

January-September 2023 results

Cellnex's 9M revenue exceeds EUR 3 billion

Strong EBITDA growth (+16%) driven by organic growth (+6.8%) and consolidation of geographic footprint

Achieved positive free cash flow in the first nine months of the year and anticipates positive FCF by the end of 2023, ahead of the planned 2024 timeframe

Cellnex reduced net debt by EUR 300 million compared to the end of H1, and reiterates the commitment to obtain S&P investment grade rating by 2024 the latest

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- The main indicators¹ reflect the **strength of the organic business and consolidation of the Group's geographic footprint**:
 - **Revenue²: EUR 3,008 million** (vs. 2,572 million 9M 2022).
 - EUR 2,713 million excluding energy pass-throughs (vs. 2,336 million 9M 2022) +16%
 - **Adjusted EBITDA: EUR 2,248 million** (vs. 1,937 million 9M 2022) +16%
 - **Free Cash Flow (FCF): EUR 436 million** (vs -774 million 9M 2022).
 - **Strong organic growth: +6.8%** of points of presence (PoPs) in the group's sites.
 - The Company adjusts its **short term guidance upwards (for FCF) and confirms medium-term guidance** up to 2025.
 - **Net financial debt³ stands at EUR 17.6 billion** of which **75% is at a fixed rate**.
 - Cellnex has **available liquidity** (cash and undrawn debt) of approximately **EUR 4.6 billion**.
 - The Board has approved a **dividend payment of € 0.04035 per share**, charged to the share premium reserve, which will be effective **on 23 November**.

Barcelona, 10 November 2023. Cellnex Telecom has presented its results corresponding to the first nine months of 2023. Revenue grew 16% compared to the first nine months of 2022 (17% including pass-throughs, i.e. revenues from re-invoicing energy to customers).

Adjusted EBITDA grew to EUR 2,248 million (+16%), reflecting both organic growth and the consolidation of the Company's geographic footprint. Free cash flow was EUR 436 million vs -EUR 774 million in the same period of the

¹ Excel background document available at www.cellnex.com

² Corresponds to Operating Income excluding Advances delivered to customers. See consolidated financial statements corresponding to the period ending 30 June 2023.

³ Excluding lease liabilities

previous year, mainly due to the effect of the sale of sites in France, in accordance with the remedies stipulated by the French Competition Authority following Cellnex's purchase of Hivory in 2021.

Amortizations (+9% vs 9M 2022) and financial costs (+15% vs 9M 2022), both associated with the acquired assets of the Group, resulted in a negative net accounting result at EUR -198 million (vs EUR -255 million in 2022).

Marco Patuano, CEO of Cellnex, highlighted “This period has been marked by excellent commercial performance and consistent operational execution, with revenues and EBITDA well on track and our free cash flow turning positive earlier than anticipated. Once again, we are confirming all our short and medium term financial targets including achieving positive FCF by the end of the year, ahead of the planned 2024 timeframe, thanks to a strict control of CAPEX expenditure. We are making good progress on reducing debt thanks to the disposal of sites in France and the recent deal in the Nordics”.

Marco Patuano added “We are introducing a [new organizational model](#) fully aligned with our Next Chapter objectives and enabling commercial and operational excellence”.

Asset disposals aimed at debt reduction

Cellnex concluded the [sale in France of 2,353 sites](#) to Phoenix Tower International (PTI) and the joint venture comprising PTI and Bouygues Telecom in accordance with the *remedies* stipulated by the French Competition Authority following Cellnex's purchase of Hivory in 2021. Cellnex received **EUR 631 million** for the sale of these assets, to which it plans to add an additional EUR 360 million—after completing the transfer of the approximately 870 remaining sites— in 2024.

Likewise, in July, it reached an [agreement with Stonepeak for the sale of a 49% stake in Cellnex Sweden and Cellnex Denmark for EUR 730 million](#)—equivalent to a multiple of 24x 2024E EBITDAaL— which it expects to conclude during the first quarter of 2024.

Today, as part of this strategy of focusing on tower-based activities and businesses (core business) and their adjacent assets, Cellnex has announced an **agreement with Boldyn Networks to which it will sell its private networks business unit**, mainly comprising **Edzcom**, the Group's Finnish subsidiary specialized in connectivity solutions for private networks in industrial complexes and environments. The operation is expected to conclude during the first quarter of 2024.

