multi-camera television broadcast using a private 5G network

The project validated the usefulness of 5G private networks for multi-camera contributions. In this way, La Xarxa and betevé used the 5G network implemented for the Catalunya Project by Cellnex, Lenovo and Masmovil, to simultaneously contribute and edit multiple live television camera signals in the cloud using the TVU Networks solution.

Mission Critical Private Networks (MCPN) services

Mission Critical Private Networks (MCPN) are networks for Security and Emergency forces that are provided with very high availability and communications security. Mission critical communications are networks that must comply with advanced services specifications and must provide a secure and resilient mobile voice, data and video service platform to address these needs. In this sense, Cellnex provides professional radio communication systems for public safety authorities complying all mission critical communications requirements from the network design and engineering to the end-to-end operation and maintenance service.

During 2022, customers have renewed the Critical Mission Networks with Cellnex Spain, from which services are provided to more than 100,000 users of security and emergency forces (police, firefighters, etc.). Is worth highlighting that the contract for the comprehensive management of mission-critical communications for emergency and security corps in Catalunya (RESCAT) have been renewed for a period of 5 years with the Generalitat de Catalunya, in Valencia (COMDES) has been extended for one year more, and the LINCE project, the security and emergency network in Andalusia (the largest DMR technology network in Europe), has been awarded to Cellnex Spain.

Private networks

Private wireless network technology enables users and customers to integrate machines and people across a wide range of applications and usage scenarios in diverse industrial and business critical domains as in manufacturing, supply chain, transportation and energy, where is key assuring high degrees of security as is an isolated and dedicated network and also the allowance of network and services self-configuration and management.

Wireless connectivity provides employees with data and insight whilst on the move, real time insight into operational processes, allows for the wireless control of moving objects and vehicles, and for the permanent extraction and logging of sensor and status information from processes and assets. For the tightest, most controlled performances for critical business processes, Cellnex offers the option to establish a genuinely private network with all elements and control in the hands of the enterprise itself.

Deployment of Private 5G Network capabilities into the Automotive Industry

Cellnex, through its business unit EDZCOM, has launched a partnership with the automotive branch of SEGULA Technologies to offer its automotive customers a private 5G network capabilities. As part of the collaboration, Cellnex will deploy a Private 5G Network at the Segula's German test center located in Rodgau-Dudenhofen, bringing high mobility due to very low latency, as well as a dedicated spectrum, strong security and data confidentiality.

IoT and Smart Services

Being 'smart' indicates the building or premises dispose of wireless –and wired– infrastructures and the associated devices and sensors that allow the infrastructure to 'think' and act all by itself, optimising its performance and characteristics for the usage it is intended for. These infrastructures are Internet of Things (IoT) based; a network where an internet is used to connect countless numbers of electronic systems, computers, sensors and action devices ('things').

IoT is expected to rapidly increase to enhance our daily world with 'smart' and autonomous environments. Cellnex operates IoT networks, deployed either at a local or national level, in order to offer smart services to its clients.

Cellnex Portugal chosen by Lorin Networks to deploy an IoT network in its infrastructures

Cellnex Portugal and Lorin Networks reached an agreement to deploy an IoT (Internet of Things) network based on LoRaWAN technology in Cellnex infrastructures in Portugal. IoT networks allow for the installation of a range of oriented solutions not only to improve connectivity in essential sectors of activity, such as agriculture or transport and industry, but also to the acceleration and development of smart cities, for example, through intelligent sensor services capable of monitoring various kinds of consumption in real time.

Cellnex Ireland acted as key infrastructure partner in “smarting” Dublin
Cellnex Ireland, in collaboration with Bigbelly, a world leader in smart waste and recycling solutions for public spaces, has repurposed litter bins and equipped them for connectivity. The litter bins that Bigbelly has distributed around the Irish capital are solar-powered and include smart services such as usage alerts to speed up collection. With the arrival of Cellnex, these bins house an infrastructure of small cells (small embedded antennas) to improve connectivity in the city and Internet of Things (IoT) applications. Antennas have also been installed in smart streetlights and lamp posts, where the infrastructure remains hidden and installation permits are faster and easier to obtain. The project, a pioneer in Europe, taps into the new concept of universalising telecommunications services as a result of the pandemic.

Cellnex Spain to develop an energy-efficiency project based on IoT technology and artificial intelligence
UNED (National University of Distance Education) has awarded Cellnex a project to optimise the energy efficiency of the air-conditioning and lighting systems of its university campuses through Internet of Things (IoT) technology. The objective is to reduce and optimise energy consumption, especially in empty spaces, maintaining pre-comfort conditions that, in turn, avoid cost overruns by reducing or raising the temperatures of spaces when unoccupied and also avoiding too drastic differences between occupied and unoccupied spaces that prevent them being kept at optimal levels. Cellnex is to equip UNED university campuses with sensors to enable remote data collection and monitoring for real-time control of lighting and air-conditioning systems, thereby cutting energy consumption.

