Cellnex Telecom, S.A.

Financial Statements
for the year ended
31 December 2023 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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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 2023, and the 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 2023, 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.

Deloitte, S.L. Inscrita en el Registro Mercantil de Madrid, tomo 13.650, sección 8ª, folio 188, hoja M-54414, inscripción 96ª. C.I.F.: B-79104469.
Domicilio social: Plaza Pablo Ruiz Picasso, 1, Torre Picasso, 28020, Madrid.

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 necessary investments, as well as other assumptions obtained from the budget and from 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, obtaining an understanding of the Company's process for assessing the recoverable amount of the investments in Group companies and associates. Also, we performed substantive tests, based on the obtainment and analysis of 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 budged and the most recent business plan 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 2023, 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 had been 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 2023 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 2023, which comprise the XHTML file including the financial statements for 2023, 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 2023 in accordance with the format and markup requirements established in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 ("ESEF Regulation"). In this regard, the Annual Corporate Governance Report and the Annual Directors' Remuneration Report were included by reference in the directors' report.

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 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 29 February 2024.

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.

DELOITTE, S.L.
Registered in ROAC under no. S0692

Iván Rubio Borrallo
Registered in ROAC under no. 21443

29 February 2024

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 2023 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 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 2023

(Thousands of Euros)

ASSETS	Notes	31 December 2023	31 December 2022
NON-CURRENT ASSETS:			
Intangible assets-	**Note 6**	**41,736**	**36,739**
Computer software		41,736	36,739
Property, plant and equipment-	**Note 7**	**17,746**	**19,621**
Land and buildings		7,773	7,462
Plant and other items of property, plant and equipment		9,973	12,159
Property, plant and equipment under construction		—	—
Investments in Group companies and associates-		**23,730,727**	**24,373,243**
Equity instruments	Notes 8.1 and 9	23,730,727	24,366,679
Non current loans to Group companies and associates	Notes 18.3 and 9	—	6,564
Non-current investments-	**Note 9**	**142,925**	**23,975**
Equity instruments	Note 9	196	257
Non current loans	Note 9	138,424	5,308
Derivate financial instruments	Notes 13.2 and 9	3,602	17,718
Other financial assets	Note 9	703	692
Deferred tax assets	**Note 14.6**	**146,179**	**179,228**
Total non-current assets		**24,079,313**	**24,632,806**
CURRENT ASSETS:			
Assets held for sale	**Note 10**	**712,099**	**—**
Trade and other receivables-		**103,570**	**57,599**
Trade receivables	Note 9	878	799
Receivables from Group companies and associates	Note 18.3	38,346	38,046
Sundry receivables	Note 9	345	351
Staff	Note 9	—	19
Current tax assets	Note 14.2	58,818	3,323
Other tax receivables from Public Authorities	Note 14.2	5,183	15,061
Current investments in Group companies and associates-	**Notes 18.3 and 9**	**879,958**	**207,783**
Current loans to Group companies and associates	Notes 18.3 and 9	879,958	207,783
Current investments-	**Note 9**	**3,889**	**2,574**
Short-term loans to third parties		2,655	2,574
Derivate financial instruments	Note 13.2	1,234	—
Current accruals		**3,245**	**3,065**
Cash and cash equivalents-	**Note 11**	**79**	**983**
Cash		79	983
Total current assets		**1,702,840**	**272,004**
TOTAL ASSETS		**25,782,153**	**24,904,810**

EQUITY AND LIABILITIES	Notes	31 December 2023	31 December 2022
EQUITY:			
NET EQUITY	**Note 12**		
Capital		**176,619**	**176,619**
Share premium		**15,482,472**	**15,522,762**
Reserves-		**(527,673)**	**(30,663)**
Legal and bylaw reserves		19,000	19,000
Other reserves		(546,673)	(49,663)
(Treasury shares)		**(40,456)**	**(47,619)**
(Prior periods' losses)		**(99,688)**	**(47,683)**
Profit for the year		**186,372**	**(52,005)**
Other equity instruments		**243,996**	**256,501**
VALUATION ADJUSTMENTS			
Hedging operations		**(11,195)**	**(13,516)**
Total equity		**15,410,447**	**15,764,396**
NON-CURRENT LIABILITIES:			
Non-current provisions-	**Note 17.4**	**11,317**	**787**
Long-term employee benefit obligations		11,220	689
Other non-current provisions		97	98
Non-current borrowings-	**Note 13**	**7,036,827**	**7,532,514**
Bond issues	Note 13.1	6,492,753	7,005,975
Derivate financial instruments	Note 13.2	27,736	17,653
Other financial liabilities	Note 13.3	516,338	508,886
Non-current loans from Group companies and associates	**Note 18.3**	**2,420,000**	**1,420,000**
Deferred tax liabilities	**Note 14.6**	**900**	**1,530**
Total non-current liabilities		**9,469,044**	**8,954,831**
CURRENT LIABILITIES:			
Current borrowings-	**Note 13**	**810,061**	**62,312**
Bond issues	Note 13.1	797,317	47,059
Other financial liabilities	Notes 13.3	12,744	15,253
Current loans from Group companies and associates	**Note 18.3**	**48,295**	**83,261**
Current loans from Group companies and associates		48,295	83,261
Trade and other payables-		**44,306**	**40,010**
Payables to Group companies and associates	Note 18.3	973	1,489
Other payables		26,256	30,368
Staff	Note 17.4	16,372	6,312
Other payables to Public Authorities	Note 14.2	705	1,841
Total current liabilities		**902,662**	**185,583**
TOTAL EQUITY AND LIABILITIES		**25,782,153**	**24,904,810**

The accompanying Notes 1 to 22 and Appendix I are an integral part of the balance sheet at 31 December 2023.

CELLNEX TELECOM, S.A.

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

(Thousands of Euros)

	Notes	2023	2022
ONGOING OPERATIONS:			
Revenue-	**Notes 16.1 and 18.3**	**266,567**	**162,860**
Dividends		237,352	140,030
Interest income		29,215	22,830
Other operating income-	**Note 16.2**	**87,925**	**62,165**
Non-core and other current operating income	Note 16.2 and 18.3	87,925	62,076
Operating grants recognised in the income statement		—	89
Staff costs-	**Note 16.3**	**(64,276)**	**(39,467)**
Wages, salaries and similar expenses		(58,883)	(33,198)
Employee benefit costs		(5,393)	(6,269)
Other operating expenses-		**(80,599)**	**(83,063)**
Outside services	Note 16.4	(80,468)	(82,136)
Taxes other than income tax		(119)	(925)
Losses, impairment and changes in trade provisions		(12)	(2)
Depreciation and amortisation	**Notes 6 and 7**	**(18,067)**	**(13,890)**
Results from disposal of equity instruments	**Note 16.6**	**180,480**	**—**
Profit from sales and others		**(572)**	**—**
Profit from operations		**371,458**	**88,605**
Finance income-		**36,266**	**1,148**
Borrowings from third parties		36,266	1,148
Finance costs-		**(273,718)**	**(200,249)**
Borrowings from Group companies and associates	Note 18.3	(82,466)	(10,900)
Borrowings from third parties		(191,252)	(189,349)
Change in fair value of financial instruments		**(17,241)**	**(9,180)**
Exchange differences		**(2,240)**	**4,715**
Net financial profit/loss	**Note 16.5**	**(256,933)**	**(203,566)**
Profit before tax		**114,525**	**(114,961)**
Income tax	Note 14.5	71,847	62,956
Profit/Loss for the period		**186,372**	**(52,005)**

The accompanying Notes 1 to 22 and Appendix I are an integral part of the income statement for 2023.

CELLNEX TELECOM, S.A.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

A) STATEMENT OF RECOGNISED INCOME AND EXPENSE

(Thousands of Euros)

	2023	2022
PROFIT/LOSS FOR THE PERIOD PER INCOME STATEMENT	**186,372**	**(52,005)**
Income and expense recognised directly in equity	**2,634**	**2,336**
Cash Flow Hedges (Note 13.2)	(2,103)	8,949
Net investment hedge in currency other than euro (Note 8.1)	5,614	(5,835)
Tax effect	(877)	(778)
Transfers to the income statement	**(313)**	**(325)**
Cash Flow Hedges	(417)	(433)
Tax effect	104	108
Total recognised income and expense	**188,693**	**(49,994)**

The accompanying Notes 1 to 22 and Appendix I are an integral part of the statement of recognised income and expense for 2023.

CELLNEX TELECOM, S.A.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

B) STATEMENT OF TOTAL CHANGES IN EQUITY

(Thousands of Euros)

	Notes	Capital	Share Premium	Reserves	(Prior periods' losses)	(Treasury shares)	Profit for the year	Other equity instruments	Valuation adjustments	Total
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 12.1 and 12.3	6,787	978,635	—	—	—	—	—	—	985,422
Distribution of dividends	Note 12.4	—	(36,635)	—	—	—	—	—	—	(36,635)
Transactions with treasury shares	Notes 12.1 and 17.4	—	—	(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**
Total recognised income and expense		—	—	—	—	—	186,372	—	2,321	188,693
Transactions with shareholders or owners										
Distribution of dividends	Note 12.4	—	(40,290)	—	—	—	—	—	—	(40,290)
Transactions with treasury shares	Notes 12.1 and 17.4	—	—	(1,946)	—	7,163	—	7,706	—	12,923
Transactions with convertible bonds	Notes 12.1 and 12.3	—	—	(239,048)	—	—	—	(20,211)	—	(259,259)
Distribution of the result for the year 2022		—	—	—	(52,005)	—	52,005	—	—	—
Other variations in net equity		—	—	(256,016)	—	—	—	—	—	(256,016)
Total balance 2023		**176,619**	**15,482,472**	**(527,673)**	**(99,688)**	**(40,456)**	**186,372**	**243,996**	**(11,195)**	**15,410,447**

The accompanying Notes 1 to 22 and Appendix I are an integral part of the statement of total changes in equity for 2023.

CELLNEX TELECOM, S.A.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

(Thousands of Euros)

	Notes	2023	2022
CASH FLOWS - OPERATING ACTIVITIES (I)		**(219,561)**	**(43,391)**
Profit for the year before tax		**114,525**	**(114,961)**
Adjustments to profit-		**(76,632)**	**217,458**
Depreciation and amortisation charge	Notes 6 and 7	18,067	13,890
Results for losses and disposals of fixed assets		572	—
Results for losses and disposals of equity instruments	Note 16.2	(180,480)	—
Gains/(losses) on derecognition and disposal of financial instruments	Note 16.5	17,241	9,180
Changes in provisions		31,110	—
Losses, impairment and changes in trade provisions		12	2
Finance income	Note 16.5	(36,266)	(1,148)
Finance costs	Note 16.5	273,718	200,249
Exchange differences		2,240	(4,715)
Other income and expenses	Note 18.3	(202,846)	—
Changes in working capital-		**6,937**	**(18,596)**
Trade and other receivables		(6,006)	13,708
Other current assets and liabilities		26,881	(15,113)
Trade and other payables		(13,111)	(17,191)
Other non-current assets and liabilities		(827)	—
Other cash flows from operating activities-		**(264,391)**	**(127,292)**
Interest paid		(178,805)	(129,833)
Income tax recovered (paid)		(76,483)	(6,194)
Other receivables and payables		—	8,735
Employee Obligation Plans		(9,103)	—
CASH FLOWS - INVESTING ACTIVITIES (II)		**(45,804)**	**(1,010,501)**
Payments due to investments-		**(615,401)**	**(3,516,813)**
Group companies and associates	Note 18.3	(602,997)	(3,487,941)
Property, plant and equipment and intangible assets	Notes 6 and 7	(12,404)	(28,842)
Other financial assets		—	(30)
Changes for divestments-		**569,597**	**2,506,312**
Group companies and associates		562,978	2,503,520
Other financial assets		6,619	2,792
CASH FLOWS - FINANCING ACTIVITIES (III)		**264,461**	**926,194**
Proceeds and payments relating to equity instruments and Dividends paid		**(296,893)**	**160,930**
Issue of equity instruments, Acquisition of own equity instruments, and Dividends paid	Note 12	(40,290)	160,930
Disposal of own equity instruments	Note 12.1	(544)	—
Amortization of equity instruments	Note 13.1	(256,059)	—
Proceeds and payments relating to financial liabilities		**561,354**	**765,264**
Bond issues	Note 13.1	923,902	—
Debt issues with Group companies and associates	Note 18.3	1,000,000	1,431,299
Repayment and redemption of bond issues		(747,146)	(600,000)
Repayment and redemption of Group companies and associates	Note 18.3	(615,402)	(66,035)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)		**(904)**	**(127,698)**
Cash and cash equivalents at beginning of period		983	128,681
Cash and cash equivalents at end of period		79	983

The accompanying Notes 1 to 22 and Appendix I are an integral part of the statement of cash flows for 2023.

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 22). 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 2023

1. General information

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

The Company's corporate purpose, as set out in its bylaws, includes:

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

- The planning, technical assistance, management, organization, coordination, supervision, maintenance and conservation of such installations and services under any type of contractual arrangement allowed by law, especially administrative concessions.

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

Since 7 May 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 2023 were drawn up by the Directors of the Company at a Board meeting on 29 February 2024.

The main figures of the consolidated financial statements for 2023, 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	44,365,244
Equity (of the Parent)	13,936,758
Equity (of non-controlling interests)	1,210,035
Income from consolidated operations	4,049,223
Loss for the year attributable to the parent	(297,220)
Loss for the year attributable to non-controlling interests	(18,603)

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 29, 2024, 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 2022 were approved by the Ordinary General Shareholders' Meeting held on June 1, 2023.

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 (see Notes 4.3.1, 8 and 18.3).

– Valuation of derivative financial instruments and other financial instruments (see Notes 4.3.3 and 13.2).

– The criterion of recognition of deferred taxes and the evaluation of its recoverability value (see Notes 4.4 and 14).

– Assessment of litigations, commitments and contingent assets and liabilities at year-end (see Notes 4.6 and 17).

Although these estimates have been made on the basis of the best information available at the end of the 2023 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.

Adverse economic conditions may be further accentuated in the markets where the Company and its subsidiaries operate and in others due to the large-scale events, mainly result from the remaining impact of the COVID-19 pandemic, the heightened geopolitical tensions following Russia's invasion of Ukraine or the ongoing military conflict in the Middle East which have exacerbated inflationary pressures, slowed overall economic growth, created supply chain bottlenecks and increased volatility in commodity and financial markets.

In this regard, the Company's Directors highlight that these aspects have not had a substantial effect on the business, financial condition or operating results of the Company or its investee companies as of December 31, 2023 and 2022 and, therefore, has not had a significant impact on the annual accounts for that year.

2.5. Comparative information

The application of the accounting criteria in 2023 and 2022 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 2022 financial statements is presented for the purposes of comparison with information relating to 2023.

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 2022 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 2023 financial year, there have been no significant changes in accounting criteria compared to the criteria applied in 2022.

3. Proposed distribution of profit

The distribution of 2023 profit proposed by the Company's Directors for approval by the General Shareholders' Meeting is as follows:

	Thousands of Euros
Basis of distribution:	
Profit for the period	186,372
	186,372
Distribution:	
Legal reserve	16,324
Prior periods' losses	99,688
Voluntary reserves	70,360
	186,372

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 property, plant and equipment

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 analysed 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 must be recognized, the carrying amount of goodwill for that unit is first reduced. If the impairment exceeds this amount, secondly, the remaining assets of the cash-generating unit are reduced in proportion to their book value, up to the limit of the highest value among the following: their 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

Classification

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.

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 manage 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 13.2.

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 Tax 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 14).

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) Share based payments

The Company recognise, on the one hand, the goods and services received as an asset or as an expense, based on their nature, at the time of obtaining them and, on the other, the corresponding increase in net equity, 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 instrument.

In case of transactions that are settled with equity instruments, both the services provided and the increase in net equity are valued at the fair value of the equity instruments transferred, referring to the granting date. 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 their recognition are met.

If an entity has granted the counterparty the right to choose whether a share-based payment transaction is settled in cash or through the issuance of equity instruments, the entity has granted a compound financial instrument, which includes a debt component (i.e. the right of the counterparty to demand payment in cash) and an equity component (i.e. the right of the counterparty to demand settlement in equity instruments rather than cash).

The award must be measured by the fair value of the equity instruments granted, on the grant date. The fair value of the liquidated portion of equity would not subsequently be remeasured after the grant date. For the compound financial instrument, the entity will first measure the fair value of the debt component and then measure the fair value of the equity component as the difference between that amount and the value of the instrument as a whole, with object, in this case, the percentage that constitutes the compound financial instrument. This considers that the employee must forfeit the right to receive cash, to receive the equity instrument. The fair value of the equity component will not be subsequently remeasured after the grant date, while for the debt component and until the liability is settled, the entity will remeasure the fair value of the liability at the end of each reporting period and on the settlement date, recognizing any change in fair value in the Profit or Loss for the period.

When the obligation to deliver its own equity instruments to the employees of any subsidiary is assumed by the parent company, this transaction must be classified as a “contribution” which accounting record would be as follows:

a. In the subsidiary, a staff cost will be recognized in accordance with the accrual principle, with direct credit to the company’s net equity (under the heading “Other shareholders’ contributions”). Both amounts must be valued at the fair value of the equity instruments transferred, referring to the date of the concession agreement. In transactions in which it is necessary to complete a certain period of services, recognition will be made as such services are provided (throughout the period).

b. Symmetrically, the transaction involves a contribution to the subsidiary that is made effective through the personnel service that it receives in exchange for the parent’s own equity instruments. Therefore, the consideration for the options delivered will generally constitute a greater value of the investment that the parent company has in the equity of the subsidiary.

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 12).

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 20 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.

4.16. Non-current assets held for sale

The Company classifies a non-current asset or a disposal group as held for sale when it has made the decision to sell it and it is estimated that it will be carried out within the next twelve months.

These assets or disposal groups are valued at their book value or fair value less the costs necessary to sell, whichever is lower.

Assets classified as non-current held for sale are not amortized, but at the date of each balance sheet the corresponding valuation adjustments are made so that the book value does not exceed the fair value less selling costs.

Income and expenses generated by non-current assets and disposal groups of items, held for sale, that do not meet the requirements to qualify as discontinued operations, are recognized in the corresponding income statement item according to their nature.

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 Corporate Finance and Treasury Department following authorization 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 borrowings are instrumented and transactions are carried out with respect to the euro, may 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, the Company operates outside the Euro zone and has assets mainly in the United Kingdom, Switzerland, Sweden, Poland and Denmark. It is therefore exposed to foreign currency risks and in particular to the risk of currency fluctuation in connection with exchange rate between the euro and the 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.

Although the majority 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 13.2).

As of 31 December 2023, there is contracted financing to third parties that provides exchange rate hedging mechanisms (see Note 13.2).

b. Interest rate risk

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

Borrowings issued at variable rates expose the Company to interest rate risks of cash flows, while non-fixed interest rate exposes 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 13.2).

As at 31 December 2023 and 2022 there is financing contracted to third parties covered by interest rate hedging mechanisms (see Note 13.2).

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 financing through established credit facilities as well as the ability to settle 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 committed credit facilities. Due to this policy, the Company, together with its holding companies, has an available liquidity of approximately 4,588 million euros, consisting of "cash and cash equivalents" and available credit lines at the date of formulation of these annual accounts, and has no difficulties in meeting immediate debt maturities (the maturities of the Company's financial obligations are detailed in Note 13).

As a result of the aforementioned, 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 potential commitments for 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 Company's 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 2023 and 2022, with food, energy and gasoline prices reaching record levels. A significant portion of the Company's costs could increase as a result of higher inflation and the European Central Bank's monetary policies that has raised interest rates, with a cumulative rise of 4.5 percentage points from July 2022 until September 2023. On the date of these financial statements, there is no additional interest rates increase expected, because inflation has moderated its increase in the last months of 2023. In addition, most of the infrastructure services contracts of the subsidiaries of the Company are indexed to inflation. As a result, its results of operations could be affected by inflation and/or deflation, especially if those subsidiaries are not successful in passing through the inflation to customers. In this sense, those contracts with clients that do not have an inflationary cap may not be sustainable over time for the clients of the subsidiaries, which could result in requests for renegotiation, increase in bad debts, legal disputes and a worsening of the relationship between the subsidiaries of the Company and its clients, causing potential losses of future opportunities.

In addition, in the current inflationary environment, the Group to which the Company belongs may not be able to benefit from the operating leverage nature of its business under normalised terms as a result of a mismatch between operating income and 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 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 Company'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 Company's control.

In particular, if future cash flows from operations and other capital resources are insufficient to pay its obligations as they mature, the Company 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 Company 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 Company's financings is triggered, the Company 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 Company 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 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.

To mitigate the aforementioned risk, its group subsidiaries have adopted, among others, the following actions: (i) the signing of long-term Renewable Credit Lines, through which the banks undertake to make funds immediately available to any possible treasury need, (ii) the entry into new capital markets such as the entry into the American market in 2021 and (iii) divestments, such as the one carried out in Cellnex Nordics. Finally, the Company and its subsidiaries publicly announced their commitment to reduce leverage and maintain it consistently below a certain level, with the objective of becoming Investment Grade by Standard & Poors, as well as maintaining the current Investment Grade by Fitch. Additionally, in relation to the excess of current liabilities compared to current assets, the risk is mitigated mainly with the capacity to generate cash flow, but also with the aforementioned actions.

In terms of interest rate risk, the Company and its subsidiaries are exposed through their current and non-current loans. Borrowings issued at variable interest rates expose the Group to cash flow interest rate risk, while fixed rate loans expose the Group to fair value interest rate risk.