In parallel, Cellnex continues to evaluate the possibility of monetizing other assets to crystallise value and speed up the process to achieve S&P investment grade.

Financial structure

- The **Group's net debt**—excluding lease liabilities— **stands at EUR 17.6 billion** (vs. 17.9 billion in the first half of the year). **75% of the debt is at a fixed rate.**
- In July, the company concluded the [issue of a convertible bond for EUR 1 billion](#) maturing in 2030 **to buy back a convertible bond of 800 million** maturing in 2026, thereby extending debt maturities, increasing the conversion price and reducing dilution in terms of FCF per share.
- Cellnex currently has access to **immediate liquidity** (cash and undrawn debt) to the tune of approximately **EUR 4.6 billion.**
- The company has no debt maturing in 2023 and plans to cover the **expected debt maturities for 2024/2025** (approximately EUR 2.6 billion) **with available cash and cash-in from additional divestments.** Starting in 2027, Cellnex will generate a solid FCF allowing it to finance 100% of its debt.

- Cellnex issues maintain their “investment grade” rating from Fitch (BBB-) with a stable outlook. In turn, S&P maintains the BB+ rating with a positive outlook.

Business lines and main indicators of the period

- **Infrastructure Services for mobile Telecommunications** operators (TIS business) provided **91.1% of revenue**, at EUR 2,739 million, representing a year-on-year increase of 17.6%.
- **Broadcasting infrastructures** activity contributed **5.7%** of revenue, at EUR 173 million.
- The business focused on **security and emergency service networks and solutions for smart urban infrastructure management** (MCPN and IoT businesses and Smart cities) contributed 3.2% of revenue, totalling EUR 96 million.
- **As of 30 September**, Cellnex had a total of **111,688 operational sites** (without taking into account the 17,518 sites planned to be rolled out by 2030): 23,166 in France, 21,944 in Italy, 15,917 in Poland, 12,937 in the United Kingdom, 10,528 in Spain, 6,495 in Portugal, 5,446 in Switzerland, 4,584 in Austria, 4,094 in the Netherlands, 3,002 in Sweden, 1,963 in Ireland and 1,612 in Denmark, **along with 9,125 DAS nodes and small cells**.
- **Organic growth** of the **points of presence** at the sites stood at **+6.8%** in relation to the same period of 2022, **3.6%** of which came from **new co-locations** at existing sites, totalling **3,323**, with Portugal and Italy standing out in this area, and **3.2%** coming from the deployment of **3,159 new sites** in the period, thanks mainly to the progress of BTS (Built-to-Suit) programmes in France, Italy and Poland.

Year-end outlook

Cellnex confirms its outlook for the end of the year and plans to close 2023 with **revenue between EUR 4 and 4.1 billion** (adjusting the forecast revenue to lower expected pass-through due to lower electricity prices), **EBITDA of 2,950 – 3,050 million** and **free and recurring cash flow of between 1,525 – 1,625 million**.

The company has adjusted its **Free Cash Flow (FCF)** outlook upwards from “neutral” to “positive” (**between 100 and 150 million**), thereby achieving its commitment to achieve a positive FCF initially planned for 2024 during the course of 2023.

Annex 1. Income Statement and Balance Sheet (IFRS 16)

€ Mn	9M 2022	9M 2023
Broadcasting Infrastructure	167	173
Telecom Infrastructure Services	2.328	2.739
Other Network Services	77	96
Revenues ⁽¹⁾	2.572	3.008
Pass-through	235	295
Revenues ex pass-through	2.336	2.713
Staff Costs	-183	-208
Repair and Maintenance	-68	-80
Utilities	-219	-271
General and Other Services	-166	-201
Operating Expenses	-635	-759
Adjusted EBITDA	1.937	2.248
% margin ⁽²⁾	83%	83%
Non-Recurring Expenses and Advances to customers	-59	-58
Depreciation & Amortization	-1.740	-1.899
Operating Profit	137	292
Net Financial Profit	-518	-597
Profit of Companies Accounted for Using the Equity Method	-2	-2
Income Tax	115	97
Attributable to Non-Controlling Interests	12	12
Net Profit Attributable to the Parent Company	-255	-198

(1) Corresponds to Operating Income excluding Advances to customers. Following the same methodology as for the 6-month period ended 30 June 2023.

