Cellnex Telecom, S.A. and Subsidiaries

Interim Condensed Consolidated Financial Statements and Interim Consolidated Directors' Report for the six-month period ended 30 June 2024 (prepared in accordance with IAS 34, Interim Financial Reporting), together with Report on Limited Review

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

Deloitte.

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

REPORT ON LIMITED REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Cellnex Telecom, S.A.
at the request of the Board of Directors,

Report on the Interim Condensed Consolidated Financial Statements

Introduction

We have performed a limited review of the accompanying interim condensed consolidated financial statements ("the interim financial statements") of Cellnex Telecom, S.A. ("the Parent") and Subsidiaries ("the Group"), which comprise the condensed consolidated balance sheet as at 30 June 2024, and the condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and explanatory notes thereto for the six-month period then ended. The Parent's directors are responsible for preparing these interim financial statements in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim condensed financial information, in conformity with Article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of Review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with the audit regulations in force in Spain and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

Based on our limited review, which under no circumstances may be considered to be an audit of financial statements, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six-month period ended 30 June 2024 are not prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim condensed financial statements, pursuant to Article 12 of Royal Decree 1362/2007.

Emphasis of Matters

We draw attention to explanatory Note 2-a to the accompanying interim financial statements, which indicates that the aforementioned accompanying interim financial statements do not include all the information that would be required for a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union and, therefore, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2023. Our conclusion is not modified in respect of this matter.

Deloitte Auditores, 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.

Report on Other Legal and Regulatory Requirements

The accompanying interim consolidated directors' report for the six-month period ended 30 June 2024 contains the explanations which the Parent's directors consider appropriate about the significant events that took place in that period and their effect on the interim financial statements presented, of which it does not form part, and about the information required under Article 15 of Royal Decree 1362/2007. We have checked that the accounting information in the interim consolidated directors' report is consistent with that contained in the interim financial statements for the six-month period ended 30 June 2024. Our work was confined to checking the interim consolidated directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the accounting records of Cellnex Telecom, S.A. and Subsidiaries.

Other Matters

This report was prepared at the request of the Board of Directors of Cellnex Telecom, S.A. in relation to the publication of the half-yearly financial report required by Article 100 of Spanish Securities Market and Investments Services Law 6/2023, of 17 March.

DELOITTE AUDITORES, S.L. (previously DELOITTE, S.L.)

Iván Rubio Borrallo

31 July 2024

Cellnex Telecom, S.A. and Subsidiaries

Interim Condensed Consolidated Financial Statements and Consolidated Interim Directors' Report for the six-month period ended on 30 June 2024 (prepared in accordance with IAS 34 "Interim financial reporting")

Translation of a report originally issued in Spanish and of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 25). In the event of a discrepancy, the Spanish-language version prevails.

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Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2.a and 25). In the event of a discrepancy the Spanish-language version prevails.

CELLNEX TELECOM, S.A. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET AT 30 JUNE 2024

(Thousands of Euros)

	Notes	30 June 2024	31 December 2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	Note 7	11,818,485	11,666,875
Intangible assets	Note 8	23,307,329	24,699,687
Right-of-use assets	Note 15	3,336,971	3,100,817
Investments in associates	Note 9	47,476	42,321
Financial investments	Note 12	140,070	137,089
Derivative financial instruments	Note 10	96,030	78,944
Trade and other receivables	Note 11	314,010	294,914
Deferred tax assets	Note 17	617,741	601,909
Total non-current assets		**39,678,112**	**40,622,556**
CURRENT ASSETS			
Inventories		6,939	6,258
Trade and other receivables	Note 11	1,158,336	1,155,606
Receivables from associates	Note 22	94	—
Financial investments	Note 12	3,004	3,972
Derivative financial instruments	Note 10	566	22,221
Cash and cash equivalents	Note 12	491,042	1,292,439
Total current assets		**1,659,981**	**2,480,496**
Non-current assets held for sale	**Note 6**	**2,336,740**	**1,262,192**
TOTAL ASSETS		**43,674,833**	**44,365,244**

This consolidated balance sheet at 30 June 2024 must be read together with the Notes included on pages 9 to 83.

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2.a and 25). In the event of a discrepancy the Spanish-language version prevails.

CELLNEX TELECOM, S.A. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET AT 30 JUNE 2024

(Thousands of Euros)

	Notes	30 June 2024	31 December 2023
NET EQUITY			
Share capital and attributable reserves			
Share capital	Note 13.a	176,619	176,619
Treasury shares	Note 13.a	(39,621)	(40,456)
Share premium	Note 13.b	15,470,647	15,482,472
Reserves	Note 13.c	(1,534,138)	(1,384,657)
Loss for the period		(418,086)	(297,220)
		13,655,421	**13,936,758**
Non-controlling interests	Note 13.f	1,193,482	1,210,035
Total net equity		**14,848,903**	**15,146,793**
NON-CURRENT LIABILITIES			
Bank borrowings and bond issues	Note 14	17,471,146	17,805,892
Lease liabilities	Note 15	2,312,628	2,118,162
Derivative financial instruments	Note 10	18,251	18,922
Provisions and other liabilities	Note 18.c	1,656,920	1,722,325
Employee benefit obligations	Note 18.b	39,035	56,303
Deferred tax liabilities	Note 17	3,753,862	3,965,554
Total non-current liabilities		**25,251,842**	**25,687,158**
CURRENT LIABILITIES			
Bank borrowings and bond issues	Note 14	680,327	906,394
Lease liabilities	Note 15	721,175	696,257
Derivative financial instruments	Note 10	19,448	986
Provisions and other liabilities	Note 18.c	427,221	400,973
Employee benefit obligations	Note 18.b	79,151	90,697
Payables to associates	Note 22	284	261
Trade and other payables	Note 16	992,584	1,141,687
Total current liabilities		**2,920,190**	**3,237,255**
Liabilities associated with non-current assets held for sale	**Note 6**	**653,898**	**294,038**
TOTAL NET EQUITY AND LIABILITIES		**43,674,833**	**44,365,244**

This consolidated balance sheet at 30 June 2024 must be read together with the Notes included on pages 9 to 83.

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2.a and 25). In the event of a discrepancy the Spanish-language version prevails.