Any increase in interest rates would increase the financing costs related to its variable rate indebtedness and would increase the costs of refinancing its existing indebtedness and issuing new debt, which could adversely affect its business, prospects, results of operations. operations, financial situation and cash flows. To mitigate this risk, the Group of which the Company is the parent maintains 76% of its debt at a fixed rate. Thus, as of December 31, 2023 and 2022, a change in interest rates would not have a significant impact on the annual accounts.

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 2023 and 2022 are as follows:

2023

	Thousands of Euros
	Computer software
A 31 December 2022	
Cost	70,815
Accumulated amortisation	(34,076)
Carrying amount	**36,739**
Carrying amount at beginning of period	36,739
Additions	19,512
Amortisation charge	(14,515)
Carrying amount at end of period	**41,736**
A 31 December 2023	
Cost	90,327
Accumulated amortisation	(48,591)
Carrying amount	**41,736**

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**

The additions of the 2023 and 2022 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 2023, there are intangible assets in operation that are fully amortized for an amount of EUR 23,403 thousand (EUR 14,926 thousand as of 31 December 2022).

7. Property, plant and equipment

The changes in this caption on the balance sheets in 2023 and 2022 are as follows:

2023

	Thousands of Euros		
	Land and buildings	Plant and other items of property, plant and equipment	Total
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**
Carrying amount at beginning of period	7,462	12,159	19,621
Additions	611	1,539	2,150
Discards	(58)	(648)	(706)
Accumulated depreciation of discards	4	229	233
Amortisation charge	(246)	(3,306)	(3,552)
Carrying amount at end of period	**7,773**	**9,973**	**17,746**
At 31 December 2023			
Cost	8,362	19,085	27,447
Accumulated amortisation	(589)	(9,112)	(9,701)
Carrying amount	**7,773**	**9,973**	**17,746**

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**

The additions of the 2023 and 2022 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 (see Note 17.3) which lease contracts finalise in a period between 1 and 13 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 2023, there are property, plant and equipment assets in operation that are fully amortized for an amount of EUR 1,434 thousand (EUR 1,211 thousand as of 31 December 2022).

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 2023 and 2022 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 2023 and 2022 is as follows:

2023

Shareholding in Group companies	Thousands of Euros
At 31 December 2022	**24,366,679**
Additions[1]-	
Cellnex Austria, GmbH	173
Cellnex Denmark Aps	52,794
Cellnex Finance Company, S.A.	315
Cellnex France Groupe S.A.S	60,466
Cellnex Ireland Limited	12,181
Cellnex Italia S.p.A	1,598
Cellnex Sweden AB	176,000
Cellnex Poland sp z.o.o.	518,287
Cellnex Netherlands, B.V	868
Cellnex Nordics, S.L.	65,323
CLNX Portugal	1,490
Cellnex Switzerland AG	29,362
Cellnex Telecom España S.L.U	6,615
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	11,807
Cellnex UK Limited	2,511
Ukkoverkot Oy	7,312
Cignal Infrastructure Services, Ltd	684
Transfers[2]-	
Cellnex Denmark Aps	(50,826)
Cellnex Sweden AB	(193,710)
Ukkoverkot, Oy	(11,480)
Disposals[1]-	
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	(10,070)
Cellnex Finance	(97,053)
Cellnex Nordics, S.L.	(505,809)
Cellnex UK Limited	(2,691)
Non-current Assets Held for Sale-	
Cellnex Ireland Limited	(511,181)
Cignal Infrastructure Services, Ltd.	(179,320)
Cellnex Holdco 1 UK Limited	(21,598)
	(635,952)
At 31 December 2023	**23,730,727**

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

2 The "Transfers" for the financial year include the entries corresponding to the application of the accounting valuation standard 21 of the Spain's General Accounting Plan, section 2.2. "Merger operations, spin-offs and non-monetary contribution of a business", as described below

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
A 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.

Shareholding in Group companies	Thousands of Euros	
	Net Value 2023	Net Value 2022
Cellnex Austria, GmbH	953,208	953,035
Cellnex Denmark, ApS	—	350,005
Cellnex Finance Company, S.A.	903,322	1,000,060
Cellnex France Groupe, S.A.S	6,533,431	6,472,965
Cellnex Ireland Limited	—	499,000
Cellnex Italia S.p.A.	4,556,908	4,555,310
Cellnex Netherlands, B.V	489,323	488,455
Cellnex Nordics, S.L.	526,779	—
Cellnex Poland, sp z.o.o.	3,060,692	2,542,405
Cellnex Sweden, AB	—	633,002
Cellnex Switzerland AG	648,906	619,544
Cellnex Telecom España, S.L.U.	827,950	821,335
Cellnex UK Limited	3,906,629	3,906,809
Cignal Infrastructure Services, Ltd.	—	178,636
CLNX Portugal	1,208,432	1,206,942
Digital Infrastructure Vehicle II SCSp	115,147	113,410
Ukkoverkot Oy	—	25,766
Total	**23,730,727**	**24,366,679**

As of 31 December 2023 and 2022, 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 2023 correspond to the following operations:

(i) Cellnex Finance Company, S.A.U.

Within the framework of the transaction described in section ii) of this same Note, on 2 November 2023, the subsidiary Cellnex Finance Company, S.A.U. has approved the distribution of an extraordinary dividend in kind to the Company, consisting of the credit rights it holds with the companies Cellnex Sweden AB, Cellnex Denmark ApS and On Tower Denmark ApS for the amounts of 176 million euros, 91 million euros and 27 million euros, respectively. This distribution in kind has amounted to a total of 293,794 thousand euros, of which 97,053 thousand euros have been recorded as a lower cost of the participation since they do not correspond to results generated by the investee company since its acquisition.

Additionally, in relation to the transaction described in section iii) of this same Note, on 1 December 2023, Cellnex Finance Company, S.A.U., has approved the distribution of an extraordinary dividend in kind to the Company, consisting of the credit rights held with the Finnish companies Edzcom Ov and Ukkoverkot Oy and amounting to 7,097 thousand euros and 203 thousand euros, respectively. The dividend has been registered against the profit and loss account (see Note 18.3).

(ii) Cellnex Nordics, S.L.

In the context of the agreement reached on 29 September 2023 with Stonepeak, for the sale of 49% of the business in Sweden and Denmark, the following operations have been carried out:

On 2 November 2023, and as a result of the distribution by Cellnex Finance Company, S.A.U. of the dividend in kind consisting of the credit rights held in favour of the Danish and Swedish subsidiaries (see Note 8.1 i)), Cellnex Telecom S.A. has made a capital contribution in kind to the subsidiaries Cellnex Sweden AB and Cellnex Denmark ApS in the amount of 176,000 thousand euros and 52,794 thousand euros, respectively. This contribution has caused an increase in the participation of said companies by the aforementioned amounts.

On 18 October 2023, the Company incorporated Cellnex Nordics, S.L. Subsequently, on 3 November 2023, Cellnex Telecom, S.A. has contributed, through a contribution in kind, the shares held in Cellnex Denmark ApS and Cellnex Sweden AB to the newly formed company Cellnex Nordics, S.L. This exchange of shares has also given rise to the indirect transfer of On Tower Denmark ApS and On Tower Sweden AB. In this context, as a result of the process described and in application of the accounting valuation standard 21 of the Spain's General Accounting Plan, in section 2.2. “Merger operations, spin-offs and non-monetary contribution of a business”, the assets of the companies contributed have been valued by the amount that would correspond to them in the consolidated annual accounts of the Group, a fact that has meant a decrease of 244,536 thousand of euros that has been recorded as a counterpart to the Company's net equity (see Note 12.3).

Subsequently, on November 14, 2023, the Company contributed to Cellnex Nordics, S.L. through contribution in kind the remaining part of the Danish account receivable which amounted to 65,000 thousand euros.

On 29 September 2023, Cellnex Telecom SA agreed to sell to Stonepeak a 49% interest in its businesses in Sweden and Denmark through the sale of the 49% of the new incorporated company Cellnex Nordics, which in turn owns the 100% of Cellnex Sweden AB ("Cellnex Sweden") and Cellnex Denmark ApS ("Cellnex Denmark"), comprising around 4,600 towers, for a total consideration of approximately EUR 730 million. Of the total consideration, EUR 551 million have been already received in cash at completion, 30 November 2023, EUR 130 million are due in three years (EUR 100 million at its net present value (see Note 9)) and an earn-out of up to approximately EUR 45 million is expected in 2026.

As stated above, the sale purchase agreement includes a contingent price, earn-out, that could give rise to an additional collection by Cellnex amounting to up to EUR 45 million. This earn-out would be payable upon Cellnex execution of 3GIS call option in Sweden agreed with Hutchison. Given the fact that the exercise of the call option by Cellnex is assessed as highly probable given that it mainly depends on Cellnex decision, the contingent price has been recognised at completion and, consequently, an amount of EUR 43 million has been registered (EUR 35.8 million at its net present value) at 31 December 2023.

As a result of this sale operation, a positive result amounting to 180,480 million euros has been recorded under the heading “Results from the disposal of equity instruments”.

(iii) Cellnex Holdco 1 UK Limited

Dated December 1, 2023, and as a result of the distribution by Cellnex Finance Company, S.A.U. of the dividend in kind consisting of the credit rights held in favor of the Finnish subsidiaries (see Note 8.1 i)), Cellnex Telecom, S.A. has made a capital contribution in kind to the subsidiary Ukkoverkot Oy in the amount of 7,299 thousand euros. This contribution has caused an increase in the participation of such company for the aforementioned amount.

On December 21, 2023, Cellnex Telecom SA has contributed the shares held in Ukkovertkot Oy through a contribution in kind to the newly created company Cellnex Holdco 1 UK Limited. This share exchange has resulted in the indirect transfer of Edzcom Oy. In this context, as a result of the process described and in application of the accounting valuation standard 21 of the General Accounting Plan, in section 2.2. “Merger operations, spin-offs and non-monetary contribution of a business”, the assets of the companies contributed have been valued by the amount that would correspond to them in the consolidated annual accounts of the Group, a fact that has meant a decrease of 11,480 thousand euros that have been recorded as a counterpart to the Company's net equity (see Note 12.3).

On 10 November 2023, the Company reached an agreement pursuant to which it would sell to Boldyn Networks its private networks business unit which largely includes Edzcom, a 100% owned subsidiary of the Group in Finland that specializes in connectivity solutions for private networks in industrial complexes and environments. The agreed price amounts to approximately EUR 31 million. The Company completed the sale on 29 February 2024.

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

On April 20 and June 29, 2023, the Company has formalized a capital increase in its subsidiary Cellnex Poland S.p. z.o.o ("Cellnex Poland"), for PLN 30 million and PLN 2,273 million, respectively (6.5 million and 511 million euros) which have been fully subscribed and paid out by the company. These capital increases have been carried out in the context of the acquisition by Cellnex Poland S.p. zoo. of the 30% minority of On Tower Poland S.p. z.o.o.

(v) Cellnex France Groupe S.A.S.

In 2023, the Company has formalized several capital increases in subsidiary Cellnex France Groupe, S.A.S. for a total amount of 58.6 million euros. This capital increase has been carried out with the objective of financing the purchase of assets in France.

(vi) Cellnex Ireland Limited

During the first semester of 2023, the Company has formalized several capital increases in Cellnex Ireland for a total amount of 12,100 thousand euros. These capital increases have been carried out for the subsequent acquisition of assets by On Tower Ireland.

The Company has carried out an evaluation of Cellnex Ireland's asset portfolio from an industrial perspective. As a result of such analysis, the Company is in process of divesting some of the existing assets, or find a partner, as has been done in the Nordic countries to accelerate growth. The possible result obtained from the sale will be dedicated to the amortization of debt maturing in the short term.

As a result, a process to proceed with the sale of the stake held in the Irish Company has been started in the last quarter of 2023.

As of December 31, 2023 (i) the participation is available for disposal in their state on that date, (ii) the process of locating buyers at reasonable prices in relation to their fair value has already been initiated and authorized by management of the Company, and (iii), the sale is expected to be completed in 2024.

The Company has classified the investment in equity instruments held with Cellnex Ireland Limited under the heading "Non-current assets held for sale" as of December 31, 2023 for a total of 511,181 thousand euros (see Note 10).

vii) Cignal Infrastructure Limited

As detailed in the previous section, the Company has carried out an evaluation of the portfolio of assets held in Ireland from an industrial perspective. As a result, in the last quarter of 2023, a process was initiated to proceed with the sale of the stake held in the Irish company Cignal infrastructure Limited.

The Company has classified the investment in equity instruments held with Cellnex Ireland Limited under the heading "Non-current assets held for sale" as of December 31, 2023 for a total of 179,320 thousand euros (see Note 10).

(viii) Digital Infraestructure Vehicle II SCSp SICAV-RAIF

During 2023, the investee Digital Infrastructure Vehicle II SCSp SICAV – RAIF ("DIV") has made contribution refunds to the Company for a total amount of 11.5 million euros, of which 10.1 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. The refunds are a consequence of the entry of other investors into the fund who have subscribed such capital previously owned by the Company.

Likewise, in 2023, capital contributions were carried out in the company for a total amount of 11,807 thousand euros, which arise from the investment commitments that the company maintains with this subsidiary.

As a result of both transactions, the Company's participation in such investee has become 19.10% (20.62% as of December 31, 2022).

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

During 2023, 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 2,691 thousand euros and 28,004 thousand euros, respectively (decrease of 23,940 thousand euros and increase of 20,696 thousand euros, respectively, during the year 2022). 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 13.2), also recorded under the same heading of the income statement "Change in the fair value of financial instruments" (see Note 16.5).

During fiscal year 2023, the Company has cancelled the Cross Currency Swap (“CCS”) for an amount of 450,000 thousand euros and an equivalent value of 382,000 thousand pounds sterling (see Note 13.2), so the coverage and impact on the Investment in Cellnex UK has only taken place until February 2023.

Changes in the portfolio as a result of the employee remuneration plan through treasury shares.

During fiscal year 2023, the Company has recorded a higher portfolio cost in its various subsidiaries for the accrual of remuneration plans for employees of subsidiaries payable with shares of Cellnex Telecom S.A. These remuneration plans are described in Note 17.4.

The Company has recorded under the heading “Long-Term Investments in group companies” for this concept with the different group subsidiaries a total of 18,676 thousand euros (see Note 18.3).

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 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 completed the following operations:

- On November 10, 2022, the Company 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 became 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 12.1), by the Company at the time of completion of the operation.

- Subsequently, the aforementioned account receivable was partially collected for a total amount of 500,000 thousand euros and the remaining amount was 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 had obtained from the company of the Group Cellnex Finance Company, S.A., was used, on 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 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") 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 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 received a distribution of 4.6 million euros from the investee, of which 3.5 million euros were recorded as a lower cost of the participation since they did 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 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 was 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 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 was fully subscribed and paid. This capital increase was 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 formalized a capital increase in its investee company CLNX Portugal, S.A. ("Cellnex Portugal"), for an amount of 53,557 thousand euros that was fully subscribed and paid. This capital increase was 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.

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 2022 with respect to the results for the year 2023.

– 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 20 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 2023 financial year, the 2024 budget and the latest medium-term projection (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 2023 and 2022 periods the need to record impairment losses in any of the investments recorded under this caption has not been revealed.

As of 31 December 2023, and 2022, 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 2023 and 2022 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 2023 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, Infratower and Hutchison UK was 5.7%, 5.7%, 5.7%, 6.0%, 5.3%, 5.6%, 5.3%, 5.1%, 5.3%, 5.3%, 5.5%, 5.5%, 5.1%, 5.8%, 5.8%, 5.8%, 5.6%, 5.4%, 5.5%, 5.8%, 5.5%, 6.8%, 6.8%, 5.3%, 5.5%, 5.8% and 5.6%, respectively (WACC 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% y 6.1%, respectively).

The compound annual growth rate for all CGUs was between 1% and 5% per annum in 2023 and 2022.

The ‘terminal g’, considered for all CGUs in 2023 and 2022 was between 1% and 2%.

As indicated above, there have been no significant variations in the discount rate considered between 2023 and 2022.

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 2023 and 2022.

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 17.2, with the exception of the balances held with those companies, which are included in Note 18.3.

9. Current and non-current financial investments

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

Classes	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	2023	2022	2023	2022	2023	2022	2023	2022
Financial assets at cost								
Investments in Group companies and associates (Note 8)	23,730,727	24,366,679	—	—	—	—	23,730,727	24,366,679
Financial investments	196	257	—	—	—	—	196	257
Financial assets at amortised cost:								
Investments in Group companies and associates (Note 18.3)	—	—	—	6,564	879,958	207,783	879,958	214,347
Debtors and other accounts receivable	—	—	—	—	39,569	39,215	39,569	39,215
Credits to third parties	—	—	138,424	5,308	2,655	2,574	141,079	7,882
Others	—	—	703	692	—	—	703	692
Assets at fair value with changes in profit and loss:								
Derivative financial instruments (Note 13.2)	—	—	3,602	17,718	1,234	—	4,836	17,718
Total	**23,730,923**	**24,366,936**	**142,729**	**30,282**	**923,416**	**249,572**	**24,797,068**	**24,646,790**

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. This participation is registered in "Financial Investments - Equity instruments". The initial disbursement amounted to EUR 90 thousand, accounting for 15% of the equity undertaken by the Company.

As of 31 December 2023, additional contributions and partial reimbursements have been made for 16 and 77 thousand, respectively (30 and 36 thousand EUR, respectively, as of 31 December 2022).

"Credits to third parties long term" includes as of 31 December 2023, among other concepts, the deferred payment and the earn out agreement as a result of the divestment of the 49% interest in its subsidiary Cellnex Nordics, S.L. (see Note 8.1) to Stonepeak. The deferred payment matures in three years and amounts to a total of 130 million euros (EUR 100 million at present value). Likewise, the agreed earn out registered amounts to 42,685 thousand euros (EUR 35.8 million at present value) and would be paid at the time of execution by Cellnex of the option to purchase 3GIS in Sweden, agreed with Hutchison. The amount of deferred payments has been recognized at their current value discounted by approximately 6% and is subject to subsequent capitalization. As of 31 December 2023, the current value amounts to 135,833 thousand euros.

Likewise, "Credits to third parties long term" includes an amount of EUR 3,332 thousand (EUR 5,906 thousands as of 31 December 2022), 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 17.3).

In "Short-term investments in Group companies and associates" it is recorded for an amount of EUR 633,393 thousand as of 31 December 2023 (EUR 85,688 thousands as of December 31, 2022), the debit balance for short-term Cash Pooling credits with Cellnex Finance Company (see Note 18.3).

10. Non-current assets held for sale

The movement in this heading during fiscal year 2023 has been as follows:

	Thousands of Euros		
	31/12/2022	Transfers	31/12/2023
Cellnex Ireland Limited	-	511,181	511,181
Cignal Infrastructure Services, Ltd.	-	179,320	179,320
Cellnex Holdco 1 UK Limited	-	21,598	21,598
Total	**-**	**712,099**	**712,099**

As described in note 8.1, the Company has carried out an evaluation of the portfolio of assets held in Ireland from an industrial perspective. As a result of this analysis, the Company is in the process of divesting some of its existing assets, or finding a partner, as has been done in the Nordic countries to accelerate growth. The possible result obtained from the sale will be dedicated to the amortization of debt maturing in the short term. As a result, in the last quarter of 2023 a process was initiated to proceed with the sale of the stake held in the Irish companies Cellnex Ireland Limited and Cignal Infrastructure Services, Ltd.

As of December 31, 2023 (i) the interest is available for disposal in its state on that date, (ii) the process of locating buyers at reasonable prices in relation to its fair value has already been initiated and authorized by management of the Company, and (iii), the sale is expected to be completed in 2024.

Likewise, as described in note 8.1, in the context of the agreement reached on November 10, 2023 with Boldyn Networks, the Company has agreed to the sale of 100% of its Finnish investee subsidiaries, which specialize in connectivity solutions for private networks in complexes and industrial environments. The agreed price amounts to approximately 31 thousand euros. The Group completed the sale on 29 February 2024.

Given that the requirements established in the regulatory financial reporting framework applicable to the Company are met for said assets to be classified as a disposal group of items, as of 31 December 2023 these have been classified to the heading "Non-current assets held for sale" from the attached balance sheet.

11. Cash and cash equivalents

The breakdown of cash and cash equivalents is as follows:

	Thousands of Euros	
	31/12/2023	31/12/2022
Cash	79	983
Total	**79**	**983**

As of 31 December 2023 and 2022 the Company has not contracted fixed-term deposits with credit institutions.

12. Net equity

12.1. Capital and treasury shares

Share capital

At 31 December 2023 and 31 December 2022, the share capital of Cellnex Telecom, S.A. amounts 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 2023

During fiscal year 2023, there have been no changes in the share capital compared to 31 December 2022.

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.

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 2023 and 2022, are as follows:

	% Ownership	
	2023	2022
Edizione, S.r.l. (1)	9.90%	8.53%
The Children's Investment Master Fund (2)	9.39%	7.09%
GIC Private Limited (3)	7.03%	7.03%
Canada Pension Plan Investment Board	5.19%	4.97%
Blackrock, Inc.	5.04%	5.05%
Ck Hutchison Holdings Limited	4.83%	4.83%
Fundación Bancaria Caixa D' Estalvis i Pensions de Barcelona	4.77%	4.77%
Norges Bank	3.00%	3.00%
JP Morgan Chase	—%	5.38%
Total	**49.15%**	**50.65%**

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

(1) Edizione S.r.l. ("Edizione") controls Sintonia S.p.A. ("Sintonia") which in turn controls Schema Gamma, S.r.l (formerly, 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.
(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.