(2) Adjusted EBITDA Margin corresponds to Adjusted EBITDA, divided by "Services (Gross) excluding Utility Fee" (please see note 18.a of the interim condensed consolidated financial statements ended on 30 June 2023). Thus, it excludes elements passed through to customers from both expenses and revenues, mostly electricity costs, the utility fee as well as Advances to customers. This calculation has been modified to exclude the Utility Fee from revenues (9M 2022 margin re-stated). Following the same methodology as for the 6-month period ended 30 June 2023.

€ Mn	FY 2022	Q3 2023
Assets		
Goodwill	6.718	6.654
Fixed Assets	30.818	30.505
Right-of-use Assets	3.438	3.256
Financial Investments & Other Fin. Assets ¹	1.023	1.098
Non-Current Assets	41.997	41.513
Inventories	5	9
Trade and Other Receivables ²	1.166	1.216
Cash and short term deposits	1.038	1.064
Current Assets	2.209	2.289
Non-current assets held for sale	51	0
Total Assets	44.258	43.802
Equity & Liabilities		
Share Capital and Others	16.618	16.280
Share Capital	177	177
Treasury Shares	-48	-42
Share Premium	15.523	15.511
Non-Controlling Interests	967	635
Reserves	-1.431	-1.889
Reserves	-1.134	-1.691
Profit for the Period	-297	-198
Shareholders' Equity	15.188	14.391
Borrowings	17.743	17.771
Lease Liabilities	2.502	2.207
Provisions and Other Liabilities ³	6.540	6.437
Non-Current Liabilities	26.785	26.415
Borrowings	141	883
Lease Liabilities	584	727
Trade and Other Payables ⁴	1.539	1.386
Current Liabilities	2.263	2.996
Liabilities associated with non-current assets held for sale	22	0
Total Equity and Liabilities	44.258	43.802

(1) Includes "Derivative financial instruments", "Trade and other receivables" and "Deferred tax assets". See the Consolidated Financial Statements for the period ended on 30 June 2023.

(2) Includes "Receivables from associates" and "Financial investments". See the Consolidated Financial Statements for the period ended on 30 June 2023.

(3) Includes "Provisions and other liabilities", "Employee benefit obligations", "Deferred tax liabilities", "Derivatives financial instruments" and "Other Financial Liabilities". See the Consolidated Financial Statements for the period ended on 30 June 2023.

(4) Includes "Employee benefit obligations", "Payables to associates", "Trade and other payables", "Derivatives financial instruments" and "Other Financial Liabilities". See the Consolidated Financial Statements for the period ended on 30 June 2023.

Annex 2. Significant events of 2023

January

- **10 January**, Three UK joins the connectivity project that Cellnex UK is rolling out on the Brighton Mainline railway line linking London and Brighton in the UK.
- **11 January**, Tobias Martinez tenders his resignation as CEO of the company. He will step down as CEO after the Group Shareholders' Meeting scheduled for June 2023.
- **12 January**, Vapor IO expands its Edge Computing network into Europe via Cellnex.
- **16 January**, Cellnex provides internal mobile connectivity at The Social Hub facilities in the Netherlands and Austria.
- **18 January**, RTVE awards Cellnex broadcasting rights for its radio and television signals for the next five years.
- **19 January**, Cellnex and Nokia to roll out the 5G network in ADIF logistics centres.
- **24 January**, Cellnex approved for the sixth consecutive year as DT's "Zero Outage Supplier".
- **31 January**, Cellnex becomes a member of the Bloomberg Gender Equality Index for the second consecutive year.

February

- **3 February**, Cellnex tests 5G Broadcast emissions at ISE and MWC.
- **7 February**, S&P Global includes Cellnex in its "Sustainability Yearbook" for the first time.
- **8 February**, Cellnex and Dublin City University (DCU) partner to create Ireland's first 5G "Smart Campus".
- **14 February**, Cellnex installs a DAS at the El Sadar stadium (CA Osasuna) for the roll-out of 5G technology.
- **27 February**, Cellnex unveils its "Augmented Towerco" industrial model at the Mobile World Congress in Barcelona.
- **27 February**, The 5G Catalunya project, led by Cellnex, receives the "GSMA Foundry Excellence Award".
- **27 February**, Cellnex concludes an agreement with the Principality of Asturias to implement Internet of Things pilot projects in rural Asturias.