CELLNEX TELECOM, S.A. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT
CORRESPONDING TO THE SIX-MONTH PERIOD ENDED ON 30 JUNE 2024

(Thousands of Euros)

	Notes	30 June 2024	30 June 2023 (*)
Services		1,982,702	1,870,080
Other operating income		134,753	129,431
Operating income	**Note 19.a**	**2,117,455**	**1,999,511**
Staff costs	Note 19.b	(154,017)	(170,643)
Other operating expenses	Note 19.c	(410,353)	(384,875)
Change in provisions		(3,248)	2,494
Depreciation and amortisation	Notes 7, 8, 15 and 19.e	(1,344,453)	(1,308,546)
Impairment losses on assets	Notes 6, 8 and 19.f	(401,741)	—
Results from disposals of fixed assets	Note 19.g	59,413	797
Operating profit		**(136,944)**	**138,738**
Financial income		28,827	13,696
Financial costs		(336,102)	(251,528)
Interest expense on lease liabilities		(156,131)	(165,918)
Net financial loss		**(463,406)**	**(403,750)**
Profit of companies accounted for using the equity method	Note 9	(1,961)	(746)
Loss before tax		**(602,311)**	**(265,758)**
Income tax	Note 17	165,619	60,819
Consolidated net loss		**(436,692)**	**(204,939)**
Attributable to non-controlling interests	Note 13.f	(18,606)	(9,223)
Net loss attributable to the Parent Company		**(418,086)**	**(195,716)**
Earnings per share (in euros per share):			
Basic	Note 13.e	(0.59)	(0.28)
Diluted	Note 13.e	(0.49)	(0.20)

This consolidated income statement corresponding to the six-month period ended on 30 June 2024 must be read together with the Notes included on pages 9 to 83.

(*) Restated figures. Certain amounts included in this consolidated income statement corresponding to the six-month period ended on 30 June 2023 do not relate to those included in the consolidated financial statements for the six-month period ended on 30 June 2023, and reflect the adjustments described in Note 4.

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2.a and 25). In the event of a discrepancy the Spanish-language version prevails.

CELLNEX TELECOM, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME CORRESPONDING TO THE SIX-MONTH PERIOD ENDED ON 30 JUNE 2024

(Thousands of Euros)

	Notes	30 June 2024	30 June 2023 (*)
LOSS FOR THE PERIOD		**(436,692)**	**(204,939)**
Income and expenses recognised directly in net equity, transferable to the consolidated income statement:			
Changes in cash flow hedges of the Parent Company and fully consolidated companies	Note 10	(2,934)	(14,022)
Hedges of net investments in foreign operations of the Parent Company and fully consolidated companies	Note 10	(161)	1,975
Foreign exchange differences	Note 13	150,342	318,457
Tax effect		675	3,522
Income and expenses recognised directly in net equity, not transferable to the consolidated income statement:			
Changes in the fair value of financial liabilities at fair value through equity	Note 13 and 18.c	(17,852)	(23,573)
Total income and expenses recognised directly in net equity		**130,070**	**286,359**
Income transferred to the consolidated income statement:			
Changes in cash flow hedges of the Parent Company and fully consolidated companies	Note 10	6,037	6,109
Tax effect		(1,510)	(1,529)
Total income transferred to the consolidated income statement		**4,527**	**4,580**
Total consolidated comprehensive profit / (loss)		**(302,095)**	**86,000**
Attributable to:			
- Company shareholders		(269,410)	76,210
- Non-controlling interests		(32,685)	9,790
Total consolidated comprehensive profit / (loss)		**(302,095)**	**86,000**

This consolidated statement of comprehensive income corresponding to the six-month period ended on 30 June 2024 must be read together with the Notes included on pages 9 to 83.

(*) Restated figures. Certain amounts included in this consolidated statement of comprehensive income corresponding to the six-month period ended on 30 June 2023 do not relate to those included in the consolidated financial statements for the six-month period ended on 30 June 2023, and reflect the adjustments described in Note 4.

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2.a and 25). In the event of a discrepancy the Spanish-language version prevails.

CELLNEX TELECOM, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN NET EQUITY CORRESPONDING TO THE SIX-MONTH PERIOD ENDED ON 30 JUNE 2024

(Thousands of Euros)

	Notes	Share capital	Treasury shares	Share premium	Reserves	Profit for the period	Non-controlling interests	Net equity
At 1 January 2023		**176,619**	**(47,619)**	**15,522,762**	**(1,133,599)**	**(297,058)**	**966,693**	**15,187,798**
Comprehensive income for the period		—	—	—	271,926	(195,716)	9,790	**86,000**
Distribution of 2022 profit		—	—	—	(297,058)	297,058	—	**—**
Treasury shares	Note 13.a	—	1,060	—	—	—	—	**1,060**
Change in scope	Note 2.h	—	—	—	(102,450)	—	(399,309)	**(501,759)**
Final dividend	Note 13.d	—	—	(11,822)	—	—	(1,425)	**(13,247)**
Capital increase	Note 13.f	—	—	—	—	—	52,675	**52,675**
Employee remuneration payable in shares	Note 18.b	—	—	—	3,712	—	—	**3,712**
Other		—	—	—	(159)	—	1,432	**1,273**
At 30 June 2023 (*)		**176,619**	**(46,559)**	**15,510,940**	**(1,257,628)**	**(195,716)**	**629,856**	**14,817,512**
At 1 January 2024		**176,619**	**(40,456)**	**15,482,472**	**(1,384,657)**	**(297,220)**	**1,210,035**	**15,146,793**
Comprehensive income for the period		—	—	—	148,676	(418,086)	(32,685)	**(302,095)**
Distribution of 2023 profit		—	—	—	(297,220)	297,220	—	**—**
Treasury shares	Note 13.a	—	835	—	(189)	—	—	**646**
Change in scope	Note 2.h	—	—	—	852	—	—	**852**
Dividend	Note 13.d	—	—	(11,825)	—	—	(11,344)	**(23,169)**
Capital increase	Note 13.f	—	—	—	—	—	27,930	**27,930**
Employee remuneration payable in shares	Note 18.b	—	—	—	1,728	—	—	**1,728**
Other		—	—	—	(3,328)	—	(454)	**(3,782)**
At 30 June 2024		**176,619**	**(39,621)**	**15,470,647**	**(1,534,138)**	**(418,086)**	**1,193,482**	**14,848,903**

This consolidated statement of changes in net equity corresponding to the six-month period ended on 30 June 2024 must be read together with the Notes included on pages 9 to 83.

(*) Restated figures. Certain amounts included in this consolidated statement of changes in net equity for the period ended on 30 June 2023 do not relate to those included in the consolidated financial statements for the period ended on 30 June 2023, and reflect the adjustments described in Note 4.

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2.a and 25). In the event of a discrepancy the Spanish-language version prevails.