As of 31 December 2023 and 2022, Edizione positioned itself as a reference shareholder of Cellnex Telecom, S.A. with a 9.90% stake in its capital (8.53% at 31 December 2022).

As at 31 December 2023 and 2022, none of the significant shareholders, whether individually or together, controls the Company.

Treasury shares

On 31 May 2018 the Ordinary General Shareholder's Meeting of Cellnex Telecom, S.A. resolved to delegate in favour of the Board of Directors the faculty to purchase treasury shares up to a limit of 10% of the share capital.

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 the year ended 31 December 2023, Cellnex did not carry out discretional purchases of treasury shares (302,207 thousand in 2022). These purchases were carried out under the delegation from the Ordinary 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. On 1 June 2023, the Ordinary General Shareholder's Meeting resolved to approve the aforementioned delegation in the same terms.

In addition, as of 31 December 2023 and 2022, 52,399 and 291,258 treasury shares have been transferred to employees in relation to employee remuneration payable in shares, respectively. In addition, during 2023, 108,578 shares have been transferred to bondholders in relation to the repurchase of senior unsecured convertible bonds (see Note 13.1). Finally, 7,342 treasury shares have been transferred as payment in kind for professional services.

At 31 December 2023, the Company has registered a loss of EUR 1,946 thousand (a loss of EUR 52,391 thousand at the end of 2022), 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 2023 and 2022 amounts to 950,688 and 1,119,007 shares, respectively and represents 0.135% of the share capital of Cellnex Telecom, S.A. (0.158% as at 31 December 2022).

The movement in the portfolio of treasury shares during 2023 and 2022 has been as follows:

2023

	Number (Thousands of Shares)	Average price	Purchases /Sales (Thousands of Euros)
At 1 January 2023	**1,119**	**42.554**	**47,619**
Sales/Others	(168)	42.554	(7,163)
At 31 December 2023	**951**	**42.554**	**40,456**

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**	**42.554**	**47,619**

12.2. Share premium

As of 31 December 2023, the share premium amounts to EUR 15,482 million (EUR 15,523 million in 2022).

During 2023, a cash pay out to shareholders of EUR 40,290 thousand (36,635 thousand at 31 December 2022) was declared from the share premium account (See Note 12.4).

During 2022, the share premium of Cellnex Telecom increased by EUR 942 million due to the capital increase described in Note 12.1.

12.3. Reserves

The breakdown of this account is as follows:

	Thousands of Euros	
	31/12/2023	31/12/2022
Legal reserve	19,000	19,000
Voluntary reserves	(494,797)	267
Other reserves	(51,876)	(49,930)
	(527,673)	**(30,663)**

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 incurred unless it exceeds 20% of the capital and no other sufficient reserves are available for such purpose.

At 31 December 2023 and 2022, because of the capital increases carried out during the previous years and due to the losses incurred, the legal reserve had not reached the legally established minimum.

Voluntary reserves

In the second half of 2023, and as a result of the operations described in Notes 8.1.ii) and iii), a negative equity impact has been recorded of 256,016 thousand euros, equivalent to the consolidated values of the equity elements of the contributed companies.

Likewise, during the 2023 financial year, the caption balance has been reduced by EUR 239,048 thousand as a result of the registration of the repurchase of the 600 million euros convertible bonds with maturity in 2026 issued in January 2018 and the 200 million euros convertible bonds with maturity in 2026 issued in January 2019 (see Note 13.1).

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

During fiscal year 2023, the heading has increased by EUR 63,151 thousands as a result of the issuance of a convertible bond in August (see Note 13.1).

Likewise, during fiscal year 2023, the heading has decreased by EUR 83,362 thousands as a result of the registration of the repurchase of the bond in August (see Note 13.1).

Convertible bonds are compound financial instruments that are divided into two components: a debt component, corresponding to the present value of future cash outflows (coupons and principal) discounted at the interest rate of a bond with the same nominal amount and maturity, without the convertibility option, and an equity component, for the remaining import, due to the conversion option into shares that the bondholder enjoys.

Finally, this heading has been increased by the accrual of remuneration plans payable in shares such as the Long-Term Incentive Plan and the Engagement Plan (see Notes 4.5 and 17.4), for an amount of EUR 34,060 thousand as of 31 December 2023 (EUR 26,354 thousands as of 31 December 2022).

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 (see Note 13.2).

12.4. 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).

On 1st June 2023, the Annual Shareholders’ Meeting approved the distribution of a dividend charged to the share premium reserve to a maximum of EUR 85 million, to be paid upfront or through instalments during the years 2023, 2024 and 2025. 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.

During the first half of 2023, 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 11,822 thousand, which represented EUR 0.016760 for each existing and outstanding share with the right to receive such cash pay-out. During the second half of 2023, the Board of Directors, pursuant to the authority granted by resolution of the Annual Shareholders’ Meeting of 1st June 2023, approved the distribution of a cash pay-out charged to the share premium reserve in the amount of EUR 28,468 thousand, which represents 0.04035 euros for each existing and outstanding share with the right to receive such cash pay-out.

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 Company'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.

13. 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	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Financial liabilities at amortized cost or cost	6,492,753	7,005,975	—	—	516,338	508,886	797,317	47,059	12,744	15,253	7,819,152	7,577,173
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 13.2)	—	—	27,736	17,653	—	—	—	—	—	—	27,736	17,653
Total	**6,492,753**	**7,005,975**	**27,736**	**17,653**	**516,338**	**508,886**	**797,317**	**47,059**	**12,744**	**15,253**	**7,846,888**	**7,594,826**

During the year ended at 31 December 2023, the Company increased its borrowings from bond issues and loans and credit facilities (which do not include "Derivative Financial Instruments" or "Other financial liabilities") by EUR 237,036 thousand to EUR 7,290,070 thousand.

In relation with bonds, in August 2023, the Company has issued a new convertible bond (the "2023 Convertible Bond") for an amount of EUR 1,000 million, convertible into new and/or exchangeable for existing ordinary shares (see Note 12.3). In addition, in August 2023 the Company has also repurchased the outstanding amount of the EUR 600 million senior unsecured convertible bonds due 2026 issued on 16 January 2018 (EUR 575 million at settlement date) and the outstanding amount of the EUR 200 million senior unsecured convertible bonds due 2026 issued on 21 January 2019 (EUR 192 million at settlement date) for a total amount of EUR 1,066 million (see Note 13.1).

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 2023, 99% (99% in 2022) of the financial debt was at a fixed interest rate or fixed through hedges.

At December 31, 2023 and December 31, 2022, the financial debt detail by (i) maturity, (ii) by type of debt and (iii) by currency is the following:

(i) Borrowings by maturity

2023

	Thousands of Euros							
			Non-current					
	Limit	Current	2025	2026	2027	2028	2029 and subsequent years	Total
Bond Issues	7,373,275	808,577	608,605	80,000	709,784	865,775	4,276,312	7,349,053
Accruals of bond arrangements expenses	—	(11,260)	(10,355)	(10,060)	(7,503)	(7,223)	(12,582)	(58,983)
Derivative financial instruments	—	—	—	27,736	—	—	—	27,736
Other financial liabilities	—	12,744	—	—	516,338	—	—	529,082
Total	**7,373,275**	**810,061**	**598,250**	**97,676**	**1,218,619**	**858,552**	**4,263,730**	**7,846,888**

2022

	Thousands of Euros							
			Non-current					
	Limit	Current	2024	2025	2026	2027	2028 and subsequent years	Total
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**

(ii) Borrowings by type of debt

	Thousand of Euros					
	Notional as of 31/12/2023(*)			Notional as of 31/12/2022(*)		
	Limit	Drawn	Undrawn	Limit	Drawn	Undrawn
Bond issues	7,373,275	7,373,275	—	7,150,328	7,150,328	—
Total	**7,373,275**	**7,373,275**	**—**	**7,150,328**	**7,150,328**	**—**

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

(iii) Borrowings by currency

	Thousand of Euros	
	31/12/2023(*)	31/12/2022(*)
EUR	7,596,200	7,366,164
CHF	309,671	291,214
Total	**7,905,871**	**7,657,378**

(*) 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 13.2). As of 31 December 2023, the Company maintains investments in Group companies in Swiss francs (Cellnex Switzerland, AG) and maintains obligations in the same currency 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 13.2) for a nominal of CHF 150,000 thousand and a value of EUR 161,987 thousand. In addition, the Company has contracted with third parties currency swaps that, together with debt issued in euros, act as natural coverage of foreign currency investments (see Note 13.2).

During fiscal year 2023, the Company has cancelled the Cross Currency Swap ("CCS") for an amount of EUR 450,000 thousands and an equivalent value of GBP 382,000 thousands (see Note 13.2), which were designated, together with the bond issue of EUR 450,000 thousands executed in January 2020, as a natural hedge of the net Investment made in the Group's subsidiaries in the United Kingdom (see Note 13.2).

Finally, as of 31 December 2023, once the above mentioned reorganisation has been considered, the Company maintains, obligations in Swiss francs for an amount of CHF 285,000 thousands and a value of EUR 307,775 thousands acting as natural coverage of net investment in Cellnex Switzerland, AG. The interests accrued not paid as of 31 December 2023 amount to CHF 1,755 thousand and a value of EUR 1,896 thousands.

13.1. Bond issues

The detail of the bonds and other financing instruments at 31 December 2023 and 2022 is as follows:

	Thousand of Euros	
	31/12/2023	31/12/2022
Bond issues	7,290,070	7,053,034
Bond issues	**7,290,070**	**7,053,034**

i) <u>Euro Medium Term Note Programme – (EMTN) Programme</u>

From 2015 to May 2020, the Group established and subsequently renewed a Euro Medium Term Note Programme (the "EMTN Programme") through the Company. This EMTN Programme was registered on the Irish Stock Exchange Plc, trading as Euronext Dublin, allowing for the issue of bonds up to an aggregate amount of EUR 10,000,000 thousand. After the establishment of the Guaranteed EMTN Programme by Cellnex Finance Company, S.A.U. (as defined below), the Group has ceased to renew the EMTN Programme through the Company.

Since December 2020, Cellnex Finance Company, S.A.U. is the leading financing entity of the Group. Thus, a Guaranteed Euro Medium Term Note Programme (the "Guaranteed EMTN Program") was set up in Cellnex Finance Company, S.A.U., guaranteed by the Company, registered on the Irish Stock Exchange Plc, trading as Euronext Dublin, and allowing for the issue of bonds up to an aggregate amount of EUR 10,000,000 thousand. The Guaranteed EMTN Program has been renewed in August 2023 for a period of 12 months with a maximum aggregate amount of EUR 15,000,000 thousand and it is structured under the Sustainability-Linked Financing Framework designed by Cellnex at the beginning of 2022.

Since March 2016 Cellnex has been part of the list of companies whose corporate bonds are eligible for the Corporate Sector Purchase Programme (CSPP) by European Central Bank (ECB).

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

2023

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 2023**
10/08/2016	8 years	16/01/2024	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
18/01/2017	8 years	18/04/2025	BBB-/BB+	XS1551726810	2.88%	335,000	335,000
07/04/2017	9 years	07/04/2026	BBB-/NA	XS1592492125	Eur 6M+2.27%(1)	80,000	80,000
03/08/2017	10 years	03/08/2027	BBB-/NA	XS1657934714	Eur 6M+2.20%	60,000	60,000
31/07/2019	10 years	31/07/2029	BBB-/NA	XS2034980479	1.90%	60,500	60,500
20/01/2020	7 years	20/04/2027	BBB-/BB+	XS2102934697	1.00%	450,000	450,000
29/01/2020	7 years	18/02/2027	BBB-/NA	CH0506071148	0.78%	199,784	199,784
26/06/2020	5 years	18/04/2025	BBB-/BB+	XS2193654386	2.88%	165,000	165,000
26/06/2020	9 years	26/06/2029	BBB-/BB+	XS2193658619	1.88%	750,000	750,000
17/07/2020	5 years	17/07/2025	BBB-/BB+	CH0555837753	1.10%	107,991	107,991
23/10/2020	10 years	23/10/2030	BBB-/BB+	XS2247549731	1.75%	1,000,000	1,000,000
						4,023,275	**4,023,275**

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

The bond issuances denominated in euro are listed on the Irish Stock Exchange, Plc. (ISE) trading as Euronext Dublin, and the bond issuances denominated in Swiss francs are listed on the Swiss Stock Exchange (SIX).

2022

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 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	23/10/2030	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.

EUR 58,983 thousands as of December 31, 2023 and 62,552 thousand as of December 31, 2022 are deducted from the heading "Obligations" of the balance sheet 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 2023 in relation to the bond issues amounted to EUR 15,690 thousand (EUR 13,102 thousand as of 31 December 2022).

Convertible bonds issue

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

2023

Issue	Initial Duration	Maturity	Fitch / S&P rating	ISIN	Coupon rate	**Balance as at 31 December 2023 (Thousands of Euros)**
07/05/2019	9 years	07/05/2028	BBB-/NA	XS2021212332	0.50%	865,775
20/11/2020	11 years	20/11/2031	BBB-/NA	XS2257580857	0.75%	1,454,444
8/11/2023	7 years	8/11/2030	BBB-/NA	XS2597741102	2.13%	946,368
TOTAL						**3,266,587**

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 years	16/1/2026	BBB-/NA	XS1750026186	1.50%	570,945
21/1/2019	7 years	16/1/2026	BBB-/NA	XS1750026186	1.50%	188,931
07/05/2019	9 years	07/05/2028	BBB-/NA	XS2021212332	0.50%	851,510
20/11/2020	11 years	20/11/2031	BBB-/NA	XS2257580857	0.75%	1,436,105
TOTAL						**3,047,491**

In August 2023, Cellnex issued new senior unsecured convertible bonds, for a total amount EUR 1,000,000 thousand (the "2023 Convertible Bond"). The underlying number of shares of the 2023 Convertible Bond is equivalent to c.2.3% of Cellnex's share capital as of the issue date. Bondholders may request Cellnex to repurchase the 2023 Convertible Bond (i) in the event of a change of control of the Company; or (ii) in the event that a tender offer is made with respect to the Shares which leads to a change of control of Cellnex.

The 2023 Convertible Bond has a coupon of 2.125% per annum of the notional amount payable annually in arrears. Cellnex may redeem all (but not part) of the 2023 Convertible Bond on or after 1 September 2028, if the market value of the underlying shares per EUR 100,000 of principal amount exceeds 150% of the accreted principal amount during a specified period of time or, at any time, if more than 85% of the aggregate principal amount initially issued has been converted and/or redeemed and/or purchased and cancelled. The 2023 Convertible Bond will mature on 11 August 2030. Any Bonds which have not been previously converted, redeemed or repurchased and cancelled by this time, will be redeemed in full at an accreted principal amount (principal amount plus a redemption premium) equal to 114.8% of their principal amount, implying a yield to maturity of 4.0% per annum.

The initial conversion price of the 2023 Convertible Bond has been set at €62.42, which represents a premium of 62.5% above the volume weighted average price of a Share on the Spanish Automated Quotation System (Mercado Continuo) between opening and close of trading today. The initial conversion price of the 2023 Convertible Bonds is subject to customary anti-dilution adjustments. Considering the redemption premium embedded in the accreted principal amount payable at maturity of the 2023 Convertible Bonds, the effective conversion price will be €71.66.

The 2023 Convertible Bonds have been treated as a compound instrument and have been split into its two components: a debt component amounting EUR 936 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, EUR 63,770 thousand, due to the bondholder option to convert into shares, included in the heading “Other equity instruments”.

Additionally, and concurrent to 2023 Convertible Bonds issuance, between August and September 2023, Cellnex repurchased the outstanding convertible bonds issued in 2018 and 2019 with a maturity in 2026. The total consideration paid has been i) EUR 1,066,391 thousand in cash; and ii) 108,578 treasury shares in exchange for the bonds where conversion rights were exercised (EUR 3,200 thousand of notional amount).

As stated in Article 42.4 of the Resolution of March 5, 2019, of the Institute of Accounting and Audit of Accounts, the total consideration paid to cancel the convertible bonds before maturity has been allocate among the components liability and equity of the instrument. In this regard, the allocation method to the instrument’s liability and equity components has been consistent with the methodology that was applied in the original allocation of proceeds between these components on initial recognition, resulting in:

(a) a financial income amounting to EUR 19,376 thousands related to the fair value of the recorded financial liability that has been recognised as a result of the year; and

(b) a negative impact amounting to EUR 322,409 thousands related to the equity component that has been recognised in heading "Reserves", detailed in the attached "Statement of recognised income and expense".

These convertible bonds have been treated as a compound instrument and have been split into its two components: a debt component amounting EUR 3,267 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”.

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 and/or its conversion into shares (in case of the Convertible Bonds only).

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 2023 and 2022, 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 and renewed in October 2023 for a period of 12 months with a maximum aggregate amount of EUR 750,000 thousand or its equivalent in GBP, USD and CHF. As of 31 December 2023, the Guaranteed ECP Programme had not been used.

Bonds obligations and restrictions

As at 31 December 2023 and 2022, 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 6,969 millions, based on market prices at the corresponding closing date.

13.2 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:

The derivative financial instruments for cash flow hedging on 31 December 2023 and 2022 are detailed below, indicating their notional or contractual values, their maturity dates and their fair values.

2023

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	—	4,223	—

(*) The maturity of the hedging instrument coincides with the year in which cashflows are expected to occur and affect the profit and loss account. The fair value of the derivative financial instruments includes the current coupon amounting to 621 thousand euros as of December 31, 2023.

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 with 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 2023 and 2022 is as follows:

	Thousands of Euros	
	2023	2022
Results directly attributed to net equity	(2,103)	8,949
Results transferred to the profit and loss account:		
Of those included under the heading of "Financial Expenses"	(417)	(433)

2023

	Thousands of Euros							
	31/12/2023							
	National amount	2024	2025	2026	2027	2028	Subsequent years	Valor razonable neto (*)
Interest rate swaps:								
Cash flow hedges	80,000	2,462	1,306	468	—	—	—	4,223
Total	**80,000**	**2,462**	**1,306**	**468**	**—**	**—**	**—**	**4,223**

(*) 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.

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.

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 13.1). 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 2023 and 2022 financial year, the following operations were carried out:

– During 2023, the Company has designated the cash maintained in zlotys (PLN) amounting to PLN 169 million together with the arranged forward rate agreements in zlotys for an amount of PLN 2,104 million and an equivalent euro value of EUR 469 million to hedge the disbursement envisaged in relation to the investment commitment acquired in June 2023 in relation to the acquisition of the 30% stake of On Tower Poland Sp z.o.o.

– 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.

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

2023

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 Switzerland	Cross currency swap (*)	CHF/EUR exchange rate	136,005	(28,004)	28,004	—	27,123

(*) Corporate transaction with the group company Cellnex Finance Company, S.L.U.
The fair value of the derivative financial instruments includes the current coupon amounting to 613 thousand euros as of December 31, 2023.

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

(*) Corporate transaction with the group company Cellnex Finance Company, S.L.U.

The following are the derivative financial instruments hedging net investment in abroad businesses as of December 31, 2023 and 2022, indicating their notional or contractual values, their maturity dates and their fair values:

2023

	Thousands of Euros							
	31/12/2023							
	National amount	2024	2025	2026	2027	2028	Subsequent years	Net fair value (*)
Cross currency swaps:								
Hedges of a net investment in a foreign operation	136,005	606	560	(28,471)	—	—	—	(27,123)
Total	**136,005**	**606**	**560**	**(28,471)**	**—**	**—**	**—**	**(27,123)**

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

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.

Interest rate swaps and/or exchange rates in different currencies

During the 2023 and 2022 financial year, the following operations were carried out:

During 2020, Cellnex Telecom, S.A. arranged a Cross Currency Swap ("CCS") for EUR 450,000 thousands and an equivalent sterling value of GBP 382,000 thousand which was designated together with the bond issue of EUR 450,000 thousands as a natural hedge of the net investment made in United Kingdom Group's subsidiaries.

In February 2023, the Company has cancelled the Cross Currency Swap ("CCS") for EUR 450,000 thousand and an equivalent sterling value of GBP 382,000 thousand which were designated together with the bond issue of EUR 450,000 thousand executed in January 2020 as a natural hedge of the net investment made in United Kingdom Group's subsidiaries.

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 8.1).

13.3. Other financial liabilities

In the context of the acquisition of OMTEL, Estructuras de Comunicaçoes, 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 2023, the present value of the deferred payment was EUR 516,192 thousands. For its part, the impact under the caption "Financial expenses" of the corresponding accompanying profit and loss account for the year 2023 amounted to EUR 13,452 thousands.

During the second half of 2023, due to the materialization of certain compliances established in the 2020 purchase agreement of the Company Ukkoverkot Oy, EUR 3,000 thousands, that remained as deferred payment, have been paid, and the amount of EUR 4,000 thousands, that must be paid in 2024 was recorded in heading "other current financial liabilities".

In addition, the caption "other current financial liabilities" includes 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).

13.4. Guarantees delivered and financial ratios

As of 31 December 2023, the Company acts as guarantor in relation to credit facilities and loans drawn by Cellnex Finance Company, S.A.U. for an equivalent value in euros of EUR 67 million (EUR 57 million as at 31 December 2022) and EUR 2,883 million (EUR 1,931 million as at 31 December 2022), 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 2023, for a total amount of 7,055 million(EUR 7,065 million as at 31 December 2022).