Innovation

Innovation at Cellnex is led by the Product Strategy and Innovation Department, which is responsible for the following three areas of work:

- The Innovation area, which focuses on monitoring existing and future technologies that may have an impact on the company's business (e.g. 6G).
- The Product Strategy area, which is in charge of new products definition, from design and validation to launch and implementation (such as Edge Computing).
- The Project Management Office, responsible for economic and administrative control of the innovation and product strategy activities.

These areas of work focus on the development of three main types of projects, which are the communications for connected and intelligent infrastructure (e.g. highways, railways, maritime, ports) (Mobility), broadcast and media services (Broadcast evolution) and infrastructure for the future of telecom communications (Site of the future).

In line with this commitment to innovation and technology improvement, Cellnex is investing EUR 4.17 million in the development, testing and launch of new innovative products and solutions in the countries in which Cellnex operates. The main projects developed are presented as follows.

Transforming E-commerce and the local marketplace
Parlem Telecom together with Cellnex Spain, Lenovo and Red.es, presented a technological solution that will serve to transform the e-commerce of local shops and offer the user a real shopping experience virtually equivalent to the face-to-face shopping that could be experienced in any market or shop.
In 2022, the first use case of the 5G pilot in Catalonia was presented at the Boqueria Market (Barcelona, Spain) to shop online with augmented reality and in real time for products from the merchants of this iconic and famous Barcelona market. In the future, this will make it possible to make purchases from anywhere in the world, making it an immersive shopping experience in which the user will feel as if they were in the shop itself.

5G UK Innovation Network

Cellnex UK has been selected for grant funding as part of the Department of Digital, Culture, Media and Sport's Future Radio Access Network Competition (FRANC). The grant will go towards funding a Cellnex UK-led consortium of industry partners that is developing a new software-based platform to create a testbed for both public and private 5G cellular networks deployed in the centre of Bristol as well as providing backhaul over the LEO-Satellite Constellation. The £35 million competition is designed to fund innovative R&D projects to develop Open RAN technology across the UK.

The O-RANOS project will create an architectural blueprint to accelerate development and reduce costs of new product offerings and create new business models for both private and public 5G networks. It plans to demonstrate Open RAN backhaul over a number of transmission methods, including the world's first demonstration over OneWeb's LEO-Satellite Constellation, which will extend Open RAN intelligence to the transport network and pave the way for backhaul convergence.

PORTWIN. Digital twins, edge computing and 5G to increase port efficiency and Security

Cellnex contributed to port infrastructures digitalization with the project PORTWIN. Within the scope of this project, the company deployed a network in the frequencies from 2,370 MHz to 2,390 MHz (the n40 band), a frequency band that the Spanish spectrum regulator has recently assigned and reserved to deploy mobile networks for business and industrial use.

The 5G network in the Port of Valencia is standalone (SA), which makes it possible to use all the advantages of the fifth generation of mobile communications, namely ultra-reliable, low-latency communications which provide security, consistency and real-time operation. In addition, massive connectivity between devices ensures that up-to-date sensor information is available at all times.

Ship information is collected in real time using civilian radars based on ultra wideband (UWB) technology. This information, transmitted through the 5G private network reaches the local computing system (edge computing), where complex mathematical algorithms process the signals received in real time. The end result facilitates optimal decision-making for port managers, ensuring maximum safety during berthing manoeuvres.

Cellnex Spain developed and validated a use case of bidirectional holography applied to distance learning

The bidirectional holographic solution validated by 5G Catalunya made it possible to volumetrically capture the image of a speaker at a remote point and reproduce it in 3D elsewhere via streaming across a private 5G network. The advantages of the innovative 5G technology (high speed and low latency) allow for an immersive two-way video and audio communication experience.

The volumetric system that is used to capture and broadcast the 3D image guarantees nearly real contact with the interlocutor, while the 5G network allows for virtually immediate bidirectional interaction between both remote points, with minimal latency.

The role of Cellnex was providing the 5G access network infrastructure with stand-alone configuration to enable the required streaming connection between both remote points to roll out this demonstration.

Transforming La Défense square into a very-high-speed 5G sandbox

Cellnex France has been selected by Paris La Défense as partner to run a 5G mmWave (26Ghz) trial at the heart of this emblematic business district. This project has a two objectives: firstly, to test the feasibility of a neutral host model allowing the sharing of antennas and infrastructures; and secondly, to experiment with new use cases leveraging very-high-speed 26 GHz 5G deployed in La Défense district.

By deploying the small cell infrastructure, that will guarantee unprecedented speeds, Cellnex and Paris La Défense plan to turn La Défense esplanade into a unique playground and experimental area for companies wishing to test use cases.Alongside these experiments open to innovative companies in the field of connectivity, the appeal of deploying 5G mmWave (26 GHz) in Paris La Défense is also to demonstrate the relevance of the neutral host model. A model that guarantees efficient and effective wireless deployment by sharing antennas and infrastructure.