CELLNEX TELECOM, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS CORRESPONDING TO THE SIX-MONTH PERIOD ENDED ON 30 JUNE 2024

(Thousands of Euros)

	Notes	30 June 2024	30 June 2023 (*)
Profit/(loss) for the year before tax		**(602,311)**	**(265,758)**
Adjustments to profit-			
Depreciation and amortisation	Notes 19.e	1,344,453	1,308,546
Impairment losses on assets	Notes 6, 8 and 19.f	401,741	—
Results from disposals of fixed assets	Note 19.g	(59,413)	(797)
Changes in provisions		3,248	(2,494)
Interest and other income		(28,827)	(13,696)
Interest and other expenses		492,233	417,446
Share of results of companies accounted for using the equity method	Note 9	1,961	746
Other income and expenses		1,973	31,535
Changes in current assets/current liabilities-			
Inventories		(681)	(2,266)
Trade and other receivables		(19,893)	(92,386)
Other current assets and liabilities		9,878	94,272
Cash flows generated by operations			
Interest paid		(399,157)	(395,799)
Interest received		25,340	29,448
Income tax received/(paid)		(26,675)	(33,249)
Current provisions, employee benefit obligations and others		(35,171)	(11,207)
Total net cash flow from operating activities (I)		**1,108,699**	**1,064,341**

This consolidated cash flow statement corresponding to the six-month period ended on 30 June 2024 must be read together with the Notes included on pages 9 to 83.

(*) Restated figures. Certain amounts included in consolidated statement of cash flows corresponding to the six-month period ended on 30 June 2023 do not relate to those included in the consolidated financial statements for the six-month period ended on 30 June 2023, and reflect the adjustments described in Note 4.

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2.a and 25). In the event of a discrepancy the Spanish-language version prevails.

CELLNEX TELECOM, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS CORRESPONDING TO THE SIX-MONTH PERIOD ENDED ON 30 JUNE 2024

(Thousands of Euros)

	Notes	30 June 2024	30 June 2023 (*)
Business combinations and changes in the scope of consolidation	Notes 2.h and 5	(9,052)	(533,844)
Purchases of property, plant and equipment and intangible assets	Notes 7 and 8	(1,075,797)	(1,142,886)
Proceeds from Non-current assets held for sale	Note 6	183,321	34,133
Payments for financial investments and associates		(24,787)	(23,881)
Total net cash flow from investing activities (II)		**(926,315)**	**(1,666,478)**
Issue of equity instruments, Acquisition of Treasury Shares and Dividends paid	Note 13	16,105	40,853
Proceeds from issue of bank borrowings	Note 14	239,689	920,654
Bond issue	Note 14	738,294	—
Repayment and redemption of bond issues and other loans	Note 14	(750,000)	—
Repayment and redemption of bank borrowings	Note 14	(800,338)	(751,610)
Net proceed of other borrowings	Note 14	1,245	(10,973)
Net payment of lease liabilities	Note 15	(388,357)	(370,969)
Dividends to non-controlling interests	Note 13.f	(11,344)	—
Total net cash flow from financing activities (III)		**(954,706)**	**(172,045)**
Foreign exchange differences (IV)		**(29,075)**	**(20,851)**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS FROM CONTINUING OPERATIONS (I)+(II)+(III)+(IV)		**(801,397)**	**(795,033)**
Cash and cash equivalents at beginning of year	**Note 12**	**1,292,439**	**1,038,179**
Cash and cash equivalents at end of year	**Note 12**	**491,042**	**243,146**

This consolidated cash flow statement corresponding to the six-month period ended on 30 June 2024 must be read together with the Notes included on pages 9 to 83.

(*) Restated figures. Certain amounts included in consolidated statement of cash flows corresponding to the six-month period ended on 30 June 2023 do not relate to those included in the consolidated financial statements for the six-month period ended on 30 June 2023, and reflect the adjustments described in Note 4.

Cellnex Telecom, S.A. and Subsidiaries

Notes to the interim condensed consolidated financial statements for the six-month period ended on 30 June 2024

1. General information

Cellnex Telecom, S.A., (hereinafter, the "Parent 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 19 March 2015, it changed its name to Cellnex Telecom, S.A. The Parent Company's name has not changed in this year neither in the previous one.

The Parent 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, organisation, coordination, supervision, maintenance and conservation of such installations and services under any type of contractual arrangement allowed by law, especially administrative concessions.

The Parent 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.

In addition, it may act as a Holding Company, being able to incorporate or participate in other entities, resident or not in Spain, whatever their nature or purpose, by subscribing or acquiring and holding shares, equities or any other title derived from the aforementioned entities.

The main location in which the Group operates is Europe.

Cellnex Telecom, S.A. is the parent of a group of companies engaged in the management of terrestrial telecommunications infrastructures (hereinafter, the "Group" or "Cellnex Group").

These interim condensed consolidated financial statements for the six-month period ended on 30 June 2024 have been subject to a limited review by the statutory auditor of the Parent Company in accordance with the provisions of Royal Decree 1362/2007, of 19 October. Also, as detailed in Note 3, these interim condensed consolidated financial statements continue to follow exactly the same accounting policies as those Consolidated Financial Statements corresponding to the financial year ended on 31 December 2023, which were duly audited with a favorable opinion being issued, except for the new standards applied from 1 January 2024 which are set out in Note 2.b.i.

2. Basis of presentation

a) Basis of presentation

These interim condensed consolidated financial statements of Cellnex Telecom, S.A. and Subsidiaries for the period ended 30 June 2024, which have been based on the accounting records kept by the Parent Company and by the other companies that make up the Group, were signed by the Directors of the Parent at the meeting of the Board of Directors held on 31 July 2024.

These interim condensed consolidated financial statements were prepared by the Directors of Cellnex in accordance with the provisions of IAS 34 "Interim financial reporting", and all of the obligatory accounting principles and rules and measurement bases. Accordingly, they present a true and fair view of the equity and consolidated financial position of the Cellnex Group at 30 June 2024, as well as the results of its operations, the consolidated changes in net equity and the consolidated cash flows during the interim period ended on that date.

As has been indicated, this interim condensed consolidated financial information has been prepared in accordance with IAS 34 “Interim financial reporting”, meaning that these interim condensed consolidated financial statements do not include all the information and disclosures that would be required for the complete consolidated financial statements prepared in accordance with the International Financial Reporting Standards adopted by the European Union, and must be read together with the 2023 Consolidated Financial Statements, drawn up in accordance with the existing International Financial Reporting Standards (IFRS) adopted by the European Union, which were approved by the shareholders of the Parent Company on 26 April 2024.

b) Adoption of IFRSs

The accounting policies adopted by the Parent's Company Directors when preparing these interim condensed consolidated financial statements continue to follow exactly the same accounting policies as the Consolidated Financial Statements corresponding to the financial year ended on 31 December 2023, which were duly audited with a favorable opinion being issued, with the exception of the adoption of any new standards and interpretations effective from 1 January 2024 and which, if any, have been considered by the Group when preparing these interim condensed consolidated financial statements.