As of 31 December 2023, 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 2,844 million euros (2,847 million euros on December 31, 2022).

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.

13.5. Corporate rating

As of 31 December 2023, Cellnex Telecom holds a long-term "BBB-" (Investment Grade) with stable outlook according to the international rating agency Fitch Ratings Ltd as confirmed by a report issued on 7 February 2024, and a long-term "BB+" with positive outlook according to the international credit rating agency Standard & Poor's Financial Services LLC as confirmed by a report issued on 29 November 2023.

14. Income tax and tax situation

14.1. 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 2023 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., MBA Datacenters, 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. In the year 2023, the group has been composed of the companies Cellnex Telecom, S.A. and Cellnex Finance Company, S.A.U.

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 2019 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. In August 2023, the Economic-Administrative Court issued the resolution rejecting the Cellnex's claims and this resolution was appealed in October 2023 before the National Court.

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 engaged with the Dutch Tax Authorities to appeal the assessment. During 2022, the Dutch Tax Authorities raised assessments relating to historic (2012) RETT transactions affecting Towerlink Netherlands B.V. and Shere Masten B.V., and Cellnex entered into litigation with the Dutch Tax Authorities regarding such assessments. A favourable court resolution was obtained in May 2023 in regards to Towerlink Netherlands B.V.. Subsequent to the resolution, the Dutch Tax Authorities withdrew the litigation with respect to both of the 2012 transactions. No adverse impact has arisen from the final closure of the 2012 RETT litigation.

In all cases, the tax 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 audits, nor possible significant interpretative differences in tax legislation.

Global Minimum Tax ("Pillar Two")

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on BEPS (Base Erosion and Profit Shifting) published the Pillar Two model rules designed to address the tax challenges arising from the digitalisation of the global economy.

The legislation will be effective for the Company's financial year beginning 1 January 2024 and given the countries which have enacted or committed to enact the legislation, the Company has performed an assessment of the potential exposure to Pillar Two income taxes.

The assessment is based on the most recent tax filings, country-by-country reporting for 2022, and the latest financial information for 2023. Based on the assessment carried out as of 31 December 2023, the Pillar Two transitional safe harbours are likely to be applicable in the jurisdictions in which the Company operates and, therefore, the Company does not expect a material exposure to Pillar Two income taxes in Spain.

14.2. Current balances with public authorities

Details of current balances with public authorities are as follows:

Receivables

	Thousands of Euros	
	31/12/2023	31/12/2022
Corporate tax refundable	58,818	3,323
VAT refundable	5,183	15,061
Total	**64,001**	**18,384**

The debtor balance for Corporate tax as of 31 December 2023 (EUR 58,818 thousands) corresponds to the amount of Corporate tax receivable by the Group (EUR 3,323 thousands as of 31 December 2022), due to the difference between the advance payments made during the year and the final tax assessment.

The debtor balance for VAT as of 31 December 2023 (EUR 5,183 thousands) corresponds to the amount of VAT receivable by the Group (EUR 15,061 thousands as of 31 December 2022).

Payables

	Thousands of Euros	
	31/12/2023	31/12/2022
VAT payable	—	836
Personal Income tax withholdings	705	734
Social security taxes payable	—	271
Total	**705**	**1,841**

14.3. Reconciliation between net accounting income and taxable income

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

2023

	Thousands of Euros		
	Increases	Decreases	Total
Net accounting income for the period			186,372
Income tax for the period			(71,847)
Permanent differences:			
Donations	1,104	—	1,104
Dividends[1] (Note 16.1)	—	(225,484)	(225,484)
Income derived from the transfer of shares[1] (Note 8.1)	—	(171,456)	(171,456)
Temporary differences:			
Non-deductible financial expenses	—	(68,909)	(68,909)
Remuneration Provisions	16,188	(6,684)	9,504
Severance provision	16,243	(3,135)	13,108
Other			
Taxable income	**33,535**	**(475,668)**	**(327,608)**

(1) Corresponds to 95% given that according to current legislation, 5% is subject to taxation

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[1] (Note 16.1)	—	(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)**

(1) Corresponds to 95% given that according to current legislation, 5% is subject to taxation

In the 2023 and 2022 financial years, dividends from group companies 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 other remuneration plans through delivery of shares which are not deductible until the time of payment (see Note 17.4). They also correspond to unemployment provisions, since they are only deductible at the time they are communicated, and also to the amount of non-deductible financial expenses of the Tax Consolidation Group in the fiscal year 2023.

14.4. Reconciliation between net accounting income and income tax expense

The standard income tax rate for 2023 and 2022 is 25%.

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

	Thousands of Euros	
	2023	2022
Profit (Loss) before tax	114,525	(114,961)
Theoretical tax	(28,631)	28,740
Impact on tax expense from (permanent differences):		
Donations and libels	(276)	(391)
Dividends (Note 16.1) and Income derived from the transfer of shares (Note 8.1)	99,235	33,257
Shares to employees	—	59
Deductions	—	700
Income tax expense for the year	**70,328**	**62,365**
Other tax effects	1,519	591
Income tax expense	**71,847**	**62,956**

14.5. Breakdown of income tax expense

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

	Thousands of Euros	
	2023	2022
Current tax		
For continuing operations	81,902	44,794
For discontinued operations	1,509	591
Deferred tax		
For continuing operations	(11,574)	17,571
For discontinued operations	10	—
Income tax expense	**71,847**	**62,956**

Tax withholdings and prepayments totalled EUR 81,304 thousand as of 31 December 2023 (EUR 6,194 thousand in 2022).

14.6. 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			
	31/12/2023		31/12/2022	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
At 1 January	**179,228**	**1,530**	**149,139**	**—**
Debits/ (Credits) in income statements	(31,852)	—	29,230	—
Debits/ (Credits) in equity	(1,197)	(630)	859	1,530
At 31 December	**146,179**	**900**	**179,228**	**1,530**

	Thousands of Euros	
	2023	2022
(Debits)/Credits in income statements		
Deferred tax assets	(31,852)	29,230
(Debits)/Credits in equity		
Deferred tax assets	(1,197)	859
Deferred tax liabilities	630	(1,530)
Total (Debits)/Credits due to deferred tax	**(32,419)**	**28,559**

The breakdown of the deferred taxes is as follows:

	Thousands of Euros	
	31/12/2023	31/12/2022
Deferred tax assets:		
Tax credits for tax losses	40,951	50,921
Non deductible financial expense	84,338	101,398
Tax credits for deductions	3,230	13,550
Employee Benefit obligations	8,791	6,383
Derivative financial instruments	4,632	—
Hedge linked to a highly likely transaction in foreign currency	958	6,036
Restructuring provision	3,279	752
Others	—	188
Total deferred tax assets	**146,179**	**179,228**
Deferred tax liabilities:		
Hedging derivative	900	1,530
Total deferred tax liabilities	**900**	**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.

During the fiscal year 2023, the Company, as head of the Tax Consolidation Group, has utilised the deferred tax asset recorded in the balance sheet which originated in previous years for an amount of EUR 17,060 thousands relating to non-deductible financial expenses of the companies of the Tax Consolidation Group. During the fiscal year 2022, the Company recorded a deferred tax asset for this concept for an amount of EUR 15,991 thousands.

In addition, the Company has recorded deferred tax assets relating to tax losses for an amount of EUR 40,951 thousands, as head of the Tax Consolidation Group. Such deferred tax asset has been affected by the Law 38/2022, which introduced an Additional Provision (19th) in the Spanish Corporate Income Tax Law that modified the rules for determining the consolidated tax base of the tax group for 2023. This new measure limited the use of tax losses generated on a standalone basis to 50% of the taxable profits of the Tax Consolidation Group. As a consequence, the resulting non-deducted tax losses will be offset from the consolidated tax base of the Tax Consolidation Group on a linear basis over a 10-year period from 2024, without limitation. During the fiscal year 2022, the Company recorded deferred tax assets relating to tax losses for an amount of EUR 1,517 thousands, as head of the Tax Consolidation Group.

Finally, in January 2024, the Constitutional Court of Spain ruled against the tax measures introduced by the Royal Decree 3/2016 which, amongst other impacts, limited the use of tax losses carry forward for taxpayers with net revenues equal to or above EUR 20 million. Based on the current understanding of the application of such judgement and as reflected in the 2023 Financial Statements, the consolidated Tax Consolidation Group has applied tax losses carried forward in 2023 subject to a 70% limitation, which had the corresponding impact of reducing the deferred tax assets and increasing the corporate income tax asset. In consequence, the Company has utilised deferred tax assets relating to tax losses for an amount of EUR 50,921 thousands.

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, which has taken into consideration the effects of the Constitutional Court ruling, at 31 December 2023 and 2022 will be used as follows:

	Thousands of Euros			
	2023		2022	
	Temporary differences			
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Less than one year	23,100	—	13,088	—
More than one year	123,079	900	166,140	1,530
At 31 December	**146,179**	**900**	**179,228**	**1,530**

15. 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	
	2023	2022
Accounts receivable	284	50
Loans received	840,676	815,264
Accounts payable	1,109	1,602
Services rendered	80	46
Services received	6,384	17,098

The breakdown of the exchange differences recognised in 2023 and 2022, by type of financial instrument, is as follows:

	Thousands of Euros	
	Transactions settled during the year	
	2023	2022
Other assets and liabilities	(2,240)	4,715
Total	**(2,240)**	**4,715**

16. Revenue and Expenses

16.1. Revenue

Revenue in 2023 and 2022 was as follows:

	Thousands of Euros	
	2023	2022
Dividends (Note 18.3)	237,352	140,030
Interest income (Note 18.3)	29,215	22,830
Total	**266,567**	**162,860**

"Interest income" was generated by the guarantees granted in relation to the financing agreements arranged and loans drawn by Cellnex Finance Company, S.A.U. (see Notes 13.4 and 18.3). The interest rate stipulated in these operations is the market rate.

16.2. 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 17.3 and 18.3).

16.3. Staff costs

The detail of staff costs is as follows:

	Thousands of Euros	
	2023	2022
Wages and salaries	42,501	32,415
Compensation	16,382	783
Social Security contributions	2,633	2,600
Other employee benefit costs	2,760	3,669
Staff costs	**64,276**	**39,467**

The average number of employees at the Company at the end of the 2023 and 2022, broken down by job category and gender, is as follows:

	2023			2022		
	Male	Female	Total	Male	Female	Total
Chief Executive Officer	1	—	1	1	—	1
Senior management	6	2	8	7	2	9
Other executives, senior and middle management	33	16	49	33	11	44
Other employees	49	50	99	57	57	114
	89	**68**	**157**	**98**	**70**	**168**

The number of employees at the Company in 2023 and 2022, broken down by job category and gender, was as follows:

	2023			2022		
	Male	Female	Total	Male	Female	Total
Chief Executive Officer	1	—	1	1	—	1
Senior management	5	2	7	7	2	9
Other executives, senior and middle management	30	16	46	34	14	48
Other employees	41	36	77	54	59	113
	77	**54**	**131**	**96**	**75**	**171**

The average number of employees at the Company with a level of disability of 33% or above in 2023 and 2022 was zero.

At 31 December 2023, the Board of Directors was formed of 13 members, 6 of which were male and 7 were female (11 members in 2022, 5 of which were male, and 6 were female).

16.4. Other operating expenses

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

	Thousands of Euros	
	2023	2022
Leases and royalties	4,343	3,812
Independent professional services	29,041	39,278
Advertising, publicity and public relations	4,611	5,057
Other external services	42,473	33,989
Total external services	**80,468**	**82,136**

16.5. Net financial profit/loss

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

	Thousands of Euros			
	2023		2022	
	Income	Expense	Income	Expense
Finance income and interest from third parties	36,266	—	1,148	—
Finance expenses and interest from third parties	—	(191,252)	—	(189,349)
Finance expenses and interest from Group and Associates (Note 18.3)	—	(82,466)	—	(10,900)
Change in fair value of financial instruments	25,313	(42,554)	16,900	(26,080)
Exchange rate differences	17,431	(19,671)	11,559	(6,844)
	79,010	**(335,943)**	**29,607**	**(233,173)**
Financial Profit/loss		**(256,933)**		**(203,566)**

The change in fair value of financial instruments for 2023 and 2022 is as follows:

	Thousands of Euros	
	2023	2022
Gain/(Loss) on hedges	(17,241)	(9,180)
	(17,241)	**(9,180)**

This item includes mainly the net impact deriving from the accounting treatment of net investments in foreign operations as hedges (see Note 13.2).

16.6 Results from disposals of equity instruments

In fiscal year 2023, the income from the sale of 49% of the Company Cellnex Nordics, S.L. to Stonepeak has been recorded under the heading “Results from disposals of equity instruments” (see Note 8.1 ii) for an amount of 180,480 thousand euros.

17. Commitments and obligations

17.1. Contingent liabilities

At 31 December 2023 the Company had guarantees with third parties amounting to EUR 37,115 thousands (EUR 37,915 thousands in 2022) (see Note 17.5).

17.2. 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 4,490 million as of 31 December 2023 (5,393 million as of 31 December 2022).

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 (see Note 8.1) 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 30.46% (29.88% as of 31 December 2022) of Cellnex Netherlands' shares from third-party shareholder.

Additionally, the Company has not purchase contracts signed for tangible and intangible fixed assets neither for 2023 nor 2022.

17.3. 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	
	2023	2022
Within one year	3,113	3,077
1 to 5 years	10,681	11,464
More than 5 years	17,818	20,098
Total	**31,612**	**34,639**

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 delivery took place on the 16 July 2021 and the rent paid in 2023 was EUR 3,416 thousand (EUR 3,812 thousand in 2022).

17.4. Employee benefit obligations

ILP (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.

The objectives established for this Plan were not met and, consequently, payment has not been made to the beneficiaries. The amount recorded under the heading "Other equity instruments" of the attached balance sheet amounts to 6.1 million euros.

ILP (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, Remuneration 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 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 31 December 2023, the estimated cost of the 2021-2023 LTIP amounts to approximately EUR 2.7 million.

As described in Note 4.5, based on the best possible estimation of the related liability and taking into consideration all the available information, the Company has recognised EUR 2,727 thousands in "Net

Equity" of the accompanying balance sheet as at 31 December 2023. Given that the objectives established for this plan are not expected to be met, the Company has no liabilities recorded in relation to this Plan.

ILP (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:

a. 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 issued and paid to CK Hutchison Holdings Limited).

b. 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.

c. 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").

d. 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 period end on 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 31 December 2023, the estimated cost of the 2022-2024 LTIP amounts to approximately EUR 3.8 million.

As described in Note 4.5, the Company, based on the best possible estimate of the related obligation and taking into consideration all the available information, as of December 31, 2023, the Company has recorded a provision of EUR 984 thousands under the heading "Long-term employee benefit obligations" and a provision of EUR 1,563 thousands under the heading "Other equity instruments" of the accompanying balance sheet.

ILP (2023-2025)

In December 2022, the Board of Directors approved the 2023-2025 LTIP. The beneficiaries include the CEO (subject to the approval of the General Shareholders meeting), 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:

a. With a weighting of 20%, achieving certain Free Cash Flow (FCF). Cellnex´s FCF is calculated as the recurring leveraged Free Cash Flow minus Expansion Capex and BTS Capex (which includes engineering services (WS + IS)). This is considered on a like-for-like basis as at December 2022. An adjustment of the scope will be required in 2025 to estimate the FCF in comparable terms. This adjustment will be validated by an external auditor following an “agreed-upon procedures” assessment, as the Company may implement further inorganic growth projects.

b. 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.

c. 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").

d. With a weighting of 20%, ESG metrics: i) 10% reaching an specific percentage of sourcing of renewable electricity of the Group, and ii) 10% is based on two parameters: a) the employee engagement at FY22 constant perimeter (based on the pulse survey), and b) achieving an specific percentage of foreign Directors at the Headquarters.

Therefore, the maximum incentive would only be paid out in the event of achieving a maximum metric performance scenario which, in terms of total shareholder return, would mean that Cellnex's return is equal to or greater than 119.7% over the incentive measurement period and ranks 1st or 2nd among its peers. The Company deems that this would constitute an excellent performance.

As of 31 December 2023, the estimated cost of the 2023-2025 LTIP amounts to approximately EUR 14.8 million.

As described in Note 4.5, the Company, based on the best possible estimate of the related obligation with and taking into consideration all the available information, as of December 31, 2023, the Company has recorded a provision of EUR 2,956 thousands under the heading "Long-term employee benefit obligations" and a provision of EUR 1,971 thousands under the heading "Other equity instruments" of the accompanying balance sheet.

Engagement Plan

On 27 March 2023, the Board of Directors, at the proposal of the Appointments, Remuneration and Sustainability Committee, has approved the establishment of an extraordinary multi-year engagement plan (2023-2025) for a small number of employees in the Group (approx. 80 employees), in order to promote and also acknowledge the involvement of this key talent through their leadership in achieving the Group's objectives.

The amount to be received by the beneficiaries is already defined and fixed. The essential requirements for the payment of the incentive plan are:

a. Meet the minimum level of achievement of the Group's financial targets linked to the MBO for each year,

b. That the beneficiary is in a situation of effective provision of services for Cellnex (registered with Social Security) on the payment date.

This incentive will be fully delivered in Cellnex shares.

The plan is set for the period 2023, 2024 and 2025. One third of the total shares were delivered in September 2023, one third will be delivered in June 2024, and the last third in June 2025.

As of 31 December 2023, the estimated cost of the 2023-2025 Engagement Plan amounts to approximately EUR 1.2 million.

As described in Note 4.5, the Company, based on the best possible estimate of the related obligation and taking into consideration all the available information, as of December 31, 2023, the Company has recorded a provision of EUR 796 thousands under the heading "Other equity instruments" of the accompanying balance sheet.

Reorganisation Plan (2023 - 2026)

In May 2023 an agreement was reached with the workers' representatives of Cellnex Telecom, S.A. in relation to a collective redundancy procedure to terminate up to 55 employment contracts in the period from 2023 to 2026 as detailed below.

The agreement consists, on the one hand, of pre-retirement plans for employees who are 57 years or older during the period from 2023 to 31 December 2026 and have a length of service of 6 years and, on the other hand, incentivized redundancy plan, with a severance based on legal terms and prioritizing willfulness for the rest of employees not included in the pre-retirement plan.

The workforce agreement will be executed in the period from 2023 to 2026. As a result, the expenses efficiencies should start to be seen from 2026.

This plan is linked to the new phase announced by the company in November 2022, focused on organic growth, based on focusing the business on the core business (TIS), not executing M&A and adapting the structure to the clustering of smaller countries for which fewer resources will be needed at the corporate level and shared services will be prioritised.

At 31 December 2023, a provision was recognised for this reorganisation procedure, with an estimated cost of EUR 20.6 million. During the year ended 31 December 2023, following execution of part of this agreement, contracts ended for 43 employees for a cost of EUR 8,989 thousands.

The balance payable at 31 December 2023 related to this process amounts to EUR 4,816 thousands and EUR 6,583 thousands recorded in the long term in heading "Long-term employee benefit obligations" and short term in heading "Staff", respectively, of the accompanying balance sheet.

17.5. 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 2023 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 2022).

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 2023, 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 2022), registered in heading "Provisions and other non-current liabilities".

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 2023, Cellnex Telecom, S.A. has provided three guarantees amounting to EUR 32.5 million (EUR 32.5 million at the end of 2022) to cover the disputed rulings with the CNMC explained above.

18. Related party transactions

18.1. Directors and Senior Management

The remuneration earned by the Company's directors as at 31 December 2023 and 2022 was as follows:

i. The members of the Board of Directors received EUR 2,337 thousand for exercising the duties in their capacity as directors of Cellnex Telecom, S.A. (EUR 2,069 thousand in 2022).

ii. For performing senior management duties, the Chief Executive Officer[1]:

   a. received EUR 1,300 thousand, corresponding to fixed remuneration (EUR 1,300 thousand in 2022).

   b. accrued EUR 1,782 thousand corresponding to annual variable remuneration, estimated assuming 129.6% of accomplishment (EUR 1,576 thousand in 2022 assuming 121% of accomplishment).

   c. did not receive remuneration for the achievement of the multi-annual objectives established in the "Long-Term Incentive Plan" consolidated as of December 2023 (0 thousand euros in 2022).

[1] Please note that in these amounts are combined the remuneration received by the CEO at Cellnex. I.e. the amount received by Mr. Tobías Martínez Gimeno until 3 June 2023 and the amount received by Mr. Marco Patuano from 4 June 2023 to 31 December 2023.

Note: The provisions accrued for all the LTIPs in progress, for the year ended on 31 December 2023 amounted to EUR 2,730 thousand (EUR 3,033 thousand in 2022). See in Note 17.4.

iii. In addition, the Chief Executive Officer of Cellnex Telecom, S.A. received, as other benefits, contributions made to cover pensions and other remuneration in kind in the amount of EUR 325 thousand and EUR 63.4 thousand, respectively (EUR 325 thousand and EUR 33.6 thousand in 2022).

iv. Mr Marco Patuano signed an entry bonus amounting to 3.5 million euros. This bonus will be paid 30%, in cash in March 2024 and the remaining 70% will be paid, in shares, on the third year of his appointment as CEO of Cellnex.

v. The previous CEO's non-compete accrual amounted to EUR 2,600 thousand, of which EUR 1,300 thousand were paid during the first half of 2023. It was 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 2023 for members of Senior Management amounted to EUR 5.155[2] thousand (EUR 5,822 thousand 2022) and did not receive remuneration for the achievement of the multi-annual objectives established in all the “Long Term Incentive Plan” that consolidate in December 2023 (EUR 0 thousand in 2022). Note: The accrual of the provisions for all of the LTIPs in progress, for the year ended on 31 December 2023, amounted to 2,081 thousand euros (4,811 thousand euros in 2022). In addition, EUR 2,267 thousand was accrued for “non-compete” due to the exit of certain members of Senior Management.