Cellnex will promote 5G infrastructure in European transport corridors

Cellnex has been awarded by the European Commission of six projects (4 deployment projects and 2 feasibility studies) to boost 5G infrastructure in European transport corridors, thus benefiting EU citizens and the industry. The deployment projects will cover two cross-border corridors connecting Spain with France and two corridors connecting Spain with Portugal. In addition, the studies include the connection between Italy and Austria and the EUMOB project with Abertis.

The main objective of these projects, which are part of the European Commission's Digital Connecting Europe Facility (CEF-2) programme, is to provide high-quality and uninterrupted 5G connectivity for road safety services, and offer connectivity services to vehicle users and passengers along these corridors. To this end, Cellnex will deploy 34 new telecommunications sites (including DAS in tunnels), in which it plans to work with mobile operators based on its neutral host model, complemented by a V2X communications infrastructure and edge computing nodes to provide connectivity. 5G along the more than 1,400 km of these four cross-border corridors.

Cellnex in Europe

Cellnex Austria

Cellnex Austria joined the Group in 2020, as a result of the agreement between Cellnex Group and CK Hutchison. Since its entrance into the Austrian market, Cellnex has become the main independent operator of telecommunication towers in the country. Cellnex Austria operates more than 4,500 telecommunication sites located in urban, peripheral and rural areas throughout Austria. Cellnex Austria provides services ranging from accommodation and co-location to electrical connections, security and alarm detection, among many others. Notably, several dozen Cellnex sites have recently been deployed to provide mobile coverage for the first time to isolated rural towns in areas previously considered dead spots. All of this has been achieved by Cellnex Austria's employees, a team that has years of experience in the sector and provides efficient and quality solutions to customers.

Cellnex Denmark

Cellnex Denmark owns more than 1,500 sites throughout Denmark, serving telecommunications operators and technology companies through state-of-the-art telecommunications infrastructure. Cellnex Denmark has been part of the Group since 2020, when HI3G Networks Denmark officially transferred ownership of its towers and sites to Cellnex. Within the next few years, Cellnex Denmark plans to build more than 300 new sites in order to support the deployment of 5G in the country. At the forefront of these efforts is a proactive team of professionals with extensive experience in telecommunications, committed to providing telecommunications infrastructure services for the benefit of all interested parties.

Cellnex Spain

Cellnex Spain, location of the Cellnex Group's central offices, has a vast telecommunications infrastructure network in Spain that encompasses around 10,500 operational sites. This extensive network of sites has a broad geographical reach and enables Cellnex Spain to offer services to different types of clients, ranging from mobile operators and broadcasters to administrations, among others.

Cellnex Spain, as a neutral operator, offers services to three customer segments: (i) Operators, (ii) Broadcasters and (iii) Public Administrations and Large Companies. (i) To the Operators, it provides collocation of base stations mainly and connectivity (data transmission), with a high degree of efficiency in the deployment of networks, a high degree of continuity in their locations and is strategically positioned within the Development Area of 5G networks. (ii) Public and private broadcasters entrust the distribution and broadcast of their signal to Cellnex, which has high quality parameters and extensive experience in spectrum management. (iii) Cellnex Spain provides services to state, regional and local public administrations, as well as large companies to provide them with network services such as Mission Critical Private Networks (PPDR, Public Protection and Catastrophe Response) and Critical Business Private Networks, among others services. Operational excellence is the objective in providing service to its customers.

Cellnex France

Cellnex in France was founded in July 2016 as part of an initial agreement to purchase more than 500 telecommunication sites from Bouygues Telecom. Cellnex France Group, which in turn is part of the Cellnex Group, is made up of seven companies: Cellnex France, On Tower France, Nexloop France, Springbok Mobility, ITM 1, Hivory and Cellnex France Infrastructure. The vast majority of the sites are located in quality locations in densely populated areas, an ideal situation for the future deployment of 5G. On Tower France, founded in December 2019, currently manages more than 8,000 sites throughout France. Nexloop France was created in May 2020 under a strategic partnership between Bouygues and the Cellnex France Groupe. Nexloop designs, implements, owns, manages, operates and maintains fibre optic infrastructure networks and numerous regional collection sites, as well as marketing services related to these activities. Springbok Mobility, a 100% subsidiary of the Group since 2019, develops and operates dedicated indoor infrastructures for companies and real estate businesses, in existing or planned buildings, under its Mobile Inside global service contract, which is based on ensuring that buildings are 100% connected. Hivory, a recent 2021 acquisition from Altice France and Starlight Holdco, manages the 11,000 sites that principally serve the French mobile phone operator SFR. In total, Cellnex France Group manages more than 24,500 sites. To highlight that France is the only country where Cellnex has three anchor clients (Bouygues, Iliad and SFR) with which it is deploying Build to suit programs.