(I) Standards and Interpretations effective during the present year

During the six-month period ended on 30 June 2024, the new accounting standards which are detailed below have entered into force:

New standards, amendments and interpretations		Obligatory application in annual reporting periods beginning on or after:
Approved for use in the European Union		
Amendment to IAS 1 Classification of liabilities as current and non-current (published in January 2020)	Clarifications regarding the presentation of liabilities as current or non-current.	1 January 2024
Amendment to IAS 1 – Non-current liabilities with covenants (published in October 2022)	Its objective is to improve the information provided when the right to defer payment of a liability is subject to compliance with conditions (“covenants”) within twelve months following the reporting year.	1 January 2024
Amendment to IFRS 16 Lease liability in a sale and leaseback (published in September 2022)	These amendments define how to present the lease liabilities that arise in the sale transactions and subsequent leasehold.	1 January 2024
Amendment to IAS 7 and IFRS 7 Financing agreements with suppliers (published in May 2023)	Introduces disclosures on supplier financing arrangements and their effects on a company's liabilities, cash flows and liquidity risk exposure.	1 January 2024

The Group has applied the aforementioned standards and interpretations since their entry into force, which has not given rise to any significant change in its accounting policies.

(II) Standards and interpretations issued but not yet in force

At the date of formal preparation of these interim condensed consolidated financial statements, the following standards, amendments and interpretations had been published by the International Accounting Standards Board (IASB) but had not come into force, either because their effective date is subsequent to the date of the consolidated financial statements or because they had not yet been adopted by the European Union.

New standards, amendments and interpretations		Obligatory application in annual reporting periods beginning on or after:
Not yet approved for use in the European Union		
Amendments to IAS 21 - Lack of exchangeability (published in August 2023)	Provides guidance on the determination of whether a currency is interchangeable with another currency and the spot exchange rate to use when it is not.	1 January 2025
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (published in May 2024)	These amendments: • clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion. • add new disclosures for certain instruments with contractual terms that can change cash flows and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income.	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements (published in April 2024)	This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to: • the structure of the statement of profit or loss • required disclosures in the financial statements for certain profit or loss performance • measures that are reported outside an entity's financial statements (that is, management-defined performance measures) and • enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures (published in May 2024)	The objective of this new standard is to detail the disclosures that a new subsidiary may optionally apply in issuing its financial statements.	1 January 2027

The application of new standards, amendments and interpretations will be considered by the Group once they have been ratified and adopted, as the case may be, by the European Union. In any case, the Parent Company's Directors have assessed the potential impact of applying these standards in the future and consider that their entry into force will not have a material effect on the Group's consolidated financial statements.

c) Presentation currency of the Group

These interim condensed consolidated financial statements are presented in euros, as this is the currency of the main economic area in which the Group operates. In relation to financial information of foreign companies whose functional currency is different from the presentation currency of the Interim condensed consolidated financial statements, it is translated to euros using the method described in Note 2.g of the 2023 Consolidated Financial Statements.

d) Responsibility for the information provided and accounting estimates and judgements made

The preparation of these interim condensed consolidated financial statements requires, as established by IAS 34, the Directors of the Parent Company and the consolidated entities to make certain estimates and judgements in order to quantify certain assets, liabilities, revenue, costs and commitments recorded in them, which continue being exactly the same as those taken into account in the preparation of the 2023 Consolidated Financial Statements set out in its Note 2.d, except for the new standards applied from 1 January 2024 which are set out in Note 2.b.i. In this regard, as established by IAS 34, the Income Tax expense has been estimated using the tax rate that it is thought will be applicable to the expected total earnings for the year, i.e., the estimated annual average effective tax rate applied to the earnings before taxes from the interim period.

During the six-month period ended on 30 June 2024, no significant changes have occurred in the estimations made at the 2023 year end.

Brexit

In general terms, the long-term effects of the United Kingdom's decision to leave the EU, which became effective on 31 January 2020 ("Brexit"), on the financial statements as a whole are still uncertain. In this regard, new barriers to trade in goods and services, mobility, cross-border exchanges, the increase in public debt, the fall in growth rates and any future monetary policy measures in the credit markets could affect the Group's businesses. One change in any of these factors could affect the Group's ability to access the capital markets and the terms and conditions under which it might access them.

In this context, it should also be noted that the Group's business model operates independently in each territory, not relying on other subsidiaries or the Parent, as interterritorial commercial operations do not play a significant role in its operations. Potential transactions between the United Kingdom and other geographies do not present significant competition restrictions or disadvantages.

Geopolitical environment and macroeconomic conditions

Large-scale events may have adverse economic effects in both the markets where the Group operates and in others. These events mainly result from heightened geopolitical tensions following the war in Ukraine, the ongoing military conflict in the Middle East, and the upcoming US presidential elections.

Following the war in Ukraine that started on 24 February 2022, economies around the world, including the United States, the European Union and the United Kingdom, announced the imposition of comprehensive trade sanctions targeting Russian individuals, companies, and institutions. Such sanctions, as well as Russia's countersanctions, have resulted in a significant reduction in trading volumes between these economies and Russia, leading to increased commodity prices on global markets.

The ongoing conflict in the Middle East has further strained the geopolitical landscape, leading to significant economic disruptions in the region had a ripple effect on global markets, contributing to increased uncertainty and volatility.

The upcoming US presidential elections add another layer of uncertainty. The election outcomes could lead to significant changes in US fiscal and monetary policies, which in turn could impact global financial markets. The potential for shifts in trade policies, tax regulations, and international relations could have far-reaching effects on the global economy. Events such as the above could severely affect macroeconomic conditions and financial markets, exacerbate the risk of regional or global recessions or "stagflation" (i.e., recessions or reduced rates of economic growth coupled with high inflation rates).

The large-scale events abovementioned have not had a significant effect on the Group's results for the periods ended 30 June 2024, and 31 December 2023. Furthermore, the Group has evaluated the current situation's uncertainty and concluded that it has not yet impacted the estimates. Consequently, it has not impacted the book value of assets

(particularly the 2023 impairment test headroom, as detailed in Notes 8 and 9 of the 2023 Consolidated Financial Statements), liabilities, or specific financial risks (see Note 14).