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 292 thousand and EUR 132 thousand, respectively (EUR 500 thousand and EUR 190 thousand in 2022).

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 1,266 thousand at 31 December 2023 (EUR 926 thousand in 2022).

18.2. 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.

18.3. Group companies and associates

The financial assets and liabilities held by the Company with Cellnex Group companies and associates at year-end 2023 and 2022, with the exception of equity instruments (see Note 8.1), are as follows:

[2] Please note that the increase in this amount compared to the prior year is due to the overlap of some members of the Executive Committee for some months and the agreed exit conditions of some members of the Executive Committee.

2023

	Thousands of Euros				
	Assets		Liabilities		
	Current loans	Receivables	Non-Current Loans	Current Loans	Payables
Adesal Telecom SL	14	—	—	—	—
Alticom B.V.	—	62	—	—	—
Cellnex Austria GmbH	—	6	—	—	—
Cellnex Connectivity Solutions Limited	—	101	—	—	—
Cellnex Denmark ApS	—	9	—	—	—
Cellnex Finance Company, S.A.U	727,928	8,358	2,420,000	35,520	741
Cellnex France Groupe, S.A.S	—	8	—	—	—
Cellnex France, S.A.S.	—	2,022	—	—	—
Cellnex Italia S.p.A	—	3,429	—	—	59
Cellnex Netherlands B.V.	—	108	—	—	—
Cellnex Poland sp. z o.o.	—	514	—	—	—
Cellnex Sweden, A.B	—	7	—	—	—
Cellnex Switzeland AG	—	2,183	—	—	—
Cellnex Telecom España, S.L.U.	2,363	277	—	2,220	—
Cellnex UK Limited	—	778	—	—	121
Cignal Infrastructure Limited	—	112	—	—	—
Cignal Infrastructure Netherlands B.V.	—	326	—	—	—
CK Hutchison Networks	—	635	—	—	—
CLNX Portugal SA		162	—	—	—
Edzcom Oy	—	5	—	—	52
Herbert In-Building Wireless LTD	—	19	—	—	—
Hivory Portugal, S.A.	—	11	—	—	—
Hivory SAS	—	1,572	—	—	—
Infratower, S.A.	—	47	—	—	—
Nexloop France, S.A.S	—	209	—	—	—
OMTEL,Estructuras de Comunicaçoes, S.A.	—	431	—	—	—
On Tower Austria, GmbH	—	418	—	—	—
On Tower Denmark, ApS	—	185	—	—	—
On Tower Ireland Limited	—	223	—	—	—
On Tower Netherlands BV	—	1	—	—	—
On Tower Poland s.p.z.o.o	—	787	—	—	—
On Tower Sweden, AB.	—	260	—	—	—
On Tower Telecom Infraestructuras, S.A.U.	19,164	841	—	1,954	—

On Tower UK, Ltd	—	2,645	—	—	—
OnTower France, S.A.S.	—	1,174	—	—	—
OnTower Portugal, S.A.	—	267	—	—	—
Radiosite Limited	—	16	—	—	—
Retevisión-I, S.A.	103,074	1,089	—	6,381	—
Shere Masten B.V.	—	121	—	—	—
Swiss Infra Services S.A.	—	3,288	—	—	—
Swiss Towers AG	—	3,255	—	—	—
Towerlink France S.A.S	—	152	—	—	—
Towerlink Netherlands BV	—	57	—	—	—
Towerlink Poland Sp. z.o.	—	1,346	—	—	—
Towerlink Portugal, ULDA	—	10	—	—	—
Tradia Telecom, S.A.U	20,267	705	—	1,333	—
Ukkoverkot Oy	—	72	—	—	—
Watersite Limited	—	11	—	—	—
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	6,490	22	—	866	—
Zenon Digital Radio, S.L.	658	10	—	21	—
Total	**879,958**	**38,346**	**2,420,000**	**48,295**	**973**

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 Portugal, 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**

As of 31 December 2023, under the caption "Credits to Group companies and associated current", 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 244,874 thousand (EUR 120,055 thousand at the end of 2022).

- As of 31 December 2023, this heading included the 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 1,691 thousand of euros (2,039 thousand at the end of 2022).

- 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 31 December 2023, this heading includes the debit balance for short-term cash-pooling credits with Cellnex Finance Company for a total amount of EUR 633,392 thousand (EUR 85,668 thousand as of 31 December 2022).

As of 31 December 2023, within the heading “Loans with Group companies and associated non-current” the Company has recorded the amounts corresponding to:

- On 30 December 2022, a loan was formalized with Cellnex Finance Company, S.A.U for a total amount of 1,420 million euros with maturity of five years. On 29 December 2023, this loan was increased by 1,000 million euros to reach 2,420 million euros as of 31 December 2023.

As of 31 December 2023, within the heading “Loans with Group companies and associated current” the Company has recorded the amounts corresponding to:

- This heading includes the credit balance for short-term debts for Cash-pooling with Cellnex Finance Company, S.A.U. for a total amount of EUR 976 thousand (EUR 74,926 thousand at the end of 2022). Likewise, this heading includes the accrued interest not paid derived from the loan formalized with Cellnex Finance Company, S.A.U. which amounts to a EUR 20,313 thousands.

– Creditor balances with the Group companies that are part of the Tax Consolidation Group, under the consolidated corporate income tax regime amounting to 26,609 thousand euros (4,246 thousand euros at the end of 2022).

– Creditor balances with the Group companies that are part of the Tax Consolidation Group, under a consolidated VAT taxation regime amounting to 396 thousand euros (397 thousand euros at the end of 2022).

The Company's transactions with Cellnex Group companies and associates in 2023 and 2022 are as follows:

2023

	Thousands of Euros				
	Income			Expenses	
	Dividends	Services rendered	Accrued interests	Services received	Accrued interests
Alticom B.V.	—	260	—	—	—
Cellnex Austria GmbH	—	270	—	—	—
Cellnex Connectivity Solutions Limited	—	217	—	—	—
Cellnex Denmark ApS	—	283	—	—	—
Cellnex Finance Company, S.A.U	231,112	1,429	29,215	1,267	82,466
Cellnex France Groupe, S.A.S	—	1,087	—	—	—
Cellnex France, S.A.S.	—	4,929	—	—	—
Cellnex Ireland Limited	—	219	—	—	—
Cellnex Italia S.p.A	—	13,504	—	—	—
Cellnex Nordics	2,039	—	—	—	—
Cellnex Poland sp. z o.o.	—	1,307	—	—	—
Cellnex Sweden, A.B	—	241	—	—	—
Cellnex Switzeland AG	—	1,266	—	—	—
Cellnex Telecom España, S.L.U.	2,764	1,981	—	34	—
Cellnex UK Limited	—	1,934	—	—	—
Cignal Infrastructure Limited	—	362	—	—	—
Cignal Infrastructure Netherlands B.V.	—	1,257	—	—	—
Cignal Infrastructure PL	—	1	—	—	—
CK Hutchison Networks	—	635	—	—	—
CLNX Portugal SA	—	491	—	—	—
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	1,437	—	—	—	—
Edzcom Oy	—	6	—	847	—
Grid Tracer AG	—	5	—	—	—

Herbert In-Building Wireless LTD	—	19	—	—	—
Hivory Portugal, S.A.	—	42	—	—	—
Hivory SAS	—	6,268	—	—	—
Infratower, S.A.	—	167	—	—	—
Nexloop France, S.A.S	—	527	—	—	—
Nextcell SRL	—	5	—	—	—
OMTEL,Estructuras de Comunicaçoes, S.A.	—	1,669	—	—	—
On Tower Austria, GmbH	—	1,662	—	—	—
On Tower Denmark, ApS	—	737	—	—	—
On Tower Ireland Limited	—	910	—	—	—
On Tower Poland s.p.z.o.o	—	2,897	—	—	—
On Tower Sweden, AB.	—	989	—	—	—
On Tower Telecom Infraestructuras, S.A.U.	—	3,443	—	3,846	—
On Tower UK, Ltd	—	10,226	—	—	—
OnTower France, S.A.S.	—	4,502	—	—	—
OnTower Portugal, S.A.	—	1,026	—	—	—
Radiosite Limited	—	17	—	—	—
Retevisión-I, S.A.	—	3,530	—	15,368	—
Shere Masten B.V.	—	471	—	—	—
Springbok Mobility	—	2	—	—	—
Swiss Infra Services S.A.	—	1,669	—	—	—
Swiss Towers AG	—	1,651	—	—	—
Torre de Collserola	—	—	—	4	—
Towerlink France S.A.S	—	391	—	—	—
Towerlink Netherlands BV	—	231	—	—	—
Towerlink Poland Sp. z.o.	—	5,115	—	—	—
Towerlink Portugal, ULDA	—	36	—	—	—
Tradia Telecom, S.A.U	—	1,904	—	6,860	—
Ukkoverkot Oy	—	78	—	—	—
Video Press	—	—	—	2	—
Watersite Limited	—	7	—	—	—
Xarxa Oberta de Comunicació i Tecnologia de Catalunya, S.A.	—	108	—	—	—
Zenon Digital Radio, S.L.	—	26	—	—	—
Total	**237,352**	**82,009**	**29,215**	**28,228**	**82,466**

On 28 February 2023, the distribution of a complementary dividend by Cellnex Finance Company, S.A.U. was approved for an amount of EUR 27,072 thousands.

Likewise, on 2 November and 1 December 2023 Cellnex Finance Company, S.A.U. distributed to Cellnex Telecom as a dividend in kind the accounts receivable held with the Danish and Swedish subsidiaries and Finnish subsidiaries, respectively (see Note 8.1). The distribution of the loans of the Danish and Swedish subsidiaries amounted to a total of EUR 293,794 thousands, of which EUR 97,053 thousands have been recorded as a lower cost of the participation since they do not correspond to results generated by the subgroup of the company participated since its constitution. The distribution of the loans of the Finnish subsidiaries amounted to EUR 7,299 thousands, which were recorded against results for the year.

During 2023, Cellnex Telecom S.A. has received a distribution of 11.5 million euros from the subsidiary Digital Infrastructure Vehicle II SCSp SICAV – RAIF, of which 10.1 million euros have been recorded as lower cost of the participation since they do not correspond to results generated by the subgroup of the company since its acquisition (see Note 8).

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 Vehicle II SCSp SICAV-RAIF	1,096	—	—	—	—
Edzcom Oy	—	—	—	2,117	—
Grid Tracer AG	—	3	—	—	—
Hivory SAS	—	2,246	—	—	—
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 Portugal, 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") made a contribution refund to the Company for a total amount of 51.8 million euros (See Note 8).

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

17.4. Other related parties

Other related parties, in addition to the Group companies and associates indicated in Note 18.3 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 Mundys (formerly 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 2023, Edizione S.r.L is listed as a reference shareholder of Cellnex Telecom, S.A. with a 9.90% stake (8,53% as of 31 December 2022).

Services rendered and received

The transactions carried out with Fundación Cellnex during 2023 and 2022 financial years are as follows:

2023

	Thousands of Euros	
	Income	Expenses
	Services rendered	Services rendered
Fundación Cellnex	52	1,000
Total	**52**	**1,000**

2022

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

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.

Other

The other assets and liabilities held by the Company with companies of the Abertis group and associates at 31 December 2023 and 2022 are the following:

2023

	Thousands of Euros	
	Assets	Liabilities
	Receivables	Payables
Fundación Cellnex	52	—
Total	**52**	**—**

2022

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

19. Other information

19.1. Audit fees

In 2023 and 2022 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							
	2023				2022			
	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	1,272	10	**1,282**	**200**	1,165	10	**1,175**	**229**
Total professional services	**1,272**	**10**	**1,282**	**200**	**1,165**	**10**	**1,175**	**229**

(1) Includes the limited review of the consolidated interim financial statements of the Group as of June 30, 2023 and June 30, 2022

Please note that during 2023 and 2022 the auditors have not provided services of a tax nature.

19.2. 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	
	2023	2022
Total payments in the year	134,765	90,279
Total payments outstanding	4,316	5,317
Average payment period to suppliers (days)	29	51
Ratio of transactions paid (days)	30	52
Ratio of transactions outstanding (days)	23	23

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.

	2023	2022
Monetary volume (thousands of euros)	110,496	63,540
Percentage of total payments made	82 %	70 %
Number of invoices	2,288	2,378
Percentage of all invoices paid	58 %	50 %

19.3 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.

20. Environmental information

The key objective of the Group of which the Company is the parent 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. Both policies outline Cellnex's commitment to the application of best practices in the countries in which the Group operates and based on international benchmark standards. It is the Group’s policy to pay maximum attention to environmental protection and conservation, and it seeks to adopt the necessary measures to minimize the environmental impact of the infrastructure and the telecommunications networks that it manages and ensure the maximum degree of integration into the surrounding area.

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 activity of the Group of which the Company is the parent 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.

The Company has worked to assess the risks and opportunities derived from climate change, following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). These risks and opportunities are included in the Environment and Climate Change functional unit in order to form part of the company's general risk management. Thus, the potential impact of a risk and the probability of its occurrence are evaluated, considering the substantial impacts, based on the following areas: i) Economic: (in the income statement and / or investments), ii) operational (level of processes' interruption and of the effect on third parties) and iii) reputation (media impact and possible liability action), and where the assessment of the impact varies from low, medium, important and critical. After the impact assessment, the likelihood of the risk occurring must be assessed.

Additionally, the Company has carried out a climate scenario analysis, as recommended by the TCFD, which allows the Group of which the Company is the parent to understand and define the level of resilience against different future states related to climate change. Based on these scenarios, Cellnex has defined a series of time horizons, which are determined by the probabilities and the reaction time by Cellnex (short, medium and long term). The results obtained from the analysis allow Cellnex to anticipate possible impacts and inform and influence its strategy and commercial objectives, thus further increasing its resilience and having the necessary tools to face possible future climate risks.

As a result of the climate-related risk assessments performed, some climate risks have been identified in relation with potential future regulation, reputation, acute physical (floods, storms, fires), among others. Furthermore, in 2022 Cellnex developed a Climate Change Adaptation Plan, through a vulnerability analysis of the infrastructures to climate change. The main objective of the Cellnex Climate Change Adaptation Plan is to prevent or reduce present and future damage from climate change. Two periods were analysed under a RCP 8.5 scenario: 2011-2040 and 2041-2070. The variables analysed were: temperature, precipitation, wind, storm surge, sea level rise, flooding, fires and landslides. The climatic variable that primarily affects all assets at both horizons is temperature. Owing to the nature of Cellnex’s business, the most important material environmental aspect is energy. In this context, the Group of which the Company is the parent monitors its energy consumption to achieve maximum efficiency and the lowest possible impact on the environment and hence on society. From an economic point of view, in the majority of contracts with the MNO and costumers, the energy costs are passed through to them since the Group only manage the necessary infrastructure and access to energy, and transparently pass energy costs on to customers.

The Company has not incurred environmental expenses on civil engineering projects, equipment and environmental permit projects.

Expenses incurred to protect and improve the environment recognised directly in the income statement amounted to EUR 0 thousand (EUR 0 thousand in 2022) and related mainly to expenses arising from consultancy services and external waste management.

The Company considers that in the context of its operations it complies with applicable environmental protection laws and has procedures designed to encourage and ensure such compliance. For the years ended 31 December 2023 and 2022, the Company did not account for any provision to address potential environmental risks since it considered that there were no significant contingencies associated with potential lawsuits, indemnities or other items, as its operations comply with environmental protection laws and as procedures are in place to foster and ensure compliance.

Finally, potential contingencies, indemnities and other environmental risks which the Company could incur are sufficiently covered by its third-party environmental liability insurance, in accordance with current legislation, of EUR 20 million.

21. Events after the reporting period

i) Disposal of the private network business

As further explained in Note 8.1, on 29 February 2024 the Company completed the sale of its private network business.

ii) Bond maturing in January 2024 repayment.

On January 2024 the maturing EUR 750,000 thousand bond redemption has been repaid with existing cash.

22. 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.

APPENDIX I. Direct and indirect shareholdings

(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
2023:										
Cellnex Italia, S.p.A.	Via Cesare Giulio Viola, 43 CAP 00148 Roma	Holding	100%	4,556,908	Deloitte	1,000	4,620,123	263,814	131,365	—
Cellnex Netherlands, B.V.	Papendorpseweg 75-79 3528 BJ Uthrecht, the Netherlands	Holding	70%	489,323	Deloitte	1	826,614	(5,183)	(7,149)	—
Cellnex UK Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Holding	100%	3,906,629	Deloitte	(31,917)	3,959,944	(20,190)	111,374	—
Cellnex France Groupe, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Holding	100%	6,533,431	Deloitte	4,214,690	1,400,316	(2,059)	(38,013)	—
Cellnex Telecom España, S.L.U.	Juan Esplandiú, 11-13 28007 Madrid	Holding	100%	827,950	Deloitte	103,753	724,634	(276)	122,274	2,764

(*) Unaudited financial statements at 31 December 2023.

This appendix forms an integral part of Notes 8 and 10 to the 2023 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)			
2023:										
Cellnex Austria, GmbH	Schubertring 6, 1010 Vienna	Holding	100.00%	953,208	Deloitte	35	948,211	(2,257)	(1,450)	—
Cellnex Ireland Limited	Suite 311 Q House, 76 Furze Road, Sandyford Industrial Estate, Dublin 18, D18, YV50,	Holding	100%	511,181	Deloitte	511,000	(17,003)	(2,438)	(10,193)	—
Cignal Infrastructure Services	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%	179,320	Deloitte	3,252	58,075	6,729	2,700	—
CLNX Portugal	Av. Fontes Pereira de Melo, nº 6 7 º direito, Distrito: Lisboa Concelho: Lisboa	Holding	100%	1,208,432	Deloitte	200	(8,878)	(929)	18,110	—
Cellnex Nordics	Calle Juan Esplandiu 11 13. 28007, Madrid (Madrid). España	Holding	51%	526,779	Deloitte	74,503	957,763	(325)	246	2,039

(*) Unaudited financial statements at 31 December 2023.

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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)			
2023:										
Digital Infrastructure Vehicle II SCSp SICAV-RAIF	5, Heienhaff in L-1736 Senningerberg	Holding	21%	115,147	—	—	—	—	—	1,437
Cellnex Switzerland, AG	Thurgauerstrasse, 136 8152 Opfikon	Holding	70%	648,906	Deloitte	184	724,352	35	(377)	—
Cellnex Poland sp z.o.o.	Plac Marsz. Józefa Pilsudskiego 100-078 Warsaw	Holding	100%	3,060,692	—	758,488	2,250,792	(146)	30,258	—
Cellnex Finance Company, S.A.	Juan Esplandiú, 11-13 28007 Madrid	Group Finance Company	100%	903,322	Deloitte	60	699,234	(2,506)	256,872	231,112
Cellnex Holdco 1 UK Limited	Cellnex Holdo 1 UK Limited	Holding	100%	21,598	Deloitte	—	—	—	—	—
Total ownership				**24,442,826**						**237,352**

(*) Unaudited financial statements at 31 December 2023.

This appendix forms an integral part of Notes 8 and 10 to the 2023 financial statements, with which it should be read.

Cellnex Telecom, S.A.

Appendix I Direct and indirect shareholdings
(Thousands of Euros)

Indirect Ownership Interests

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)		
2023:									
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	349,842	70,252	24,535
Retevisión-I, S.A.U.	Juan Esplandiú, 11 28007 Madrid	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U	Deloitte	81,270	37,697	105,504	79,465
Tradia Telecom, S.A.U.	Paseo de la Zona Franca 105 (Torre	Terrestrial telecommunications infrastructure operator	100%	Cellnex Telecom España, S.L.U	Deloitte	131,488	52,364	18,995	25,482
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	262	274	43
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	8,700	1,999	1,500
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	1,486	575	426
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	3,373	409	348

(*) Unaudited financial statements at 31 December 2023.

This appendix forms an integral part of Notes 8 and 10 to the 2023 financial statements, with which it should be read.

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)		
2023:									
Alticom B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Construction and operation of optic fiber telecommunications infrastructure	70%	Cellnex Netherlands, B.V.	Deloitte	18	52,504	3,529	2,810
Towerlink Netherlands, B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	70%	Cellnex Netherlands, B.V.	Deloitte	—	85,136	8,793	8,619
Breedlink, B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	70%	Cellnex Netherlands, B.V.	Deloitte	—	(685)	(145)	(121)
On Tower Netherlands, B.V.	Axelstraat, 58, 4537 AL, Terneuzen, The Netherlands	Terrestrial telecommunications infrastructure operator	70%	Cellnex Netherlands, B.V.	Deloitte	1,825	22,001	7,810	5,453
Shere Masten, B.V.	Papendorppseweg 75-79 3518 BJ Utrecht, the Netherlands	Terrestrial telecommunications infrastructure operator	70%	Cellnex Netherlands, B.V.	Deloitte	18	246,384	17,461	16,237

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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)		
2023:									
Cignal Infrastructure Netherlands B.V.	Waldorpstraat 80, 2521 CD The Hague, The Netherlands	Provision telecommunications infrastructure operator	70%	Cellnex Netherlands, B.V.	Deloitte	10	(32,669)	25,502	4,744
Springbok Mobility	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	70%	Cellnex France Groupe, S.A.S.	Deloitte	2,001	(1,079)	(80)	(86)
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	775,281	143,911	63,081
Towerlink France, S.A.S. (*)	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France, S.A.S.	Deloitte	260,020	(33,909)	(11,666)	(26,426)
Nextloop France, S.A.S	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	51%	Cellnex France, S.A.S.	Deloitte	43,550	98,157	26,266	(9,588)
On Tower France S.A.S.	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France, S.A.S.	Deloitte	381,384	1,722,840	69,022	16,717
Compagnie Foncière ITM 1 (*)	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	—		—	(9)	(18)

(*) Unaudited financial statements at 31 December 2023.