Cellnex Ireland

Cellnex Ireland's portfolio of sites consists of more than 1,900 sites located throughout the country, including the CK Hutchison sites, for which an agreement was reached in 2020. Cellnex Ireland is focusing primarily on the development and management of fibre infrastructure and tower sites to meet the requirements of the wireless communications industry. Furthermore, Cellnex Ireland is committed to providing the necessary infrastructure to support the improvement and availability of high-speed wireless broadband in rural areas and to help mobile operators address coverage in said communities.

Cellnex Italy

Cellnex Italy has been operating since 2014 and was the group's first international market outside Spain. Cellnex manages a complex and far-reaching network of high strategic value for mobile telecommunications, as well as for the development of current ultra-fast mobile 4-4.5G networks and new 5G technology, that covers the whole of Italy, with a total of over 21,000 sites. Cellnex Italy provides multiple services in multi-operator mode, a key concept for the development of wireless networks and services, in order to optimize investments and ensure a more rational and efficient use both in terms of operations and the environmental impact of the existing and future network.

Cellnex Netherlands

Cellnex Netherlands' infrastructure is managed by a capable team of professionals with years of experience within the data centre and telecommunications sector. Main offices are located in Utrecht. Cellnex's telecommunications infrastructure in the Netherlands consists of antenna masts, rooftops, broadcasting towers and networks, data centers, DAS and Private Network installations and advertising masts strategically located in both urban and rural areas. Cellnex Netherlands joined the company in 2016 following the acquisitions of Protelindo Netherlands BV (in 2016) Shere Masten BV (in 2016) Alticom BV (in 2017) On Tower Netherlands BV (in 2019) Cignal Infrastructure Netherlands BV (originally TMobile Infra BV) (integrated in 2021), Media Gateway (purchased in 2021) and Breedlink BV (in 2022). Cellnex Netherlands manages more than 4,000 sites.

Cellnex United Kingdom

Cellnex has been operating in the UK market since 2016 following the purchase of Shere Group's assets. In June 2019, Cellnex United Kingdom (UK) acquired the marketing rights of 220 tall towers from BT, and in July 2020 it acquired Arqiva Services Limited. From this acquisition "On Tower UK Limited" was born to be integrated into the current structure of Cellnex UK. Cellnex UK has over 12,000 sites and has access to hundreds of thousands of street-level assets essential for outdoor Small Cells and 5G deployments in dense urban areas. Responsible for leading Cellnex's business in the UK, the management team is committed to developing collaborative partnerships with clients, portfolio partners and stakeholders across the industry, driving innovation and growth, and creating value for everyone in today's connected world.

In addition, pursuant to a sale and purchase agreement dated 12 November 2020, Hutchison agreed to sell to Cellnex UK 100% of the share capital of CK Hutchison Networks (UK) Limited. The completion of the CK

Hutchison Holdings Transaction in respect of the United Kingdom was subject to the satisfaction or waiver of applicable conditions precedent, including in relation to anti-trust and national security clearances, as required.

The UK transaction between Cellnex and CK Hutchison was formally approved by the CMA on 3 March 2022, subject to the divestment of around 1,100 Cellnex's existing UK sites which overlap geographically with CK Hutchison sites to be acquired.

Cellnex Telecom announced in Nov 2022 that it has completed its acquisition of the telecommunications tower assets of CK Hutchison in the United Kingdom (which includes interests in or revenues deriving from up to 6,600 sites, once the build-to-suit ("BTS") programmes are completed), after the Competition and Markets Authority (CMA) accepted final undertakings proposed by Cellnex and CK Hutchison in May this year (Final Undertakings) and following the agreement by Cellnex to transfer approximately 1,100 of Cellnex's existing sites to the UK telecommunications infrastructure operator Wireless Infrastructure Group (WIG).

Cellnex Poland

Following the completion of the transactions with two Polish MNOs (Play and Plus) in 2021, Cellnex companies in Poland operates more than 15,000 sites distributed throughout the country , mainly consisting of towers that provide telecommunications operators and technology companies with state-of-the-art telecommunications infrastructure. In more detail, in October 2020, Cellnex reached an agreement with Iliad to acquire a 60% of the shares in On Tower Poland, i.e. Play's dedicated subsidiary holding the legal title to Play's portfolio of towers in Poland. After receiving the green light from the Polish Office for Competition and Consumer Protection, Cellnex completed the transaction on 31 March 2021. In parallel, in February 2021, Cellnex announced a transaction with entities from Cyfrowy Polsat Group, concerning for the acquisition of 99.9% of the shares in Polkomtel Infrastruktura (currently: Towerlink Poland), a subsidiary dedicated to telecommunications infrastructure. This transaction was completed on 8 July 2021.