Future developments, including economic conditions, which are highly uncertain and unpredictable, will determine the evolution of large-scale events. Despite a long period of historically low inflation, the aforementioned events caused inflation to increase worldwide during 2022 and 2023, with food, energy, and petrol prices hitting record highs.

A significant portion of the group's operating costs could rise as a result of higher inflation and the monetary policies of the European Central Bank (ECB), which has recently cut interest rates by 25 basis points, bringing interest rates from 4.5% to 4.25%. As of the date of the accompanying interim condensed consolidated financial statements, the Group expects no additional interest rate increases, given that inflation has moderated in the final months of 2023 and the first half of 2024.

Furthermore, the Group has indexed most of its infrastructure services contracts to inflation. Consequently, inflation and/or deflation may impact its operational outcomes, particularly if Cellnex fails to transfer the inflation to its customers. In this regard, contracts with customers that do not have inflationary caps may not be sustainable over time for our customers. This could lead to renegotiation requests, an increase in bad debt, legal disputes, and a deterioration in the relationship between the group and its customers, potentially resulting in future losses.

Additionally, the Group may not be able to benefit from its business's operating leverage in normal times because of the mismatch between operating income, operating expenses (Opex), and the net payment of lease liabilities (leases) when it comes to inflation exposure. This mismatch arises due to the relationship of the Group's operating income to inflation, which is capped in certain of its contracts with anchor customers or has fixed-term escalators, whereas Opex and leases are generally uncapped. This requires strong Opex and lease control, which is not always under the Group's control and could result in margin erosion and a worsened liquidity position.

Others

The interim condensed consolidated financial statements have been prepared on the basis of uniformity in recognition and measurement. When a new standard amending existing measurement bases becomes applicable, it is applied in accordance with the transition criterion provided in the standard.

Certain amounts in the consolidated income statement and the consolidated balance sheet have been grouped together for the sake of simplicity. These items are disclosed in the Notes to the interim condensed consolidated financial statements.

The distinction presented in the consolidated balance sheet between current and non-current items was made based on whether they fall due within one year or more, respectively.

In addition, the interim condensed consolidated financial statements include all additional information considered necessary for their correct presentation under the company law in force in Spain.

Finally, the figures contained in all the financial statements forming part of the interim condensed consolidated financial statements (consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes to net equity, consolidated statement of cash flows) and the Notes to the interim condensed consolidated financial statements are expressed in thousands of euros (or otherwise expressed).

e) Comparative information

In accordance with International Accounting Standard (IAS) 34 regarding "Interim Financial Reporting", adopted by the European Union, the Management of the Parent Company presents the balance sheet corresponding to the closing date of the immediately preceding financial year (31 December 2023) together with the consolidated balance sheet at 30 June 2024, solely and exclusively for comparative purposes. Moreover, next to each of the items of the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in net equity and the consolidated cash flow statement, the consolidated figures corresponding to the six-month period ended on 30 June 2024 are presented along with those corresponding to the six-month period ended on 30 June 2023.

The comparative financial information for the period ended on 30 June 2023 has been restated, in accordance with IFRS 3, as a result of the completion in 2023 of the purchase price allocation for the CK Hutchison Transaction in respect of the United Kingdom (see Note 4).

Furthermore, during 2024, segments information corresponding to the six-month period ended on 30 June 2023 has been restated for comparative purposes in relation to the information corresponding to the six-month period ended on 30 June 2024 due to the change in the Group's segment, as described in Note 21.

f) Materiality

In deciding what information to disclose in the Notes on the various items of the interim condensed consolidated financial statements or other matters, the Group, in accordance with IAS 34, assessed materiality in relation to these interim condensed consolidated financial statements for the six-month period ended on 30 June 2024.

g) Consolidation principles

The consolidation principles considered in the interim condensed consolidated financial statements are consistent with those applied in the 2023 Consolidated Financial Statements, which are detailed in Note 2.g thereto.

h) Changes in the scope of consolidation

The most significant changes in the scope of consolidation and in the ownership of the companies included in it during the six-month period ended on 30 June 2024 were as follows:

Acquisitions, incorporations and divestments

Name of the company	Date	Company with direct shareholding and % acquired/diluted/divested		Consolidation method
Acquisitions:				
Erin 224 Corporate Services, S.L.U.	12/06/2024	Cellnex Telecom, S.A.	100 %	Full
Divestments:				
Cellnex Holdco 1 UK Limited	29/02/2024	Cellnex Telecom, S.A.	100 %	Full
Ukkoverkot Oy	29/02/2024	Cellnex Holdco 1 UK Limited	100 %	Full
Edzcom Oy	29/02/2024	Ukkoverkot Oy	100 %	Full
Cellnex Newco 4 France SAS	29/02/2024	Cellnex Holdco 1 UK Limited	100 %	Full
Cellnex Newco 2 UK Limited	29/02/2024	Cellnex Holdco 1 UK Limited	100 %	Full
XNLC Telecom 3 S.L	29/02/2024	Cellnex Holdco 1 UK Limited	100 %	Full

I) Disposal of the private network business

As detailed in Note 6, on 10 November 2023, the Group reached an agreement with Boldyn Networks to sell 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 sale has been completed on 29 February 2024 for a total consideration amounting to approximately EUR 31 million, without significant impact in the accompanying consolidated income statement.

3. Accounting policies and financial risk and capital management

The accounting policies and valuation standards used when preparing these interim condensed consolidated financial statements by the Board of Directors of the Parent Company continue being exactly the same as those used when preparing the 2023 Consolidated Financial Statements, and which are detailed therein, except for the new standards applied from 1 January 2024 which are set out in Note 2.b.i.

Moreover, during the six-month period ended on 30 June 2024, the Group has continued managing its activities by taking into account the financial risk and capital management policy set out in Note 4 of the 2023 Consolidated Financial Statements.

The fair value of the financial instruments that are negotiated in active markets are based on market prices at the balance sheet date. The quoted market price used for the financial assets is the current bidder price.

The fair value of the financial instruments which are not quoted on an active market are determined using valuation techniques. The Group uses a variety of methods and uses hypothesis based on market conditions existing at each balance sheet date, incorporating the concept of transfer, such that the credit risks is considered.

4. Matters arising from the completion of the business combinations of the 2022 year end

The comparative financial information for the period ended on 30 June 2023 has been restated, in accordance with IFRS 3, as a result of the completion in 2023 of the purchase price allocation for the CK Hutchison Transaction in respect of the United Kingdom (see Note 6 of the 2023 Consolidated Financial Statements).