This appendix forms an integral part of Notes 8 and 10 to the 2023 financial statements, with which it should be read.

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)		
2023:									
Cellnex France Infrastructures, S.A.S.	58 avenue Emile Zola, Immeuble Ardeko,	Terrestrial telecommunications infrastructure operator	51%	Cellnex France Groupe, S.A.S.	Deloitte	200	1,801	—	(140)
Hivory, SAS	58 avenue Emile Zola, Immeuble Ardeko, 92100 Boulogne-Billancourt	Terrestrial telecommunications infrastructure operator	100%	Cellnex France Groupe, S.A.S.	Deloitte	35,343	671,497	458,878	300,717
Cellnex UK Midco, Ltd.	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Limited	Deloitte	—	166,877	(22)	39,827
Watersite Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	13,948	(2,457)	2,151	12,149
Radiosite Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK Midco, Ltd.	Deloitte	13,763	10,792	3,357	5,129
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	91,524	33	22,574

(*) Unaudited financial statements at 31 December 2023.

This appendix forms an integral part of Notes 8 and 10 to the 2023 financial statements, with which it should be read.

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)		
2023:									
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	339	46	407
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	1,951,183	107,254	8,903
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	28,966	(1,315)	(1,451)
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	9,790	194	1,333
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	8,161	—	—
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	—	—	1,105	—	—
Cellnex UK In-Building Solutions Limited	Level 4, R+, 2 Blagrave Street, Reading, RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	On Tower UK , Ltd	—	—	(114)	(1,223)	(1,226)

(*) Unaudited financial statements at 31 December 2023.

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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)		
2023:									
Towerlink UK Limited	Level 4, R+, 2 Blagrave Street, Reading, United Kingdom, RG1 1AZ	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK, Limited	—	12,937	(36)	(853)	(1,020)
Cignal Infrastructure UK Limited	Level 4, R+, 2 Blagrave Street, Reading,RG1 1AZ, United Kingdom	Terrestrial telecommunications infrastructure operator	100%	Cellnex UK, Limited	—	—	(156,562)	65,227	22,520
Swiss Infra Services, SA	Thurgauerstrasse, 136 8152 Opfikon	Terrestrial telecommunications infrastructure operator	72%	Cellnex Switzerland AG	Deloitte	90	65,673	38,738	22,935
Swiss Towers, AG	Thurgauerstrasse, 136 8152 Opfikon	Terrestrial telecommunications infrastructure operator	72%	Swiss Towers AG	Deloitte	275,392	154,513	33,602	(2,351)
Grid Tracer, AG (*)	Thurgauerstrasse, 136 8152 Opfikon	Internet of Things	40%	Swiss Towers, AG	—	93	212	(85)	(87)
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	565,845	249,174	19,992	3,865
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	31,150	15,706	27,420	13,130

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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)		
2023:									
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	—	3,657	(3,741)	(3,657)
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	86	803	499
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	—	1,831	(2,012)	(1,831)
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	—	—	—	—
Rock Solid Transmission 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	51	145	—	(139)

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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)		
2023:									
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	—	—	10	10	9
Ukkoverkot Oy	Gräsäntörmä 2, 02200 Espoo, Finland	Terrestrial telecommunications infrastructure operator	100%	Cellnex Holdco 1 UK Limited	Deloitte	3	15,548	375	360
Edzcom Oy	Gräsäntörmä 2, 02200 Espoo, Finland	Provision of communication sites used by Mobile Network Operators	100%	Ukkoverkot Oy	Deloitte	—	8,765	(2,599)	(3,046)
On Tower Austria, GmbH	Brünner Straβe 52, 1210 Vienna	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Austria, GmbH	Deloitte	35	243,297	33,595	2,317
On Tower Denmark, ApS	Scandiagade 8, 2450 Kobenhavn SV	Provision of communication sites used by Mobile Network Operators	51%	Cellnex Denmark, ApS	Deloitte	35,493	110,625	17,521	9,702
Cellnex Denmark ApS	Ørestads Boulevard 114, 4th floor, 2300 Copenhagen S	Terrestrial telecommunications infrastructure operator	51%	Cellnex Nordics, S.L.	Deloitte	402,684	(860)	218	1,070
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	487,335	55,964	21,167
On Tower Poland, S.p.z.o.o.	Wynalazek 1, 02-677 Warszawa	Terrestrial telecommunications infrastructure operator	100%	Cellnex Poland, S.p.z.o.o	Deloitte	403,518	924,275	14,738	(16,883)
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	10,347	7,378	564	431

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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
2023:									
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	409	203	199
On Tower Sweden, AB	Box 7012, 121 07 Stockholm-Globen	Terrestrial telecommunications infrastructure operator	51%	Cellnex Sweden AB	Deloitte	5	133,111	26,909	(16,912)
Cellnex Sweden AB	Box 162 85, 103 25 Stockholm	Terrestrial telecommunications infrastructure operator	51%	Cellnex Nordics, S.L.	Deloitte	807,448	(15,382)	211	33,796
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	180	2	28
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	428	611	458
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	(44)	(235)	(180)

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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)		
2023:									
The Broadcast Group B.V.	Axelsestraat 58, 4537AL Terneuzen, The Netherlands	Terrestrial telecommunications infrastructure operator	70%	Cellnex Netherlands, BV	—	—	791	(721)	(537)
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	(41)	(1,255)	(954)

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Cellnex Telecom, S.A.

Appendix I Direct and indirect shareholdings
(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%	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

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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)			
2022:										
Cellnex Switzerland, AG	Thurgauerstrasse, 136 8152 Opfikon	Holding	72%	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	Fixed and mobile telecommunications services provider	100.00%	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	—

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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
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**

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Cellnex Telecom, S.A.

Appendix I Direct and indirect shareholdings

(Thousands of Euros)

Indirect Ownership Participation

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:									
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
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	(1)	(1)
MBA Datacenters, S.L.	Paseo de la Zona Franca 105 (Torre Llevant), 08038-Barcelona	Implementation, organization and operation of the mobile network in Madrid	100%	Cellnex Telecom España, S.L.U.	—	3	305	97	(107)
Metrocall, S.A.	c/ Juan Espladiú 11-13 29007 Madrid	Provision of related services for terrestrial communications concessions and operators	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 telecommunications equipment	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	Proveer equipos de telecomunicaciones	100.00%	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: Share Capital	Net Equity: Share premium and reserves (interim dividend deducted)	Operating profit/loss	Profit for the year
2022:									
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	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-	Terrestrial 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-	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	Provision of related services for concessionaires and terrestrial	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	51%	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	Terrestrial telecommunications infrastructure operator	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	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,	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,	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,	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,	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,	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,	Terrestrial telecommunications infrastructure operator	100%	On Tower UK , Ltd	—	—	—	1,123	1,123

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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,	Internet of Things	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	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	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	Provision of communication sites used by Mobile Network Operators	100%	CLNX Portugal, S.A.	Deloitte	50	4,157	(69)	(121)
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)	(26)	(20)
Hivory Portugal, S.A.	Av. Fontes Pereira de Melo, nº6, 7º direito, 1050 121 Lisboa	Provision of communication sites used by Mobile Network Operators	100%	CLNX Portugal, S.A.	Deloitte	100	69,903	(820)	(687)
Cellcom Ireland Limited (en proceso de [illegible]	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	Provision of communication sites used by Mobile Network Operators	100%	Cellnex Ireland Limited	Deloitte	1,000	152,028	21,783	15,928

(*) Unaudited financial statements at 31 December 2022.

This appendix forms an integral part of Notes 8 and 10 to the 2023 financial statements, with which it should be read.

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:									
Rock Solid Transmission 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	51	30	155	125
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

(*) Unaudited financial statements at 31 December 2022.

This appendix forms an integral part of Notes 8 and 10 to the 2023 financial statements, with which it should be read.

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:									
Remer Sp. z o.o.	ul. Komitetu Obrony Robotników 45D, 02-146 Warsaw	Construction and operation of infrastructures and telecommunications	100.00%	Cellnex Poland, S.p.z.o.o	Deloitte	38	566	(44)	(44)
On Tower Sweden, AB	Box 7012, 121 07 Stockholm-Globen	Provision of related services for terrestrial communications concessions and operators	100.00%	Cellnex Sweden AB	Deloitte	5	126,988	27,303	20,674
Torre de Collserola, S.A.	Ctra. Vallvidrera a Tibidabo, s/n Barcelona	Computing and deployment of loT and automation of hybrid IT-OT processes (industraial IoT), which will arise from the deployment of 5G	42%	Retevisión-I, S.A.U.	Deloitte	4,520	175	38	4
Consorcio de Telecomunicaciones Avanzadas,	C/ Uruguay, parcela 13R, nave 6, Parque Empresarial Magalia, Polígono Industrial Oeste	Development of softwares amd IT app	30%	Tradia Telecom, S.A.U.	Deloitte	1,000	282	508	736
Nearby Sensors, S.L. (*)	C/Berruguete 60-62, Barcelona	despliegue de IoT y la automatización de los procesos híbridos IT-OT (IoT industrial),	13%	Tradia Telecom, S.A.U.	Deloitte	47	183	(321)	(284)
Nearby Computing, S,L. (*)	C/Travessera de Gràcia, 18, Barcelona	Desarrollo de software y/o aplicaciones informáticas destinadas a su explotación	22%	Tradia Telecom, S.A.U.	Areas Auditores	6	355	(495)	(380)

(*) Unaudited financial statements at 31 December 2022.

This appendix forms an integral part of Notes 8 and 10 to the 2023 financial statements, with which it should be read.

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 2023

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 area and extend its commitment throughout its value chain and stakeholder groups. The Company integrates Environmental, Social, and Governance (ESG) factors into its strategy, measuring and managing its impact on society and the environment in an efficient and responsible way.

Cellnex's own value creation model, focusing on the shared management of telecommunications infrastructures, fosters sustainability, efficiency and responsibility in the use of the resources with which it works. By building partnerships with its customers, Cellnex enjoys a long-term relationship with them and manages the Company with the long cycle in mind, aware of the principles of ethics, good governance, respect for human rights and dialogue with its stakeholders.

Cellnex is the main neutral[3] and independent infrastructure operator for wireless telecommunication in Europe, focused on neutral and shared management. Cellnex was born in 2015 as the result of a spin-off from the telecommunications division of Abertis Group, and from there Cellnex went public as an independent company under the name Cellnex Telecom.

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's footprint encompassing a total of 12 European countries (Austria, Denmark, France, Ireland, Italy, the Netherlands, Poland, Portugal, Spain, Sweden, Switzerland and the United Kingdom). This geographical footprint caters to Cellnex's goal of driving digitalisation and creating a pan-European telecommunications infrastructure platform.

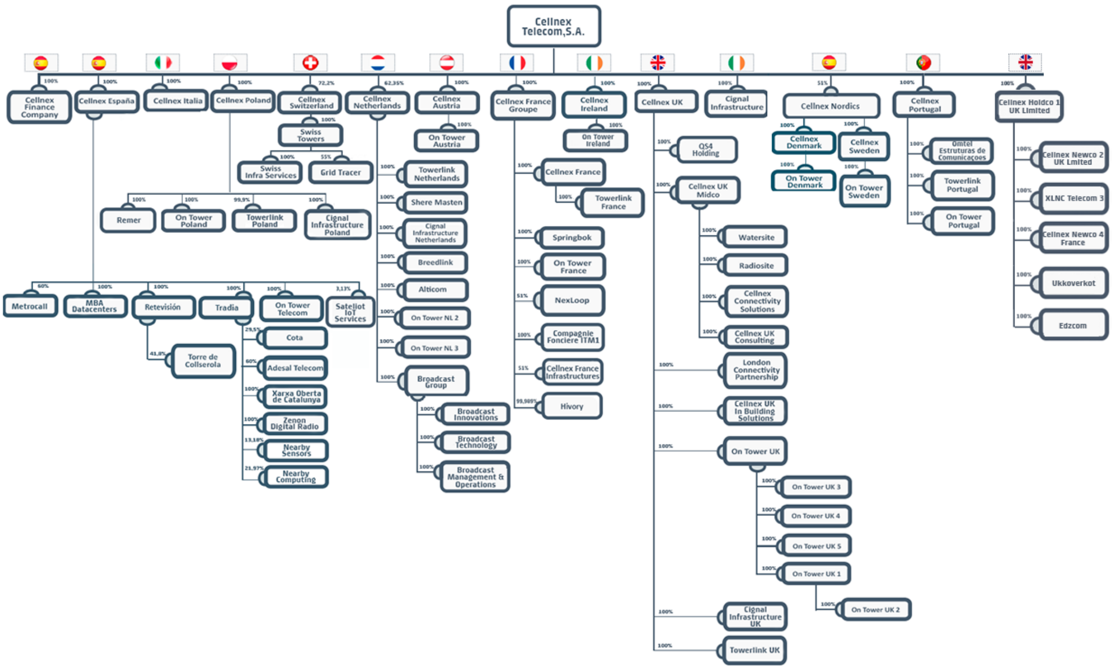
Cellnex has a portfolio of 113,175 sites, which rises to 127,489 if we include the sites in the process of completion or with planned roll-outs up to 2030.

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

[3]Neutral and independent: 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.

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

As of 31 December 2023, 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 2023

Cellnex offers its customers telecom infrastructure services for sustainable connectivity so that customers do not have to manage the infrastructures and networks over which their systems operate. Cellnex's neutral host approach enhances its efficiency, creating a model that revolves around multi-operator sites. This strategy results in reduced costs for customers, enhanced sustainability in telecom and connectivity ecosystems, and swift fulfilment of stakeholders' expectations through rapid service deployment. In this regard, Cellnex sites are the preferred choice for Mobile Network Operators (MNOs), as well as other telcos and operators seeking sustainable connectivity.

Cellnex's range of services are aimed at ensuring the necessary 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), Fibre to the tower (FTTT), and Small Cells.

- **Broadcast:** Terrestrial Network Operator for TV Broadcasters (DTT, Digital Terrestrial Television) and Radio Broadcasters (FM and digital DAB/DAB+ technologies).

- **Other network services:** Mission 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 various countries where it is present, as shown below. In this regard, the portfolio of services provided by Cellnex can be marketed in all the countries where the company is present, complying at all times with local market regulations and any other additional regulations in each country.

90.9%	5.7%	3.4%
Telecom Infrastructure Services (TIS)	Broadcasting Networks	Network Services and others

<u>**Telecommunications Infrastructure Services (TIS)**</u>

Cellnex operates in 154,795 Point of Presence (PoPs), has a portfolio of 111,409 TIS sites, including BTS committed deployments and is committed to the development of new generation networks. Cellnex data centers are set up per floor, compact and modular, so they can always be set up according to the latest technology and fine-tuned based on individual specific requirements.

RAN sharing

RAN sharing involves the sharing of all Radio Access Network (RAN) equipment, including the antenna, mast, and backhaul equipment. The frequencies of different MNOs are emitted from the same telecom equipment, providing services to corresponding users. In this way RAN access networks of the various MNOs are incorporated into a single physical network, which is then split into separate networks at the point of connection to the Core of each MNO (MORAN) or the same Core (MOCN).

Cellnex Site Share solution enables Mobile Network Operators (MNOs) to develop and grow their networks, cost-effectively and efficiently, as Site Share allows MNOs 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, etc.). The objective is to meet and improve the SLAs (service level agreements) offered by Cellnex, which fall under two main categories: 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 on improving them.

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

Cellnex Spain adapts sites to accommodate 5G technology

In Telecommunications Infrastructure Services (TIS), the most notable milestone for Cellnex Spain has been the adaptation of sites to accommodate the 5G technology of operators (Telefónica, Orange, and Vodafone) in the 700 MHz and 3.5 GHz bands. These modifications and enhancements began en masse in 2022 and continued on a large scale throughout 2023, reaching a cumulative total of 5,000 adaptations. They will continue in 2024.

Additionally, in 2023 Cellnex Spain has carried out additional actions, apart from those related to 5G, including the roll-out of the Jumping project (Orange, Vodafone) and reinforcements for transmission, 4G enhancements, etc.

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

Throughout 2023, Cellnex has been working with its customers to increase network coverage and capacity - these adjacent assets include: distributed antenna systems (DAS) and Small Cells, which are key to delivering hyper connectivity in special venues that experience high densities throughout the day, such as stadiums, shopping centres, metro and rail stations; fibre-to-the-tower (FTTT), to expand data transmission capacity; and edge computing enabled sites which are key to ensuring the low latencies (response times) that are 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.

DAS and Small Cells

Small Cells and Distributed Antenna Systems (DAS) are systems designed to increase network coverage and capacity by extending mobile operators' coverage, mainly in indoor and highly crowded outdoor areas where the signal level and capacity of existing mobile operators' base stations do not 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 facilitates outstanding mobile connectivity for spots where large numbers of users are concentrated, such as stadiums, skyscrapers, shopping malls, crowded outdoor areas and airports. These solutions also provide excellent coverage for underground places like tunnels, car parks or railway stations. In addition, DAS and Small Cells are one of the basic infrastructures that will underpin the roll-out of the new 5G communication standard.

Notably, Cellnex Spain has continued to deploy DAS at major football stadiums for clubs such as Osasuna, Almería and Levante to ensure optimal mobile coverage and capacity even when they reach their maximum spectator capacity, transforming these venues into Smart Stadiums. Additionally, Cellnex has implemented DAS systems to provide multi-operator coverage in office buildings and retail stores for major companies like Ikea, as well as strategic buildings of gas and electricity distribution companies such as Naturgy.

Furthermore, it is worth noting that Cellnex has reached an agreement with USP to deploy 5G antennas on new stands, which will become key locations for the Small Cells network roll-out, thereby boosting connectivity in major cities.

Naples and Catania metros

After being awarded the relevant concessions, Cellnex Italy has initiated the design and construction of multi-operator Distributed Antenna Systems (DAS) in the Naples and Catania metro.

In Naples, Cellnex will cover line 1, also called “Metro dell'Arte”, referring to the permanent contemporary art installations in numerous stations. The DAS system, designed by Cellnex in the 16 stations and tunnels on Line 1, will consist of a network of optical repeaters, connected to a widespread distribution of antennas with minimal visual and electromagnetic impact, designed for the diffusion of mobile operators' signals. In the case of Catania, Cellnex will roll out a similar system to provide reliable mobile coverage in the 12 stations and tunnels on the metro network.

Construction of the essential infrastructure for the repetition of the mobile radio signal will allow all passengers on the Naples and Catania metros to have stable, high-performance cellular coverage - data and voice - for their smartphones and tablets, even in particularly overcrowded situations, thus increasing the overall quality of the transport service and travel experience. 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.

Old War Office

The Old War Office in Whitehall has recently opened as The OWO. Located at one of London's most historically important and influential addresses, the building has undergone a monumental transformation and will host London's first Raffles hotel. The OWO has been reimagined as a new destination with the 120-bedroom Raffles Hotel, a collection of nine restaurants and three bars, a Guerlain Spa and 85 Raffles-branded residences. The in-building connectivity solution provides fast, consistent mobile signal and data coverage across the building and is now live for residents and visitors, supported by the UK Mobile Network Operators.

The OWO, like many large, historic buildings, was constructed with materials that naturally block mobile signals from outside the building. Cellnex UK deployed a Distributed Antenna System (DAS) inside the building that provides fast and reliable connectivity across indoor areas and corner spaces in the building, including the hotel's 600 capacity ballroom.

Luxury hotels, commercial real estate and hospitality are key markets for Cellnex UK's in-building division, which expanded in October 2022 after the company acquired indoor connectivity specialists Herbert In-Building Wireless and formed Cellnex UK In-Building Solutions (CUKIS). The CUKIS team has extensive experience across these three markets, delivering solutions in line with a building's original architecture and historical features, both as standalone retrofits and within major construction site environments, ensuring minimal disruption during deployment and constant coordination with other parties. As a neutral host, Cellnex UK is in a strong position to support the hospitality and real estate sector to deliver the connectivity that their customers need in their daily lives. Delivery of multiple projects has been undertaken this year through CUKIS, including successful installations and handovers to operations at major global retailers, mixed use office spaces and shopping centers - as well as at 'The OWO' luxury hotel in London, in Addenbrookes hospital in Cambridge, and across multiple Sky UK offices - alongside the securing of both new and repeat business in a number of different sectors including commercial real estate and hospitality arenas.

The Social Hub

Cellnex will deliver indoor mobile coverage to The Social Hub, formerly known as The Student Hotel, at two key locations for the next 10 years. Cellnex supports optimal mobile coverage by means of a DAS and in close cooperation with the national mobile network operators. Implementation has been completed at the Delft (Netherlands) and Vienna (Austria) locations. Founded in 2012 as The Student Hotel. The Social Hub pioneered the model known as hybrid hospitality. Now, having evolved from a student hotel into a global concept putting 'social' at its core, guest and community connection is a key part of its business offering. The Social Hub's current 16 locations in six countries - including Delft, Amsterdam, Berlin, Bologna, Florence, Madrid and Vienna - offer a wide range of facilities and services. These include large, shared spaces, student housing, hotel rooms, co-working spaces, meeting rooms, gyms, bars, restaurants and community event programmes.