The Polkomtel MSA is following a business model consisting in a long-term revenue that ensures the profitability and return on investment (Capex) executed by Cellnex on behalf of the customer, encouraging investment in the expansion and modernization of client infrastructure and allowing better customer quality services owing to new investments (Capex). The revenue of any year according to the MSA is composed mainly by the addition of the following items: i) a Capex payback (which tend to be 10 years), ii) an industrial margin on the Capex payback, iii) an agreed opex required to run the Capex, (iv) electricity pass through, and (v) other opex items. This long term revenue model presents a tariff scheme that allow Cellnex to increase items ii), iii) and v) on year basis following the Polish CPI. Item i) will follow inflation as new capex cycles are considered in the long term revenue model. This business model presents similar characteristics to the BTS programs, as Cellnex is remunerated when Cellnex invests on the new Capex programme agreed with the client. Also, Cellnex i) can share the infrastructure with third parties, ii) has operating leverage, iii) strong backlog and iv) maintenance capex higher to its c. 3% of total Revenues.

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Cellnex Switzerland

Cellnex is the leading independent and neutral telecommunications infrastructure and services operator in Switzerland. Led by a team of experienced industry experts, Cellnex Switzerland manages a broad network of more than 5,400 telecommunications sites across the country. Cellnex Switzerland is made up of the companies Swiss Towers AG and Swiss Infra Services SA. Swiss Towers AG was acquired in 2017 by integration the infrastructure of Sunrise Communications AG. In 2019, Swiss Infra Services SA was created by taking over the infrastructure of Salt Mobile (90%). In the first quarter of 2021, Cellnex (through Cellnex Switzerland AG), entered into an agreement with Matterhorn Telecom SA to acquire 10% of the share capital of Swiss Infra Services SA from Matterhorn. Pursuant to this acquisition, Swiss Towers AG held 100% of Swiss Infra as of 31 December 2021.

In the first half of 2019, the Group entered into a long-term industrial alliance with Matterhorn by virtue of which Swiss Towers purchased 90% of the share capital of Swiss Infra.

Cellnex Sweden

Cellnex has been operating in the Swedish market since 2021, following the acquisition of CK Hutchison's assets and the consequent incorporation of On Tower Sweden. Cellnex Sweden has more than 2,800 sites throughout the country and includes everything from 72-meter towers to distributed antenna systems and private networks. This enables the company to offer operators extremely cost-effective and environmentally-friendly installations. Cellnex Sweden provides a full range of services, including the deployment and optimisation of sites, installation services and site operation and maintenance. Cellnex Sweden is an infrastructure co-location partner of the main

Swedish wireless operators. The company provides secure and well-maintained sites for mobile, broadcast, IoT, Wi-Fi and fibre operators.

Cellnex Portugal

Cellnex Portugal joined the group in 2020 and is made up of Omtel (Omtel, Estruturas de Comunicações, S.A.), On Tower Portugal (On Tower Portugal, S.A.), Towerlink (Towerlink Portugal, S.A.), Infratower (Infratower, S.A.), Cignal Infrastructure and Hivory Portugal. Towerlink was incorporated to the Group in 2019 and owns and operates a SIGFOX IoT network. In January 2020, Cellnex acquired the full share capital of Omtel, the first independent Portuguese tower company. In September 2020, Cellnex acquired the full share capital of Nos Towering - Gestâo de Torres de Telecomunicaçôes, S.A., which changed its corporate name on that date to On Tower Portugal, S.A. In the last quarter of 2021, Cellnex acquired 100% of the share capital of Infratower S.A., owner of approximately 223 macro-sites and 464 micro-sites (DAS and Small Cells) in Portugal. Through Omtel, On Tower and Infratower, Cellnex owns more than 6.132 telecommunications sites located in urban, suburban and rural areas throughout mainland Portugal and the islands of Madeira and Azores. Of these, a few dozen Cellnex sites were deployed to strategic point areas to bring mobile coverage to remote rural areas for the first time. Cellnex has a highly experienced and diversified team in Portugal, totally independent from the telecommunications operators, dedicated to supporting its growth and commitment to service excellence.

Significant events in 2022

In 2022 the following significant events took place regarding corporate operations at Cellnex Group.

CK Hutchison

Milestones 2022: concluding the operation with Hutchison in the UK and the focus on organic growth with industrial agreements in Cellnex's main markets.

In November, Cellnex concluded the agreement with CK Hutchison in the UK (which includes interests in and income derived from up to 6,600 sites, once the BTS Programme has been completed), following approval by the UK’s Competition and Markets Authority (CMA) of the Final Undertakings proposed by Cellnex and CK Hutchison in May, and the agreement to transfer a package of around 1,100 sites to the British telecommunications infrastructures operator Wireless Infrastructure Group (WIG).

This was the last of the set of acquisitions announced in November 2020 and concluded between Cellnex and CK Hutchison in Austria, Denmark, Ireland, Italy, Sweden and the United Kingdom itself, with an overall investment of around EUR 10 billion.

In parallel, the Company has expanded its collaboration with Telefónica in Spain through an industrial agreement that includes the renewal of service contracts linked to 4,500 sites for a period of 30 years. Also in Spain, in the field of broadcasting infrastructures, RTVE awarded Cellnex the broadcasting rights for its radio and television signals for the next five years.