The reconciliation of the key figures of the Group's consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in net equity and the consolidated statement of cash flow for the period ended on 30 June 2023, obtained before and after the completion of the purchase price allocation for the acquisitions mentioned above, is shown below:

Consolidated Income Statement corresponding to the six-month period ended on 30 June 2023

			Thousands of Euros
	30 June 2023	Impact of IFRS 3	30 June 2023 restated
Services	1,870,080	—	1,870,080
Other operating income	129,431	—	129,431
Operating income	**1,999,511**	**—**	**1,999,511**
Staff costs	(170,643)	—	(170,643)
Other operating expenses	(384,875)	—	(384,875)
Change in provisions	2,494	—	2,494
Depreciation and amortisation	(1,312,826)	4,280	(1,308,546)
Results from disposals of fixed assets	797	—	797
Operating profit	**134,458**	**4,280**	**138,738**
Financial income	13,696	—	13,696
Financial costs	(251,528)	—	(251,528)
Interest expense on lease liabilities	(163,554)	(2,364)	(165,918)
Net financial loss	**(401,386)**	**(2,364)**	**(403,750)**
Profit of companies accounted for using the equity method	(746)	—	(746)
Loss before tax	**(267,674)**	**1,916**	**(265,758)**
Income tax	65,011	(4,192)	60,819
Consolidated net loss	**(202,663)**	**(2,276)**	**(204,939)**
Attributable to non-controlling interests	(9,223)	—	(9,223)
Net profit attributable to the Parent Company	**(193,440)**	**(2,276)**	**(195,716)**
Earnings per share (in euros per share):			
Basic	(0.27)	(0.01)	(0.28)
Diluted	(0.20)	—	(0.20)

Consolidated Statement of Comprehensive Income corresponding to the six-month period ended on 30 June 2023

			Thousands of Euros
	30 June 2023	Impact of IFRS 3	30 June 2023 restated
LOSS FOR THE PERIOD	**(202,663)**	**(2,276)**	**(204,939)**
Income and expenses recognised directly in net equity, transferable to the consolidated income statement:			
Changes in cash flow hedges of the Parent Company and fully consolidated companies	(14,022)	—	(14,022)
Hedges of net investments in foreign operations of the Parent Company and fully consolidated companies	1,975	—	1,975
Foreign exchange differences	318,847	(390)	318,457
Tax effect	3,522	—	3,522
Income and expenses recognised directly in net equity, not transferable to the consolidated income statement:			
Changes in the fair value of financial liabilities at fair value through equity	(23,573)	—	(23,573)
Total income and expenses recognised directly in net equity	**286,749**	**(390)**	**286,359**
Income transferred to the consolidated income statement:			
Changes in cash flow hedges of the Parent Company and fully consolidated companies	6,109	—	6,109
Tax effect	(1,529)	—	(1,529)
Total income transferred to the consolidated income statement	**4,580**	**—**	**4,580**
Total consolidated comprehensive profit / (loss)	**88,666**	**(2,666)**	**86,000**
Attributable to:			
- Company shareholders	78,876	(2,666)	76,210
- Non-controlling interests	9,790	—	9,790
Total consolidated comprehensive profit / (loss)	**88,666**	**(2,666)**	**86,000**

Consolidated Statement of Changes in Net Equity corresponding to the six-month period ended on 30 June 2023

							Thousands of Euros
Total Net Equity at 30/06/2023	Share capital	Treasury shares	Share premium	Reserves	Profit for the year	Non-controlling interests	Net equity
Net Equity before IFRS 3 impact	**176,619**	**(46,559)**	**15,510,940**	**(1,257,238)**	**(193,440)**	**629,856**	**14,820,178**
Impact of IFRS 3	—	—	—	(390)	(2,276)	—	**(2,666)**
Net Equity after IFRS 3 impact	**176,619**	**(46,559)**	**15,510,940**	**(1,257,628)**	**(195,716)**	**629,856**	**14,817,512**

Consolidated Statement of Cash Flows corresponding to the six-month period ended on 30 June 2023

			Thousands of Euros
	30 June 2023	Impact of IFRS 3	30 June 2023 restated
Profit/(loss) for the year before tax	**(267,674)**	**1,916**	**(265,758)**
Adjustments to profit-			
Depreciation, amortisation and results from disposals of fixed assets	1,312,029	(4,280)	1,307,749
Changes in provisions	(2,494)	—	(2,494)
Interest and other income	(13,696)	—	(13,696)
Interest and other expenses	415,082	2,364	417,446
Share of results of companies accounted for using the equity method	746	—	746
Other income and expenses	31,535	—	31,535
Changes in current assets/current liabilities-			
Inventories	(2,266)	—	(2,266)
Trade and other receivables	(92,386)	—	(92,386)
Other current assets and liabilities	94,272	—	94,272
Cash flows generated by operations			
Interest paid	(395,799)	—	(395,799)
Interest received	29,448	—	29,448
Income tax received/(paid)	(33,249)	—	(33,249)
Current provisions, employee benefit obligations and others	(11,207)	—	(11,207)
Total net cash flow from operating activities (I)	**1,064,341**	**—**	**1,064,341**

			Thousands of Euros
	30 June 2023	Impact of IFRS 3	30 June 2023 restated
Business combinations and changes in the scope of consolidation	(533,844)	—	(533,844)
Purchases of property, plant and equipment and intangible assets	(1,142,886)	—	(1,142,886)
Proceeds from Non-current assets held for sale	34,133	—	34,133
Payments for financial investments and associates	(23,881)	—	(23,881)
Total net cash flow from investing activities (II)	**(1,666,478)**	**—**	**(1,666,478)**
Issue of equity instruments, Acquisition of Treasury Shares and Dividends paid	40,853	—	40,853
Proceeds from issue of bank borrowings	920,654	—	920,654
Repayment and redemption of bank borrowings	(751,610)	—	(751,610)
Net repayment of other borrowings	(10,973)	—	(10,973)
Net payment of lease liabilities	(370,969)	—	(370,969)
Total net cash flow from financing activities (III)	**(172,045)**	**—**	**(172,045)**
Foreign exchange differences (IV)	**(20,851)**		**(20,851)**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS FROM CONTINUING OPERATIONS (I)+(II)+(III)+(IV)	**(795,033)**	**—**	**(795,033)**
Cash and cash equivalents at beginning of year	1,038,179	—	1,038,179
Cash and cash equivalents at end of year	**243,146**	**—**	**243,146**

5. Business combinations

Business combinations for 2024

During the six-month period ended on 30 June 2024, no relevant business combinations have been carried out.