The Social Hub is embarking on retrofitting existing and new locations with increasingly sustainable materials. However, high-quality insulation materials are characterized by low permeability for mobile signals. At the same time, good indoor coverage is important to offer guests an optimal experience.

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.

Mission Critical Private Networks (MCPN) services

Mission Critical Private Networks (MCPN) are mobile networks specially designed and dimensioned to provide coverage for the bodies and professional groups involved in security and emergencies (police, firefighters, ambulances, etc.), in both urban and rural areas, with very high availability, robustness, and reliability to ensure their communications.

In January 2023, the renewal contract for the RESCAT network (Emergency and Security Radiocommunications of Catalonia) came into effect, signed for a period of five years. Throughout this year, Cellnex has implemented an extensive plan for the renewal and improvement of the network, expanding coverage and implementing new network functionalities. In the same year, Cellnex also rolled out the LINCE critical mission network for the Andalusian Regional Government, the largest DMR technology network in Europe. Additionally, the COMDES network in the Autonomous Community of Valencia has been extended for one more year.

Cellnex Spain to develop an energy efficiency project based on IoT technology and artificial intelligence

The UNED (National Distance Learning University) has granted Cellnex approval to implement phase 2 of the project to optimise the energy efficiency of the air-conditioning and lighting systems at its university campuses through Internet of Things (IoT) technology. The objective is to reduce and optimise energy consumption, especially in empty spaces, maintaining pre-defined comfort conditions which, in turn, avoid cost overruns by reducing or raising the temperatures of spaces when unoccupied and also avoiding overly drastic differences between occupied and unoccupied spaces that prevent them being kept at optimal levels. Cellnex will 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.

Cellnex Italy to continue promoting 5G and improving M4 Line

Cellnex will promote the development of 5G infrastructure in European transport corridors. Additionally, studies encompass establishing connectivity between Italy and Austria, along with implementation of the EUMOB project in collaboration with Abertis.

As regards the metro system in the country, specifically Metro M4 Milano, in addition to the initial six stations opened in 2022, two new stations on the M4 line (San Babila and Tricolore) were introduced in 2023, establishing a connection from the centre of Milan to Linate Airport. Furthermore, initiatives have been launched for the development of Metro Napoli and Metro Catania.

Other progress made by Cellnex in Italy includes the DAS System for Fiumicino Airport – ADR, Tetra Standard Mission Critical System for Rome Airports (Fiumicino and Ciampino), Tetra standard professional mobile radio system for the municipality of Livorno, Tetra standard professional mobile radio system for emergency communications for AMT Metro Genoa, remote reading service on LoraWAN infrastructure for the provinces of Brindisi and Taranto – Pugliese Aqueduct and 12,000 iliad and fastweb hospitality via WindTre.

Cellnex Spain collaborates with RTVE

In 2023, Cellnex collaborated with Radio Televisión Española (RTVE) in UHD-4K HDR broadcasting of various events, including the World Athletics Championships in Budapest and the FIFA Women's World Cup in Australia/ New Zealand. The success of these pilot tests culminated in RTVE's announcement to start its regular UHD-4K-HDR broadcast channel on 14 February 2024.

Audiovisual broadcasting networks

Cellnex continues to be one of the leading broadcast infrastructure operators in Europe, primarily in Spain and the Netherlands, distributing Digital Terrestrial Television (DTT) signals and Radio signals (FM and digital DAB/ DAB+) from its high towers to deliver content from broadcasters to homes and users. The public service nature of these broadcasts demands very high service availability standards, which Cellnex provides to its customers through the high reliability of its infrastructure, with redundant power and transmission systems, and stringent processes defined for the flawless operation and maintenance of all these services. In Spain specifically, Cellnex has around 3,000 sites transmitting DTT and Radio signals.

Thanks to services provided and initiatives implemented by Cellnex, the DTT platform demonstrates its innovative character year after year by incorporating improvements in the broadcast quality of its channels, such as Ultra High Definition (UHD-4K), hybridisation with the world of non-linear broadband with services like the HbbTV LOVEStv platform and future access to mobile terminals through the new 5G Broadcast standard.

LOVEStv updates: In 2023, LOVEStv, the joint content platform of the main Spanish broadcasters (RTVE, Atresmedia, and Mediaset), updated its user interface. The new interface provides access to last week's content and the most visited content on the platform, along with the option to continue watching partially-viewed content or access the search engine, all on a single screen. Notably, users can seamlessly continue watching content from linear television on LOVEStv, thanks to integration with DTT.

Contribution and diffusion test through 5G for UHD-HDR content: a pioneering worldwide pilot test of UHD-HDR transmission, with next-generation enhanced audio (NGA), was conducted under the Spanish industrial association UHD España, the vice presidency of which is held by Cellnex. The test used multi-camera contributions through a 5G network, cloud mixing and multimedia broadcast TDT transmission, including 5G Broadcast to reach mobile terminals. This pilot test represents a key milestone that paves the way for the future of these technologies in UHD services, facilitating their contribution, production, and broadcast.

Broadcast project highlights in Spain for 2023 include renewal of the contract with RTVE for another five years for DTT and Radio carrier services, totalling over €300 million. Contracts for DTT carrier services with the regional television stations in the Autonomous Community of Madrid and DTT and FM services with the regional radio and television in the Balearic Islands have also been renewed. Additionally, the government of the Autonomous Community of Castilla y León has granted some new FM licenses to broadcasters, many of whom have contracted the Broadcasting Service to Cellnex in 2023.

Lastly, and no less importantly, in the final months of 2023, intensive work was carried out with all national, regional and local public and private Television operators to prepare for the migration of their DTT licenses from standard definition (SD) to High Definition (HD) on 14 February 2024, as established by Royal Decree 16/2023 of 17 January 2023.

Cellnex Spain collaborates with RTVE

In 2023, Cellnex collaborated with Radio Televisión Española (RTVE) in UHD-4K HDR broadcasting of various events, including the World Athletics Championships in Budapest and the FIFA Women's World Cup in Australia/New Zealand. The success of these pilot tests culminated in RTVE's announcement to start its regular UHD-4K-HDR broadcast channel on 14 February 2024.

Multi-camera television broadcast using a 5G network

A full 5G-UHD workflow has been showcased in Madrid by UHD Spain in collaboration with Cellnex. 4 UHD-HDR cameras were transiting simultaneous streams between 25 and 30Mbps to the cloud production system thanks to the private 5G network deployed for this purpose. After the cloud production the concert was broadcast through the DTT UHD test network, covering more than half of the population of Spain, by satellite, CDN and additionally in a 5G Broadcast network locally available at the event venue.

Innovation

Innovation at Cellnex is led by the Innovation Department and has two main functions:

1. Exploration: focusing on monitoring existing and future technologies that may have an impact on the company's business (e.g. Quantum communications, new RAN architectures).

2. Project Management: Overall implementation of innovation projects and initiatives.

The innovation department focuses on the development of two main types of projects:

1. Mobility: Communications for connected and intelligent infrastructure that include highways, railways, maritime and ports;

2. Site of the future: Infrastructure for the future of telecom communications.

In line with Cellnex's commitment to innovation and technological improvements, the company is investing €5.9 million in developing, testing, and launching new innovative products and solutions in the countries where Cellnex operates. The main projects are described in the following sections.

Neutral host, connectivity in areas with high seasonal occupancy

Barcelona has become the scenario for a complete 5G network roll-out undertaken jointly by Cellnex, MásMóvil and their partners. They have deployed a neutral host model on Barcelona's beaches that enables efficient and flexible 5G network roll-out and extends connectivity services to shadow areas and areas where the needs for network resources are highly seasonal, such as beaches.

In 5G Catalunya, Cellnex has implemented an efficient and dynamic multi-operator neutral network in a tourist area that suffers variations and a wide range of peaks in the number of users, the Barcelona Beach.

Operators need to roll out their 5G networks in an efficient manner, so Cellnex's role as the neutral operator will avoid the deployment of four distinct networks in Spain by offering the possibility of resource-sharing. Operators will therefore be able to offer higher quality service and increase their coverage more effectively to places that were previously shadow areas, mainly due to roll-out costs.

5G Catalunya has demonstrated a new multi-operator virtualised 5G network deployment model in which Cellnex offers an efficient solution to the growing demand for network capacity in high-traffic areas. One example is the challenges that summertime traffic peaks pose to the scaling of mobile network capacity in tourist areas such as beaches, resulting in network congestion and poor user experience.

5G Catalunya has implemented an efficient virtualised multi-operator neutral network which, by sharing infrastructure, fibre and radio access network (RAN) resources, allows mobile network operators to efficiently increase network capacity and consequently densify operator networks while reducing deployment costs.

The roll-out involved installing a virtualised RAN based on Open RAN. This new network architecture makes it possible to virtualise elements of the network on general-purpose servers and uses open software and interfaces to integrate the various components of the access network, fostering innovation and reducing deployment costs. The servers were installed in an edge data centre managed by Cellnex. In addition, a Small Cell was deployed to cover part of Somorrostro beach and two mobile network identifiers (PLMN_ID) were broadcast to simulate two network operators sharing the mobile network (RAN Sharing). Másmovil Group provided both the frequency and PLMN_ID.

This pilot project represents one of the first experiences in which networks are successfully shared through virtualised RAN.

Outdoor Open RAN Testing in London

Cellnex UK will deploy a 5G Open RAN network in Hammersmith and Fulham. The collaboration partners include Digital Catapult, Capgemini, Ofcom and the Department of Science, Innovation and Technology.

The outdoor facility will serve as a critical hub for the advancement and validation of Open RAN solutions, allowing vendors to rigorously test their products in a representative network deployment scenario.

Cellnex will own the end-to-end delivery of the platform, utilising its infrastructure assets, extensive network design and delivery expertise. The network will comprise two rooftop macro sites and seven Small Cell locations to enable overlapping 5G coverage in a dense urban environment. Transmission will include a combination of Cellnex dark fibre and commercial ethernet services back to the core. In addition, two edge sites with standard server hardware will enable a virtualised RAN solution and create the flexibility to test different network architectures.

The test environment will showcase Open RAN capabilities in a real-life scenario and provide collaborative learning opportunities with mobile network operators and the wider industry for both public and private networks

Cross-border corridor between Spain and France based on 5G

5GMed will demonstrate advanced Cooperative Connected and Automated Mobility (CCAM) and enhanced communication for railways along the "Figueres – Perpignan" cross-border corridor between Spain and France. This is enabled by a multi-stakeholder compute and network infrastructure deployed by MNOs, neutral hosts, and road and rail operators, based on 5G.

For the project, the cross-operator service orchestration is moving on to edge technologies - testing and achieving the objective will be one of the main challenges. The project is also working on several innovations in multi-connectivity supporting high-speed vehicles and trains. Different enhancements are also being studied to speed up roaming transitions across MNOs and neutral hosts.

An important point regarding the project is that this network is being tested through four different use cases:

1. **Remote Driving**: Assisting an automated vehicle out of its Operating Design Domain and maximising safety for all road users. Vehicle and passengers will be taken remotely to a safe location.

2. **Road Infrastructure Digitalisation**: Bringing road infrastructure closer to Level A of the ISAD classification. Enhanced road infrastructure elements with dynamic traffic control strategies. Improving traffic flow and safety.

3. **Enhanced Communication for Railways**: Improving railway telecom service experience. Advanced applications in cross-border situations. On-board seamless service continuity with multiple media types, service QoS requirements, handover between service orchestrators and edge network transitions.

4. **Follow-me Infotainment:** Processing and distributing high quality media contents, in an end-to-end fashion, from the involved sources to the end users while travelling in cars or trains. Optimising streaming distribution, resulting in a high-quality reception synchronising multiple streams in a smooth way, even in the cross-border scenario.

Digital Connecting Europe Facility (CEF-2)

CEF-2: Cellnex continues to drive 5G infrastructure in European transport corridors and in rural areas where the current lack of mobile coverage serves to digitally exclude these territories.

Cellnex has been awarded five projects by the European Commission. These include one new deployment (Baltcor) and one study (5G Fréjus) of feasibility to drive 5G infrastructure in European transport corridors, thus benefiting EU citizens and industry. The new deployment project will cover one cross-border corridor connecting Poland to the Czech Republic. In addition, the study includes the connection between France and Italy.

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, seamless 5G connectivity for road safety services, to offer connectivity services to vehicle and passenger users along these corridors, and to provide 5G connectivity in rural environments to deploy use cases related to health and education. To this end, Cellnex will deploy 10 new telecommunications sites, where 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 5G connectivity along some 400 km.

Managing public safety and emergencies using 5G

This initiative, which falls within the scope of 5G Catalunya, involves the Barcelona Urban Police Force and Fire Brigade and focuses on three basic safety pillars: prevention, rapid intervention, and drawing conclusions for better management of emergencies, traffic and public safety by analysing past situations.

The initiative took place at the junction of Avinguda Diagonal, Carrer Pere IV and Carrer Lope de Vega in Barcelona’s Poblenou neighbourhood. Cooperation from the Guardia Urbana – which provided descriptions of its usual operations so they could be improved using 5G – was a key factor in developing the project. In addition to 5G terminals, five security cameras were installed on three street lights, which were then connected to a control centre managed by the Guardia Urbana.

The use case involved testing Stand Alone (end-to-end) and Open Ran (open standard) 5G networks for a complex web of devices and applications which, thanks to the features of this new wideband and real-time technology, will make it possible to manage emergencies and traffic more efficiently and monitor the safety of officers while on duty.

Specifically, based on the results, 5G networks can help to prevent critical situations by making it easier for emergency teams to respond quickly. By providing access to multiple sources of information, the networks optimise and speed up decision-making in critical situations where time is of the essence and access to information makes a critical difference.

5G Catalunya implemented the right infrastructure to support functionalities such as: Real-time vision, real-time alert management, improved communication between law enforcement agencies, monitoring officers' physical condition and sharing information with the vehicles involved. Notable outcomes included:

1. Video images are key to analysing and defining emergency or urban safety situations. 5G networks enable data transmission with minimal latency which, together with the high bandwidth and the use of artificial intelligence, will allow security forces to anticipate, detect and analyse situations, thus making decisions more efficiently and effectively.

2. The remote management of urban devices, like video cameras located on street furniture, streamlines the management of emergencies and helps generate a safe, hierarchical, and traceable environment for resource sharing.

3. Additionally, high bandwidth and artificial intelligence processed across edge computing servers mean that law enforcement agencies will be able to anticipate, detect and analyse situations in order to make decisions more efficiently and effectively. This all occurs in a secure, hierarchical,and traceable resource-sharing environment made possible by edge computing technology and system orchestration.

Connected Vehicle: Contributing to the digital transformation and enhancement of connectivity along high-capacity routes

The digital transformation and enhancement of connectivity along high-capacity routes will lay the groundwork for public administrations and the private sector to engage collaboratively in the conceptualisation, deployment and operation of a harmonised solution for these high-capacity corridors.

These infrastructures are deemed crucial facilitators for rolling out the connected and automated mobility of tomorrow. They will also play a pivotal role in bolstering the digitalisation of railway operations and providing services that extend beyond the transportation sector in areas adjacent to these corridors, including rural regions.

In this regard, Cellnex is working on several innovation projects along its footprint that are strategic for Cellnex's positioning as a leader in connected vehicle infrastructure. The following programmes are some highlights of Cellnex's activities in this area in 2023:

• Podium targets enabling connected and cooperative automated mobility in real traffic conditions. The project will carry out demonstrations in real-life conditions of specific use cases in three Living Labs (LLs) in Germany, Italy and Spain, in urban, highway, and cross-border environments.

• Creta aims to ensure C-V2X coverage along two sections of the C-32 road (from Sitges exit 30 to Gavá exit 50). Cellnex will deploy 11 C-V2X RSUs all around the C-32 sector, allowing the deployment of real C-V2X services; a vendor-agnostic V2X Gateway and testing a self-sustainable site (with solar panels, batteries, etc.)

• ARTUS MINCOTUR awarded the implementation of the PERTE to a consortium led by Renault, comprising around fifty partners. Cellnex's goal is to pave the way for the commercialisation of advance mobility services (sell V2X networks) for labs and create the need for V2X in transport corridors. To achieve this, Cellnex will deploy a PN for cybersecurity testing and a PN/V2X at Zona Franca Barcelona for services testing, and will produce multiple sets of documentation outlining industry outlook, standard V2X/PN architecture, dissemination, etc.

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 4,616 telecommunication sites located in urban, peripheral and rural areas throughout Austria. Notably, several dozen Cellnex sites have been deployed to provide mobile coverage 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 1,638 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. 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.

In the second half of 2023, Cellnex completed the divestment of a 49% interest in its subsidiaries Cellnex Sweden and Cellnex Denmark to Stonepeak in exchange for approximately €730Mn. The Group will continue to manage and consolidate these operations.

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 9,000 sites throughout France. Nexloop France was created in May 2020 under a strategic partnership between Bouygues and the Cellnex France Group. 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 23,737 sites. France is the only country where Cellnex has three anchor clients (Bouygues, Iliad and SFR) with which it is deploying build-to-suit programmes.

Moreover, Cellnex executed the disposal of 2,353 sites in France to Phoenix Tower International (PTI) and to a joint venture of PTI and Bouygues Telecom. These transactions were made in compliance with the agreements that were reached in accordance with the remedies established by the French Competition Authority, following Cellnex's acquisition of Hivory in 2021. The Group has received approximately €631 million from the sale of these assets. Following this execution, Cellnex expects to transfer an additional c.870 remaining sites, to be concluded by 2024.

Furthermore, Cellnex reinforced its partnership with Altice through an additional agreement to deploy new 1,800 PoPs on existing and new sites for SFR. There is an associated long-term service provision contract for a 20-year period from the starting date of each new PoPs and all-or-nothing renewal, and the total investment over a 6-year period is expected to be of up to EUR 275 million.

Cellnex also reached an agreement with Bouygues Telecom to extend the fibre-to-the-tower project roll-out initiated in 2020 through Nexloop, extending the service provision contract until 2050, extendible for successive additional periods of 5 years (2050+5+5). This new agreement also includes building up to 65 new metropolitan offices designed to house data processing centres (Edge Computing). The associated investment over a 6-year period amounts to up to €275 million.

Cellnex Ireland

Cellnex Ireland's portfolio of sites consists of more than 1,985 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, which covers the whole of Italy with a total of over 22,160 sites. Cellnex Italy provides multiple services in multi-operator mode, a key concept for the development of wireless networks and services, in order to optimise 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 telecommunications, broadcasting and data centre sectors. Its main offices are located in Utrecht. Cellnex's telecommunications infrastructure in the Netherlands consists of antenna masts, rooftops, broadcasting towers and networks, data centres, 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 and Breedlink BV (in 2017), On Tower Netherlands BV (in 2019), Cignal Infrastructure Netherlands BV (originally T-Mobile Infra BV) (integrated in 2021), Media Gateway (purchased in 2021), and The Broadcast Group BV (in 2023). Cellnex Netherlands manages 4,104 sites, 35 data centres and more than 700 radio broadcasting transmitters.

Cellnex Poland

In July 2023, Cellnex executed its option to buy the remaining 30 percent stake in On Tower Poland for EUR 512 million (PLN 2.27 billion) from the Iliad Group, owner of Play, and already has 100 per cent in On Tower Poland.

In the first half of 2023, Cellnex and Iliad Purple entered into an agreement under which Cellnex (through Cellnex Poland, of which Cellnex owns 100%) acquired an additional 30% interest in the share capital of On Tower Poland Sp. z o.o. ("On Tower Poland") from Iliad Purple for an amount of approximately PLN 2,273 million (with a Euro value of €512 million as of the date of completion), exclusive of taxes. Following this acquisition, Cellnex Poland held 100% of On Tower Poland as of 30 June 2023. Thus, the indirect stake that Cellnex held in On Tower Poland increased from 70% to 100% on 30 June 2023. Cellnex Poland manage 16,040 sites.

Cellnex Portugal

Cellnex Portugal joined the group in 2020, comprising 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. Through Omtel, On Tower and Infratower, Cellnex owns approximately 6,541 telecommunication sites across urban, suburban, and rural areas in mainland Portugal and the islands of Madeira and the Azores. The integration of Hivory and Infratower into Omtel in December 2023 aims to optimise synergies, simplify the corporate structure and adopt faster and more efficient governance mechanisms, thereby making the incorporating company more solid, competitive and responsive to the challenges of the present and the future. In December 2023, Cellnex Portugal concluded a five-year contract with SIRESP, S.A., providing operations and maintenance services for passive infrastructures supporting the SIRESP network (the Integrated System for Emergency and Safety Networks of Portugal). The awarding of this contract represents another crucial development in the growth story of Cellnex in Portugal, emphasising the company's responsibility, demand and professionalism in managing critical infrastructures. Portugal remains a strategic market for the development of the Cellnex Group.

Cellnex Spain

The Group's central offices are in Spain and the activity undertaken in that country is carried out by the company Cellnex Spain. Cellnex Spain has an extensive telecommunications vast network in Spain that encompasses by 10,535 operational sites. This extensive network of sites has a broad geographical reach and enables Cellnex Spain to offer services to different types of customers, 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) With regards to the Operators, the company mainly provides collocation of base stations and connectivity (data transmission). It boasts 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. (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.

Lastly, regarding projects with European NextGen funds, Cellnex has participated in the Unique 5G sectoral, Unique 5G backhaul and Unique 5G active rural networks programmes, both directly and indirectly, supporting its customers (Operators and Large Enterprises). The aim is to achieve operational excellence in delivering services to customers.