In Portugal, the company has expanded collaboration with NOS, in accordance with the agreements signed in 2020 when it acquired the infrastructure portfolio from the Portuguese operator, and has reached an agreement with Digi through which the mobile operator will deploy 2,000 PoPs (Points of Presence) at Cellnex sites in Portugal.

In the United Kingdom, Cellnex extended the current framework contract for the provision of services with BT through a multi-decade agreement.

1.3. Activity and main risks and uncertainties

The financial statements of Cellnex Telecom, S.A. reflect the consequences of its investment activity and its activity as parent company of the group, both from the point of view of the balance sheet (investments and financing) and the income statement (contributions through dividends from the different companies and borrowing costs and structure).

The Company balance sheet is chiefly composed of shareholdings in companies and the financing required for their acquisition using debt.

On November, 2020, the Company's Board of Directors approved the reorganization of its financial function in order to improve efficiency. As a result of the aforementioned reorganization, the wholly owned company Cellnex Finance Company, S.A.U. was incorporated.

The Company continues to act as guarantor of the transferred debt.

Due to the nature of its investment activity, the Company is exposed to certain financial risks, such as foreign currency risk, interest rate risk, credit risk, liquidity risk and Inflation risk. For more details, see Note 5 of the accompanying financial statements.

Cellnex has implemented a risk management model that has been approved and is monitored by the Audit and Control Committee and is applicable to all business and corporate units in countries where the Group operates. The risk management model is aimed at effectively ensuring that the Group's objectives are achieved.

The information concerning the risks of the Company is presented, with this same date and in the same mercantile register, in the Consolidated Management report of the Cellnex Group, which has been prepared according to internationally recognised standards.

1.4 Information relating to the deferred of payments to suppliers

See the information in Note 18.2.of the accompanying financial statements.

1.5 Use of financial instruments

In the year ended 31 December 2022, Cellnex Telecom, S.A. abided by the policy for use of financial instruments described in Note 5 to the accompanying financial statements.

1.6 Research and Development activities

The Company as Parent Company of Cellnex Group has not carried out any research and development activities, due to the fact that they are been developed at operative companies level.

The information concerning the Group research and development activities is presented, in the Consolidated Management report of the Cellnex Group, which has been prepared according to internationally recognised standards.

1.7 Cellnex's Corporate Social Responsability framework

Sustainability is a fundamental pillar of the company, and it is embedded in the company's business model, which focuses on the shared management of telecommunications infrastructures.

Cellnex's strategy is based on the Environmental, Social and Governance (ESG) Policy and is formalised through the ESG Master Plan (2021-2025), which it is measures and manages the impacts generated on society and the environment in an efficient and responsible manner.

In March 2021 Cellnex approved its ESG Policy, which establishes the basic guidelines and lines of action regarding Cellnex's ESG strategy which allow the formalisation and implementation of the concept of ESG within the framework of the organisation, its communication thereof to stakeholders and the progressive systematisation in all systems and operational processes of the Cellnex Group.

The ESG Policy, therefore, constitutes the minimum requirements in terms of ESG-related matters to be met by all companies that operate under the umbrella of Cellnex Group, and the managing director of each company of Cellnex Group must ensure that internal regulations are developed and/or adapted in line with this policy and with any applicable legal regulations.

Cellnex's ESG Policy is materialised through the 2021-2025 ESG Master Plan, as it that sets out the roadmap to be followed. The ESG Master Plan 2021-2025 is a 5-year plan that is based on 5 strategic axes with 16 strategic lines each and a transversal strategic axe related to communication, awareness and training actions. The Plan is applicable in all Cellnex geographies where all Cellnex corporate areas are involved, demonstrating the relevance of ESG within the company.

The 2021-2025 ESG master plan was defined taking as input the materiality analysis carried out in 2020, as well as the identification of the SDGs that are a priority for the company, a study that was also carried out in 2020. In this regard, based on the update of Cellnex's materiality following the double materiality approach that has been carried out in 2022 and the consequent update of the priority SDGs for the company that will be carried out in 2023, the ESG Master Plan is currently under review for the period 2023-2025.

The Master Plan integrates ethical and good governance, social and environmental initiatives aligned with the Sustainable Development Goals (SDG), in accordance with international standards, as well as the latest trends in sustainability with commitments and objectives in accordance with the expectations of all Cellnex stakeholders. Cellnex integrates ESG aspects into its strategy, measuring and managing the impacts generated on society and the surrounding area in an efficient and responsible manner.

From the Social point of view, the company boosts its talent by being diverse and inclusive, with different programs to promote this culture. Cellnex is also committed to contributing to society by providing knowledge and technology, collaborating with charities, financing projects, and acting through volunteering. All these values are embedded into the Company’s culture and its employees.