6. Non-current assets held for sale

The breakdown of the Group non-current assets held for sale and their associated liabilities as of 30 June 2024 and 31 December 2023 is as follows:

	Thousands of Euros	
	30 June 2024	31 December 2023
ASSETS		
Hivory Acquisition	126,127	123,199
Ireland	1,115,814	1,110,714
Austria	1,094,799	—
Private network business	—	28,279
Total	**2,336,740**	**1,262,192**
LIABILITIES		
Hivory Acquisition	30,900	31,227
Ireland	250,462	258,617
Austria	372,536	—
Private network business	—	4,194
Total	**653,898**	**294,038**

Non-current assets held for sale in relation to the Hivory Acquisition

In order to fulfill Hivory Acquisition closing requirements established by the French Competition Authority ("FCA"), in the first quarter of 2022 the Group entered into: i) a business transfer agreement which set forth the terms and conditions under which Cellnex France would sell to Phoenix France Infrastructures (or to any company controlled by Phoenix France Infrastructures that Phoenix France Infrastructure would substitute) 2,000 sites located in very dense areas of France for an expected amount of approximately EUR 690 million (EUR 600 million net of taxes); ii) a share purchase agreement which sets forth the terms and conditions under which Hivory would transfer to Phoenix Tower France II 1,226 sites located in very dense areas of France for an expected amount of approximately EUR 275 million (EUR 235 million net of taxes). Both agreements are part of the Divestment Remedy required by the FCA in the Hivory Acquisition (see Note 6 of the 2021 Consolidated Financial Statements).

The Divestment Remedy was structured as the sale of six lots of sites. A significant portion was sold in 2023, with 2,353 sites, corresponding to four lots of sites, transferred in 2023 for a total amount of approximately EUR 729 million, of which EUR 631 million were collected at completion of the aforementioned sale (in July and August 2023), and EUR 100 million are due in 2024, 2025 and 2026 (EUR 94 million at its net present value). The accounting impact in the consolidated income statement for the six-month period ended on 30 June 2023, recognized in “Results from disposals of fixed assets” and "Income tax" lines, was not significant, as described in Note 19.g.

During the first half of 2024, the fifth lot, consisting of 423 sites, has been sold for a total amount of approximately EUR 152 million, which has been already collected. The accounting impact in the accompanying consolidated income statement amounted to EUR 57 million (gross of tax effect) and it was recognized in “Results from disposals of fixed assets” (see Note 19.g).

In relation to the remaining lot, consisting of 450 sites, it is already identified and the process is progressing correctly, and the transaction is expected to be completed in the second half of 2024. In this regard, as of 30 June 2024, the Group considers that the requirements established in IFRS 5 have been met to classify this lot of assets and their associated liabilities as "held for sale" in the accompanying Interim Condensed Consolidated Financial Statements. The assets and liabilities rising at the time of their new classification amounted to EUR 126 million and EUR 31 million, respectively. In accordance with IFRS 5.40, the above presentation requirements are applied only prospectively, without reclassification of comparative information.

The main financial figures related to the non-current assets held for sale and the liabilities associated with non-current assets held for sale in relation to the Hivory Acquisition as of 30 June 2024 and 31 December 2023 are as follows:

	Thousands of Euros	
	30 June 2024	**31 December 2023**
NON-CURRENT ASSETS		
Property, plant and equipment	99,389	96,007
Right-of-use assets	26,738	27,192
Total non-current assets	**126,127**	**123,199**
TOTAL ASSETS	**126,127**	**123,199**
Non-current assets held for sale	**126,127**	**123,199**
NON-CURRENT LIABILITIES		
Lease liabilities	24,581	31,227
Total non-current liabilities	**24,581**	**31,227**
CURRENT LIABILITIES		
Lease liabilities	6,319	—
Total current liabilities	**6,319**	**—**
TOTAL LIABILITIES	**30,900**	**31,227**
Liabilities associated with non-current assets held for sale	**30,900**	**31,227**

Non-current assets held for sale in relation to the disposal of the Group operations in some countries and business units

From the last quarter of 2023, the Group has been carrying out an asset portfolio assessment from an industrial perspective. As a result of such analysis the Group might decide to divest some of the existing assets or to find a partner, like it has been done in the Nordics, to accelerate growth and to repay debt with a short-term maturity and higher cost.

Ireland

As a result of the asset portfolio assessment process, the potential divestment process in the Group's operations in Ireland started by the end of 2023 and on 5 March 2024, the Group reached an agreement with Phoenix Tower International for the disposal of 100% of the share capital of Cellnex Ireland Limited and Cignal Infrastructure Limited, in exchange for a consideration of approximately EUR 971 million. The closing of this transaction is subject to customary antitrust and foreign direct investment clearance.

As of 30 June 2024 this transaction has not yet been completed. Thus, the Group continues classifying these assets and their associated non-current liabilities as "Non-current assets held for sale".

The breakdown of these assets and liabilities as of 30 June 2024 and 31 December 2023 is as follows:

	Thousands of Euros	
	30 June 2024	31 December 2023
NON-CURRENT ASSETS		
Property, plant and equipment	218,317	209,594
Goodwill	281,336	281,336
Intangible assets	540,133	540,130
Trade and other receivables	1,100	1,100
Right-of-use assets	47,153	45,887
Total non-current assets	**1,088,039**	**1,078,047**
CURRENT ASSETS		
Trade and other receivables	27,714	32,514
Cash and equivalents of cash	61	153
Total current assets	**27,775**	**32,667**
TOTAL ASSETS	**1,115,814**	**1,110,714**
Non-current assets held for sale	**1,115,814**	**1,110,714**
NON-CURRENT LIABILITIES		
Bank borrowings and bond issues	77	89
Lease liabilities	21,028	24,773
Provisions and other liabilities	116,332	112,204
Deferred tax liabilities	74,448	72,849
Total non-current liabilities	**211,885**	**209,915**
CURRENT LIABILITIES		
Lease liabilities	9,342	10,750
Provisions and other liabilities	19,155	20,146
Employee benefit obligations	574	785
Trade and other payables	9,506	17,021
Total current liabilities	**38,577**	**48,702**
TOTAL LIABILITIES	**250,462**	**258,617**
Liabilities associated with non-current assets held for sale	**250,462**	**258,617**

Austria

In relation with the asset portfolio assessment abovementioned, during the first half of 2024 the Group has started the process for the potential divestment of the Group's operations in Austria.