March

- **15 March**, Cellnex is recognised by CDP as a "Supplier Engagement Leader" for the second consecutive year
- **27 March**, The Board appoints Anne Bouverot as Non-executive Chairperson of Cellnex.

April

- **4 April**, Bertrand Kan and Peter Shore leave the Cellnex Board after eight years.
- **26 April**, the Board appoints Jonathan Amouyal as a new proprietary director—on behalf of TCI— and Maite Ballester as the new independent director of the company.
- **28 April**, Cellnex announces the appointment of Marco Patuano as the new CEO

May

- **23 May**, Airbus and Cellnex strengthen their collaboration on mission-critical communications
- **16 May**, Cellnex participates in the CRETA project to promote sustainable mobility and reduce traffic emissions

June

- **1 June**, Cellnex's Shareholders' Meeting ratifies Marco Patuano as CEO.
- **8 June**, Cellnex improves its rating in the Sustainalytics ESG Risk Rating.
- **14 June**, AENA and Cellnex bring 5G technology to San Sebastian airport.
- **30 June**, Cellnex now controls 100% of OnTower Poland.

July

- **5 July**, IBETEC awards Cellnex broadcasting rights for its radio and television signals for the next four years.
- **19 July**, the Cellnex Foundation incorporates five new social impact startups into its acceleration programme.
- **24 July**, the EIB and Cellnex sign a 315 million loan to support the roll-out of 5G infrastructure and the digital transition in Europe.
- **28 July**, Cellnex concludes the placement of €1 billion in new convertible bonds maturing in 2030 and announces the concurrent repurchase of approximately €787.6 million in convertible bonds currently in circulation and maturing in 2026.

August

- **8 August**, FTSE Russell confirms Cellnex's ESG rating.

September

- **6 September**, Cellnex sells 2,353 sites in France.
- **29 September**, Cellnex unveils its new organizational structure.
- **29 September**, Stonepeak acquires a 49% stake in Cellnex subsidiaries in Sweden and Denmark for EUR 730 million.

October

- **10 October**, Cellnex obtains the highest ESG score in the GRESB ranking.
- **23 October**, Cellnex appoints Raimon Trias as new CFO.
- **30 October**, 5G Med accelerates 5G implementation and connectivity in the Mediterranean Corridor

Annex 3. Non-IFRS and alternative performance measures

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

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

For further details on the definition and explanation on the use of APMs and Non-IFRS Measures please see the section on “Alternative performance measures” of Cellnex Telecom, S.A. Interim Consolidated Financial Statements and Interim Consolidated Directors’ Report for the six-month period ended 30 June 2023 (prepared in accordance with IAS 34), published on 27 July 2023. Additionally, for further details on the calculation and reconciliation between APMs and Non-IFRS Measures and any applicable management indicators and the financial data of the nine-month period ended 30 September 2023, please see the backup excel file published today by Cellnex Telecom, S.A.

All the documents are available on Cellnex website (www.cellnex.com)

- Backup Excel File:
[Financial Information - Cellnex](#)
- FY 2022 Consolidated Financial Statements:
[Financial Information - Cellnex](#)

About Cellnex Telecom

The efficient deployment of next-generation connectivity is essential to drive technological innovation and accelerate inclusive economic growth. Cellnex is the independent wireless telecommunications and broadcasting infrastructures operator that enables operators to access Europe's most extensive network of advanced telecommunications infrastructures on a shared-use basis, helping to reduce access barriers for new operators and to improve services in the most remote areas.

Cellnex manages a portfolio of around 135,000 sites—including forecast roll-outs up to 2030—in Spain, Italy, the Netherlands, France, Switzerland, the United Kingdom, Ireland, Portugal, Austria, Denmark, Sweden and Poland. Cellnex's business is structured in four major areas: telecommunications infrastructure services, audiovisual broadcasting networks, security and emergency service networks and solutions for smart urban infrastructure and services management.

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 indexes, such as CDP, Sustainalytics, FTSE4Good and MSCI. Cellnex's reference shareholders include Edizione, TCI, GIC, CPP Investments, Blackrock, CK Hutchison, CriteriaCaixa and Norges Bank.

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