Cellnex is aware of the new risks and demands arising as a result of the environmental and social phenomena that dominate the international context. The greater awareness of those aspects beyond the purely economic ones, as well as the great challenges faced by organizations such as Cellnex (greater transparency, shareholder involvement, climate change, risks in the value chain, circular economy, Sustainable Development Goals (SDGs), …) have led the company in recent years to bolster its commitment to Environmental, Social and Governance (ESG) issues.

Within the ESG Master Plan 2021-2025 Cellnex has identified its Key Performance Indicators (KPIs) and related targets based on its main priorities, risk and opportunities.

The great majority of the targets for 2022 have been successfully achieved and on the right track to meet short-term objectives.

1.8. Corporate Governance

Cellnex is firmly committed to doing business under efficient and transparent corporate governance, which promotes this culture. Cellnex works to implement and consolidate the best corporate governance practices, essentially as set out in the Good Governance Code for listed companies, approved by the Spanish Securities Market Commission in February 2015 and revised in June 2020.

The actions of the Board of Directors in the interests of the Company and in compliance with its legal and statutory functions and those arising from the Board of Directors' Regulations are oriented towards the corporate interest and to fulfilling its mission while abiding, in particular, by the Law, complying in good faith with explicit and implicit contracts with employees, suppliers, financiers and customers and, in general, observing such ethical duties that are reasonably imposed by a responsible business conduct. In this regard, the Board of Directors is responsible for managing and representing the Company in the terms set out in the Spanish Companies Law.

In this regard, Cellnex has been working to incorporate the principles of the Good Governance Code of the Spanish Securities Market Commission's (CNMV, from the Spanish abbreviation). This Good Governance Code contains a number of recommendations that aim, among other things, to ensure the correct functioning of the governing and administrative bodies of Spanish companies to conduct the highest levels of competitiveness in them; to generate confidence and transparency for shareholders and domestic and foreign investors; to improve internal control and corporate responsibility in Spanish companies; and to ensure a proper segregation of functions, duties and responsibilities in companies, from a perspective of maximum professionalism and rigour.

1.9. Other Information

Non-financial information

The non-financial information presented in this Director's Report is complemented with the information presented, with this same date and in the same mercantile register, in the Consolidated Management report of the Cellnex Group, which has been prepared according to internationally recognised standards.

Shareholder remuneration

The approved shareholders' remuneration policy aims to maintain an appropriate balance between shareholder remuneration, the Company's profit generation and the Company's growth strategy, while pursuing an adequate capital structure. When implementing the Shareholders' Remuneration Policy, the Company is focused on distributing an annual dividend of 10% above the dividend distributed for the prior year. As a result, each year the Company distributes dividends against either net profit or distributable reserves attributable to the Company for the respective financial year.

On 21 July 2020, the General Shareholders' Meeting approved the distribution of a dividend charged to the share premium reserve with a maximum of €109 million, to be paid upfront or in instalments over the years 2020, 2021, 2022 and 2023. It was also agreed to delegate to the Board of Directors the authority to establish, if appropriate, the amount and the exact date of each payment during that period, while always remaining within the maximum overall amount stipulated.

In accordance with the Shareholders' Remuneration Policy, shareholder remuneration for fiscal year 2021 will be equivalent to that for 2020 (EUR 29.3 million) plus 10% (EUR 32.2 million); the shareholder remuneration corresponding to fiscal year 2022 will be equivalent to that of 2021, plus 10% (EUR 35.4 million).

During 2022, and in compliance with the Company´s Shareholders' Remuneration Policy, the Board of Directors, pursuant to the authority granted by the decision of the General Shareholders' Meeting of 21 July 2020, approved the distribution of a dividend charged to the share premium reserve in the amount of EUR 11,820 thousand, which represents EUR 0.01761 for each existing and outstanding share giving entitlement to receive such a cash pay-out. In addition, the Board of Directors, pursuant to the authority granted by the resolution of the Annual Shareholders' Meeting of 21 July 2020, approved the distribution of a dividend charged to the share premium reserve in the amount of EUR 24,814 thousand, which represents EUR 0.03518 for each existing and outstanding share giving entitlement to receive such a cash pay-out.

Dividends will be paid on the specific dates to be determined in each case and will be duly announced.

On 15 December 2022, the Board of Directors approved the following Shareholders' Remuneration Policy corresponding to the fiscal years 2023 and 2024: (i) the shareholder remuneration corresponding to fiscal year 2023 will be equivalent to that of 2022 (EUR 36.6 million) increased by 10% (EUR 40.3 million); (ii) the shareholder remuneration corresponding to fiscal year 2024 will be equivalent to that of 2023 increased by 10% (EUR 44.3 million).

Notwithstanding the above, the Company's ability to distribute dividends depends on several circumstances and factors including, but not limited to, the net profit attributable to the Company, any limitations included in financing agreements and the Group's growth strategy. As a result of such (or other) circumstances and factors, the Company may amend the Shareholders' Remuneration Policy or may not pay dividends in accordance with the Shareholders' Remuneration Policy at any given time. In any case, the Company will duly announce any future amendment to the Shareholders' Remuneration Policy.