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 3,114 sites throughout the country and includes everything from 72-metre towers to distributed antenna systems for mobile and other 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 and installation services, and site operation and maintenance. Cellnex Sweden is an infrastructure colocation partner of the main Swedish wireless operators. The company provides secure and well-maintained sites for mobile, broadcast, IoT, Wi-Fi and fibre operators.

Additionally, as stated above, Cellnex has completed the divestment of a 49% interest in the operation to Stonepeak.

Cellnex Switzerland

Cellnex is the leading independent and neutral telecommunications infrastructure and services operator in Switzerland. Led by a team of industry experts, Cellnex Switzerland manages a broad network of 5,487 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 integrating 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 half of 2019, the Group entered into a long-term industrial alliance with Matterhorn Telecom Holding SA by virtue of which Swiss Towers AG purchased 90% of the share capital of Swiss Infra SA. In the first quarter of 2021, Cellnex (through Cellnex Switzerland AG), entered into an agreement with Matterhorn Telecom Holding 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 SA as of 31 December 2021.

Cellnex United Kingdom

Cellnex UK has over 13,218 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 customers, portfolio partners and stakeholders across the industry, driving innovation and growth and creating value for everyone in today's connected world.

In 2023, Cellnex UK focused on its core TIS (Tower Installation Services) business as well as its Small Cells and In-Building solutions offering, following a period of heavy M&A activity from 2020 to 2022. Throughout 2023, the UK team delivered a total of 2,100 upgrade projects and 240 new PoPs (Points of Presence). Cellnex UK also achieved its highest delivery volumes ever for two of the four UK Mobile Network Operators in 2023.

The team acquired 55 sites in Scotland as part of the S4GI (Scottish 4G Infill) programme – playing an important role in improving connectivity for rural communities in Scotland. And after acquiring Herbert In-Building Wireless in Q4 2022, Cellnex UK has continued to win new customers for its in-building business.

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 a Global Risk Management Policy approved by the Board of Directors that sets out the group-level risk strategy. The approval of this policy also established the strategy for Global Risk Management and its commitment to the application of best practices in the countries in which the Company operates, based, in turn, on international reference standards.

Cellnex's Board has focused its work on defining the risk management strategy, supervising its application and monitoring it, as well as promoting best corporate governance practices. As a function entrusted by the Board, the Audit and Risk Management Committee (ARMC) supervises the effectiveness of the Global Risk Management Model and the information provided to third parties, and must ensure that the risk management framework identifies, prioritises, controls, monitors, and reports them properly. A Global Risk Committee was established in 2022, including members from all functional Corporate departments and advised by the internal audit unit.

The Global Risk Management department is the main one responsible for the optimal deployment of the risk management methodology within the organisation, ensuring monitoring and compliance. The Global Risk Management function is based on anticipation, independence and commitment to the Group's business objectives, guaranteeing the robustness of the Global Risk Management Model through a risk assessment methodology aligned and adapted to the needs of the risk function and of the Company Risks are events that may have an impact on the achievement of the strategic objectives established by the Board of Directors, so they must always be considered for risk management in order to guarantee the resilience of the organisation.

In order to carry out correct risk management, it is important to analyse both external and internal factors that could lead to an event having an impact on the Cellnex Group's objectives.

The governance of the Global Risk Management Model is configured taking the best international practices as a reference. It is based on a combined assurance around the Three Lines Model, providing an integrated vision of how the different parts of the Cellnex Group organisation interact effectively and in a coordinated manner, making the Group's risk management and internal control processes more efficient.

Cellnex is currently developing a new Global Risk Management Master Plan 2024-2026, featuring three strategic lines (resilience, anticipation, and risk culture) and five key initiatives (risk assessment, internal control model, communication and awareness, governance model, and SAP GRC implementation). Those three modules are already in production in SAP GRC, and internal control campaigns for ICFR (SCIIF in Spanish), TAX, and Compliance have been launched, along with Cellnex's general Entity Level Controls (ELC).

The Business Continuity Framework was fully defined (policy, scope, etc.) in 2023, along with the analysis phases (BIA, risk assessment), design (continuity strategies, mitigation controls), and implementation (response teams, BCPs, DRPs). There's a special focus on the crisis management plan, which will include dissemination of the plan and a corporate-level drill in 2023. The Business Units will conduct these drills in 2024.

Regarding the Risk Management Communication Plan, training and awareness-raising actions regarding the new risk management methodology were carried out in 2023 with the Risk Partners, to support them as Second Line. In addition, training and awareness-raising actions on the new risk management methodology were also carried out in the corporate departments during the risk assessment process.

Cellnex's risk department has also been working closely with its ESG department throughout 2023 to anticipate and adapt to the new way of conducting non-financial reporting according to CSRD/ESRS in a joint and coordinated manner. The ESRS emphasise the critical role of risk management, underlining the paramount importance for companies to remain prepared and proactive in addressing potential risks and uncertainties.

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 19.2.of the accompanying financial statements.

1.5 Use of financial instruments

In the year ended 31 December 2023, 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 Sustainability strategy

Double materiality analysis

In recent years, there has been a growing demand for sustainability-related information within the evolving business environment. It has become essential for companies to integrate sustainability into their core business operations. Within this context, identifying a company's key concerns related to Environmental, Social and Governance (ESG) issues is crucial to meet the expectations and requirements of stakeholders.

In this context, following the inception of the Non-Financial Reporting Directive (NFRD), its review under the Corporate Sustainability Reporting Directive (CSRD) and the subsequent development of the European Sustainability Reporting Standards (ESRS), there has been an increased focus on the concept of double materiality. This concept involves assessing the organisation's influence on the environment and society (impact materiality) alongside the effect of Environmental, Social and Governance (ESG) issues on the company's capacity to generate value (financial materiality).

In 2022, Cellnex carried out a double materiality analysis in which 29 Specific ESG Topics were identified, based on the Group's 2020 materiality matrix and taking into account both, impact materiality and financial materiality. These Specific ESG Topics represent the main impacts generated by Cellnex. After analysis, in 2023 the aspects identified in 2022 were considered to be still valid. However, at the end of 2023, a new double materiality assessment was started, to be completed in 2024 and also following the requirements of the CSRD and the EFRAG guidelines to carry it out.

The double materiality analysis was validated by the Nominations, Remunerations, and Sustainability Committee, and was presented to the Executive and ESG Committees.

ESG Master Plan

Cellnex's ESG Policy is delivered through the 2021-2025 ESG Master Plan. This is a five-year plan built on 6 strategic axes (which includes a cross-cutting strategic axe related to communication, awareness and training actions) and each with a total of 21 strategic lines. The Plan is applicable to all Cellnex geographies, demonstrating the importance of ESG within the company.

The ESG Master Plan was devised to enable Cellnex to implement initiatives to bolster the Company's influence on the Sustainable Development Goals (SDGs) over a period of 5 years. Additionally, the plan aligns its strategies with the specific SDGs and their corresponding targets. The ESG Master Plan underwent a mid-term review in 2023, in order to update the actions for 2023-2025.

The Master Plan amalgamates ethical governance and social and environmental initiatives, aligning them with the SDGs and adhering to international standards. It encompasses the latest sustainability trends, with commitments and objectives tailored to meet the expectations of all Cellnex stakeholders. Cellnex incorporates ESG elements into its strategy, efficiently and responsibly measuring and managing the impacts on society and the surrounding areas.

Cellnex acknowledges the emergence of new risks and demands amidst globally prevailing environmental and social phenomena. Beyond the scope of purely economic aspects, this heightened awareness, along with the challenges encountered by organizations like Cellnex — greater emphasis on transparency, increased shareholder engagement, climate change, risks within the value chain, circular economy practices, SDGs and others — has driven the company to reinforce its dedication to Environmental, Social and Governance (ESG) matters in recent years.

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

As a demonstration of its dedication to ESG transparency and accountability, the table below showcases the tracking of these KPIs and targets outlined across each dimension.

Notably, new objectives were incorporated into the ESG Master Plan following the mid-term review in 2023. A large part of the 2023 targets have been successfully achieved. Cellnex is also on the right track to meet short-term objectives.

Cellnex has decided to move away from focusing on specific recruitment metrics to reflect its commitment to EDI. It believes that a holistic approach, including retention, talent development and organisational culture, is necessary to achieve a true EDI mindset. In this regard, the company has focused on career development, creating opportunities and internal promotion, reducing the gender pay gap, as well as fostering an inclusive workplace culture.

On the other hand, the level of engagement could be regarded as stable compared to previous years, but taking into account all the changes, this marks a significant success.

The ESG awareness indicator has also been modified, linking it to the annual ESG Communication Plan.

1.8. Corporate Governance

In today's dynamic business landscape, the concept of corporate governance is the bedrock upon which organisations build their ethical and operational foundations. The firm commitment to conducting business under the banner of efficient and transparent corporate governance has become a clarion call for organisations seeking not just success, but also sustainability and long-term growth.

Cellnex's robust corporate governance framework not only safeguards the interests of stakeholders but also fosters a culture of integrity, responsibility, and excellence. Cellnex works to implement and consolidate best corporate governance practices, 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 Board of Directors' actions, in line with the Company's legal and statutory obligations and guided by its internal regulations, prioritise the company's well-being and mission. They also operate within the boundaries of the law and uphold explicit and implicit agreements with employees, suppliers, financiers, and customers in good faith. Additionally, they adhere to the ethical responsibilities expected of a responsible business entity and follow a revised Procurement Policy to enhance transparency in understanding value chain processes. In this regard, the Board of Directors is responsible for managing and representing the Company as set out by the terms of the Spanish Companies Law.

Cellnex has been working on incorporating the principles of the Good Governance Code of the Spanish Securities Market Commission (CNMV, from the Spanish abbreviation). This Good Governance Code comprises a number of recommendations designed to achieve multiple objectives, including fostering the effective operation of governing and administrative bodies within Spanish companies, enhancing competitiveness, instilling confidence and transparency for shareholders and both domestic and international investors, strengthening internal controls and corporate responsibility in Spanish companies, and ensuring a meticulous separation of functions, duties, and responsibilities within companies, all while upholding the highest standards of 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 recognized 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 Group 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 Group 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).

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

On 1st June 2023, the Annual Shareholders' Meeting approved the distribution of a dividend charged to the share premium reserve to a maximum of EUR 85 million, to be paid upfront or through instalments during the years 2023, 2024 and 2025. 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.

During 2023, and in compliance with the Group´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 11,822 thousand, which represents EUR 0.01676 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 1st June 2023, approved the distribution of a dividend charged to the share premium reserve in the amount of EUR 28,468 thousand, which represents EUR 0.04035 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.

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

Business perspective

Cellnex is Europe’s leading operator of wireless telecommunications infrastructure, born in 2015 as a result of a spin-off from the telecommunications division of Abertis Group. Subsequently, Cellnex went public as an independent company.

With the escalating volume and complexity of mobile communication services and the development of wireless technology in the digital era, there has been a parallel rise in the demand across Europe for robust and efficient network infrastructure. Since the IPO in 2015, Cellnex has experienced significant growth in Europe, growing from 110,830 sites in 2022 to 113,175 sites in 2023, by executing or committing to investments worth c.40€Bn in c.40 deals, driven primarily by:

• International inorganic growth with a large number of portfolios available,

• Organic asset growth, especially with increasing MNOs and network deployment demands, and

• A low cost of capital that allowed Cellnex to combine various financial resources to enable growth and execute Cellnex vision.

Throughout this journey Cellnex has stayed true to fundamental principles that make the company both unique and successful: (i) a capability to execute value-creating transactions, (ii) being an independent operator that offers attractive MSAs to multiple anchor tenants, (iii) long-term, strong and stable revenue visibility, (iv) developing an industrial model with a basis for the integrated management of telecommunications infrastructure, (v) country diversification coupled with local adaptation, and (vi) guaranteeing market credibility and following an investment criterion of financial prudence.

This has led Cellnex not only to extend its footprint to new geographical markets, but also to explore new opportunities beyond the tower, particularly in collaboration with clients.The company achieves this by making the majority of its assets and services more attractive to current and new customers by responding to their needs while simultaneously leveraging the company’s current capabilities.

As a telecommunications infrastructure company, Cellnex has demonstrated visionary leadership by proactively capitalising on the TowerCo European consolidation opportunity that emerged in recent years. This was achieved through the development of a resilient, long-term industrial model, enabling the company to maintain a growth-oriented profile within a favourable macro-economic climate.

Current market momentum

The mobile telecom industry faces a fast-paced and uncertain context that is characterised by (i) the economic and geopolitical context, (ii) technological advances, (iii) the dynamics of the telecommunications industry, and (iv) the regulatory framework.

• The economic and geopolitical context: Inflation is increasing network costs, making it more necessary than ever to seek out efficiencies for sustainability. Pressure on margins could remain and hold through 2025, and increased interest rates are impacting valuations, especially telco infrastructure companies, with sensitivity to higher debt ratios.

• Technological developments: 5G rollouts are ongoing in most European markets leading to significant demand for investments, including the remaining 5G spectrum auctions. Higher demand for capacity densification and additional 5G coverage is expected. At the same time, network topology is evolving for technology advancements on centralised and cloud-based architectures, which could make networks more interoperable and potentially more efficient.

• Telecommunications industry dynamics: Margin pressure, growing Capex demand and ARPU decrease are leading telecom players to explore consolidation movements, which are to be anticipated as opportunities for consolidating market share, diluting structural costs and achieving synergies to sustain their business growth for competitive and financial reasons. In the TowerCo arena, the last consolidation business cycle has finished, and a new one is expected to arrive in the coming years. However, some opportunities remain in specific markets.

• Regulation framework: On the one hand, regulators and competition authorities are facing the potential consolidation of key players in the industry in several markets, and obligations and limitations may be expected to remain to ensure competition. On the other hand, spectrum auctions involving coverage obligations and incentives are put on the table to foster 5G development and close the digital divide between territories. Additionally, The European Commission is working on the yet-to-be-published telecoms act (Digital Network Act) which, together with the nearly completed Digital Infrastructures Act, will redefine regulation of the EU telecoms sector.

Directly correlated to all these macro trends, further delayering movements have been reshaping the Telecom industry, and predictably, will continue to reshape it by fragmenting the Telecom stack into further layers.

The different nature of each of the layers drives highly differentiated business models, risk profiles and challenges. Cellnex strongly believes that the positioning of each telecom player and stakeholder within this sector evolution will drive its industrial strategy.

In this scenario:

• Specialised new players may appear or will develop at each layer. (i.e. land aggregators)

• Current players may decouple a layer of their business. (i.e. MNOs' separation of ServCos and stand-alone Network Infrastructure companies)

• Current players may consolidate within a partnership or collaboration within each layer. (i.e. Consolidation of MNOs, creation of dedicated Network infrastructures, JVs and RAN sharing agreements)

• Players on one layer will optimally re-integrate into adjacent layers to become true platforms to third parties.

Growth-Yield profile

With the fast-evolving telecom landscape and changes in the macro environment, the next step in Cellnex's story includes the prioritisation of variety of business lines in its portfolio and the geographical footprint in which the company is currently present , within four differentiated operational archetypes:

• Pure Towerco: with asset class mainly in the passive towerco arena

• Fast Building InfraCo: with asset class and services also in the fibre and edge data centre arena
• Active TowerCo: with asset class and services also operational. including RAN and transmission

• Digital Infraco: with a broader asset class and services beyond the passive towerco arena, such as broadcast, edge data centres and mission critical networks

In general terms, the compounded prioritisation of the various business lines in its portfolio and geographies helps Cellnex rebalance its company profile to look at 'yield with growth'. This involves using generated cash flow not only for selective growth opportunities while simultaneously delivering on client commitments, but also for strengthening the company's balance sheet, and remunerating its shareholders

Industrial strategy

Cellnex considered several factors when prioritising its portfolio, including, but not limited to:

• Strategic fit, including the business's proximity to the core business model and competitive landscape condition, among others.

• Feasibility, including the associated Capex intensity and the required capabilities, among others.

• Potential impact, including market developments in the business line arena and the right to win on each terrain, among others.

Cellnex's primary focus is:

i. Continuing to develop its organic growth, maximising the use of the company's shareable infrastructures, especially in its core tower business, without expanding its geographical footprint.

ii. Developing the 'Core+' passive business by reinforcing its capabilities, being differential, in conjunction with its customers - in particular its anchors - in the markets where the company currently operates. Moreover, continuing to leverage the existing broadcast business.

iii. Assessing, being scrupulous, and being disciplined in the devotion and allocation of Capex and on the business performance per market selectively: the further from the core, the more demanding with a delimited risk.

iv. Divesting and not considering de-prioritised businesses in all markets that, by their nature, are far from our core and strategic fit.

Further developing efficiency levers, is also a must for a better consolidation of Cellnex's operations, including additional automation of its business processes in its IT systems, along with reinforcement of the company's land efficiency programme, among others.

Strategy execution

In order to prioritize the value creation for stakeholders, Cellnex is focused on the following key objectives:

• Improve the balance sheet alongside the unvarying commitment to securing Investment Grade (BBB-) credit rating from S&P no later than 2024, and maintaining this credit rating status from Fitch. The selling of minority stakes or full disposals in businesses and/or markets where the opportunity to have growth at scale in the mid-term is limited for Cellnex, is an option to obtain proceeds committed to reducing debt.

• Reduce complexity and removing operationally-complex business lines - which in comparison with Cellnex's passive-tower core business, (i) are small in terms of business volume, (ii) are too complex to reach the scale, and (iii) are non-core markets or business lines - with the goal of improving Cellnex's efficiency and simplifying the company's portfolio.

• Enable expansion and joint efforts by partnering with financial or industrial entities with a strategic fit in selected future ventures that are relevant for the company's long-term growth.

Asset rotation approach

Cellnex has already taken steps towards the execution of its strategy:

• New industrial and synergetic agreement with SFR in France by combining the deployment of new PoPs on existing and new sites.

• Agreement with Stonepeak to acquire a 49% interest in Nordics to position for future opportunities in these markets.

• Divestment of Cellnex's private network business with the goal of directing efforts to core activities only and implementing a streamlined management model.

• Potential disposals in Cellnex's markets to simplify the company's portfolio and commit proceeds to reducing debt.

Cellnex believes that its industrial strategy will allow the company to make good on its commitments to both the market and its customers, and prepare the company for the next business cycle and future industry transformation.

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. +70% is a recommendation to buy.

As at 31 December 2023, the share capital of Cellnex Group stood at EUR 176,619 thousand, a similar figure compared with 31 December 2022, represented by 706,475,375 cumulative and indivisible ordinary registered shares of EUR 0.25 par value each, fully subscribed and paid (see Note 12 of the accompanying financial statements).

Cellnex's share price increased +16% during 2023, closing at EUR 35.66 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 +23%, +11% and +2% over the same period.

Cellnex's market capitalisation stood at EUR 25,193 million at the year ended on 31 December 2023, 777% higher than at start of trading on 7 May 2015, compared with a 10% drop in the IBEX 35 over the same period.

The performance of Cellnex shares during 2023, compared with the evolution of IBEX 35, STOXX Europe 600 and STOXX Europe 600 Telecom, was as follows:

The breakdown of the main Cellnex stock ratios as of 31 December 2023 and 2022 is as follows:

	31 December 2023	31 December 2022
Number of shares	706,475,375	706,475,375
Stock market capitalisation at period/year end (millions of euros)	25,193	21,844
Share price at close (EUR/share)	35.66	30.92
Maximum share price for the period (EUR/share)	38.97	51.70
Date	16/02/2023	03/01/2022
Minimum share price for the period (EUR/share)	26.02	28.02
Date	23/10/2023	13/10/2022
Average share price for the period (EUR/share)	34.77	38.75
Average daily volume (shares)	1,274,360	1,721,999

Treasury shares

On 31 May 2018 the Ordinary General Shareholder’s Meeting of Cellnex Telecom, S.A. resolved to delegate in favour of the Board of Directors the faculty to purchase treasury shares up to a limit of 10% of the share capital.

In 2021, Cellnex Board of Directors approved the Cellnex’ s Treasury Share Policy, which is available on the Corporate Website. Thus, during the year ended 31 December 2023, Cellnex did not carry out discretional purchases of treasury shares (302,207 thousand in 2022). These purchases were carried out under the delegation from the Ordinary 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. On 1 June 2023, the Ordinary General Shareholder's Meeting resolved to approve the aforementioned delegation in the same terms.

In addition, as of 31 December 2023 and 2022, 52,399 and 291,258 treasury shares have been transferred to employees in relation to employee remuneration payable in shares, respectively. In addition, during 2023, 108,578 shares have been transferred to bondholders in relation to the repurchase of senior unsecured convertible bonds. Finally, 7,342 treasury shares have been transferred as payment in kind for professional services.

The number of treasury shares as at 31 December 2023 and 2022 amounts to 950,688 and 1,119,007 shares, respectively and represents 0.135% of the share capital of Cellnex Telecom, S.A. (0.158% as at 31 December 2022).

The treasury shares transactions carried out in 2023 are disclosed in Note 12.1 of the accompanying financial statements.

Post balance sheet events

See Note 21, “Events after the reporting period”, of the accompanying financial statements.

2. Annual Report on the Remuneration of Directors of Cellnex Telecom 2023

The Annual Report on the Remuneration of the Directors of Cellnex Telecom for the fiscal year 2023, 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 2023

The Annual Corporate Governance Report of Cellnex Telecom for the fiscal year 2023, 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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Madrid, as of February 29, 2024