Business perspective

In terms of business prospects, during 2023 the Group will continue to focus on implementing organic growth (leveraging its status as a neutral operator), in accordance with its ambition of achieving Investment Grade status by two credit rating agencies by the end of 2024, and by improving efficiency and profitability. In this way, the Group expects to increase various key indicators by double digits for the year ending 31 December 2023.

Cellnex in the stock market

On 20 June 2016, the IBEX 35 Technical Advisory Committee approved the inclusion of Cellnex Telecom (CLNX: SM) in the benchmark index of Spain's stock exchange, the IBEX 35, which brings together the principal companies on the Spanish stock exchange in terms of capitalisation and turnover. This milestone brought with it a broadening of the shareholder base, giving Cellnex higher liquidity and making it more attractive to investors. At present Cellnex has a solid shareholder base and the majority consensus of analysts who follow our company c. +85% is a recommendation to buy.

As at 31 December 2022, the share capital of the Company increased by EUR 6,787 thousand to EUR 176,619 thousand (EUR 169,832 thousand at the end of 2021), represented by 706,475,375 cumulative and indivisible ordinary registered shares of EUR 0.25 par value each, fully subscribed and paid (see Note 11 of the accompanying financial statements).

Cellnex's share price decreased -39% during 2022, closing at EUR 30.92 per share. The average volume traded has been approximately 1,722 thousand shares a day. The IBEX 35, STOXX Europe 600 and the STOXX Europe 600 Telecom were down by -6%, -13% and -17% over the same period.

Cellnex's market capitalisation stood at EUR 21,844 at the year ended on 31 December 2022, 673% higher than at start of trading on 7 May 2015, compared with a 26% drop in the IBEX 35 over the same period.

The evolution of Cellnex shares during 2022, compared to the evolution of IBEX 35, STOXX Europe 600 and STOXX Europe 600 Telecom, is as follows:

The breakdown of the main Cellnex stock ratios as of 31 December 2022 and 2021 is as follows:

	31 December 2022	31 December 2021
Number of shares	706,475,375	679,327,724
Stock market capitalisation at period/year end (millions of euros)	21,844	34,768
Share price at close (EUR/share)	30.92	51.18
Maximum share price for the period (EUR/share)	51.70	61.05
Date	03/01/2022	24/08/2021
Minimum share price for the period (EUR/share)	28.02	37.16
Date	13/10/2022	08/03/2021
Average share price for the period (EUR/share)	38.75	49.97
Average daily volume (shares)	1,721,999	1,622,122

Treasury shares

On 31 May 2018 the ordinary general shareholder's meeting of Cellnex decided to delegate in favour of the Company's Board of Directors the power to purchase treasury shares up to a limit of 10% of the share capital of the Company.

In accordance with the authorisation approved by the Board of Directors, at 31 December 2022 the Company held 1,119,007 treasury shares (0.16% of its share capital). The use to be made of the treasury shares has yet to be decided and will depend on any decisions adopted by the Group's governing bodies.

In the context of the acquisition of the tower businesses and assets in the United Kingdom of CK Hutchison Networks Europe Investments S.à r.l. ("Hutchison") Cellnex transferred 6,964,144 treasury shares and issued 27,147,651 new shares. Thus, a total of 34,111,795 Cellnex shares were delivered to Hutchison.

In addition, as at 31 December 2022 and 2021, 291,258 and 123,969 treasury shares respectively had been transferred to employees as remuneration payable in shares.y

The treasury shares transactions carried out in 2022 are disclosed in Note 11.1 of the accompanying financial statements.

Post balance sheet events

See Note 20, "Events after the reporting period", of the accompanying financial statements.

2. Annual Report on the Remuneration of Directors of Cellnex Telecom 2022

The Annual Report on the Remuneration of the Directors of Cellnex Telecom for the fiscal year 2022, which is part of the Company's Annual Accounts and the Directors' Report, is presented as a separate document and is available on the website of the National Securities Market Commission (CNMV) as well as on the Cellnex Telecom website from the date of publication of the Annual Accounts and the Directors' Report.

3. Annual Corporate Governance Report of Cellnex Telecom 2022

The Annual Corporate Governance Report of Cellnex Telecom for the fiscal year 2022, which forms part of the Company's Annual Accounts and the Directors' Report, is presented as a separate document and is available on the website of the National Securities Market Commission (CNMV) as well as on the Cellnex Telecom website from the date of publication of the Annual Accounts and the Directors' Report.

Additionally, the auditor's report referring to the "information relating to the Internal Control over Financial Reporting (ICFR) system" of the Cellnex Group (Cellnex Telecom, S.A. and subsidiaries) for the reporting year it is endorsed to the Annual Corporate Governance Report.

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Barcelona, as of February 28, 2023