To the extent that as of 30 June 2024 (i) the assets are available for disposal at their condition at that date, (ii) the process to locate buyers at prices reasonable in relation to their fair value has already been initiated and authorized by Group management, and (iii) it is expected to close the process within the period established by the IFRS 5, the Group has classified these assets and their associated liabilities as "Non-current assets held for sale".

In accordance with the requirements of IFRS 5.15, prior to the classification of the assets and liabilities of the Group's Austrian operations as a "Non-current assets held for sale" it has been measured at fair value less cost to sale. In this context and according to the binding offers received, the Group has recognized an impairment amounting to EUR 264,773 thousand, in relation to goodwill and intangible assets for telecom infrastructure services (see Note 8) net of the

corresponding tax effects (see Notes 8 and 17.d). If an agreement for the divestment is not finally reached, the recorded impairment will be subject to subsequent review.

The breakdown of these assets and liabilities as of 30 June 2024 is as follows:

	Thousands of Euros
	30 June 2024
NON-CURRENT ASSETS	
Property, plant and equipment	272,851
Intangible assets	533,865
Trade and other receivables	475
Right-of-use assets	151,723
Deferred tax assets	113,156
Total non-current assets	**1,072,070**
CURRENT ASSETS	
Trade and other receivables	22,729
Total current assets	**22,729**
TOTAL ASSETS	**1,094,799**
Non-current assets held for sale	**1,094,799**
NON-CURRENT LIABILITIES	
Lease liabilities	125,423
Provisions and other liabilities	80,424
Employee benefit obligations	48
Deferred tax liabilities	134,547
Total non-current liabilities	**340,442**
CURRENT LIABILITIES	
Lease liabilities	25,508
Provisions and other liabilities	1,414
Employee benefit obligations	811
Trade and other payables	4,361
Total current liabilities	**32,094**
TOTAL LIABILITIES	**372,536**
Liabilities associated with non-current assets held for sale	**372,536**

Private network business

On 10 November 2023, the Group reached an agreement with Boldyn Networks to sell 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 sale has been completed on 29 February 2024 for a total consideration amounting to approximately EUR 31 million, without significant impact in the accompanying consolidated income statement.

The breakdown of these assets and liabilities as of 31 December 2023 was as follows:

	Thousands Euros
	31 December 2023
NON-CURRENT ASSETS	
Property, plant and equipment	1,179
Goodwill	7,527
Intangible assets	13,549
Trade and other receivables	26
Total non-current assets	**22,281**
CURRENT ASSETS	
Inventories	330
Trade and other receivables	5,639
Cash and equivalents of cash	29
Total current assets	**5,998**
TOTAL ASSETS	**28,279**
Non-current assets held for sale	**28,279**
NON-CURRENT LIABILITIES	
Deferred tax liabilities	2,543
Total non-current liabilities	**2,543**
CURRENT LIABILITIES	
Trade and other payables	1,651
Total current liabilities	**1,651**
TOTAL LIABILITIES	**4,194**
Liabilities associated with non-current assets held for sale	**4,194**

7. Property, plant and equipment

The changes in this heading in the consolidated balance sheet during 2024 were as follows:

				Thousands of Euros
	Land and buildings	Plant and machinery and other fixed assets	Property, plant and equipment under construction	Total
At 1 January 2024				
Cost	12,218,326	1,353,293	1,312,078	**14,883,697**
Accumulated depreciation	(2,630,796)	(586,026)	—	**(3,216,822)**
Carrying amount	**9,587,530**	**767,267**	**1,312,078**	**11,666,875**
Carrying amount at beginning of period	9,587,530	767,267	1,312,078	**11,666,875**
Additions	644,714	49,925	237,909	**932,548**
Disposals (net)	(24,747)	(1,283)	(4,843)	**(30,873)**
Transfers	139,637	19,952	(143,389)	**16,200**
Transfers to non-current assets held for sale	(358,129)	(11,145)	(2,966)	**(372,240)**
Foreign exchange differences	29,340	254	1,209	**30,803**
Depreciation charge	(415,295)	(9,533)	—	**(424,828)**
Carrying amount at close	**9,603,050**	**815,437**	**1,399,998**	**11,818,485**
At 30 June 2024				
Cost	12,649,141	1,410,996	1,399,998	**15,460,135**
Accumulated depreciation	(3,046,091)	(595,559)	—	**(3,641,650)**
Carrying amount	**9,603,050**	**815,437**	**1,399,998**	**11,818,485**

The carrying amount recognised under “Land and buildings” includes infrastructures acquired at the centers in which the Group has installed its telecommunications equipment (land, towers and buildings – prefabricated and civil works).

“Plant and machinery and other fixed assets” includes mainly the telecommunications infrastructure network for broadcasting and others network services. It also includes all equipment necessary to ensure the operation of the technical equipment installed in any infrastructure (electrical and air conditioning).

“Property, plant and equipment under construction” includes the carrying amount of those items of property, plant and equipment acquired in the last days of the year that have still not been put into operation.

Movements during 2024 period

The main variations in the period are due to the reclassifications to "Non-current assets held for sale" described in Note 6.

Changes in the scope of consolidation and business combinations

During the six-month period ended on 30 June 2024, no relevant business combinations have been carried out.

Signed acquisitions and commitments

France

As of 30 June 2024, in accordance with the agreements reached with Bouygues Telecom during the period 2016 - 2020, Cellnex, through its subsidiaries Cellnex France, Towerlink France and Nexloop, has committed to acquire or for Bouygues Telecom to build, as applicable, up to approximately 5,300 sites that will be gradually transferred to Cellnex until 2030, of which 2,734 sites have been transferred to Cellnex as of 30 June 2024 (2,085 sites in the same period of 2023), as well as to the roll-out of a network of up to 31,500 km., interconnecting the telecommunications rooftops and towers providing service to Bouygues Telecom (approximately 5,800 of which belong to and are operated by Cellnex) with the network of “metropolitan offices”, “center offices” and “Mobile switching centers” for housing data processing centres (Edge Computing). During the first half of 2024, 315 sites have been acquired (208 sites in the same period of 2023), 13 housing data processing centres and optic fibre network was deployed in relation to the aforementioned agreements, for an amount of approximately EUR 87 million, 11 million and 88 million, respectively (EUR 115 million and 149 million in the same period of 2023, for the acquisition of sites and optic fibre network deployment, respectively). Therefore, the total investment during the first half of 2024 and 2023, in relation to the agreements described above, amounted to approximately EUR 186 million and EUR 278 million, respectively.

Moreover, in accordance with the agreement reached with Free Mobile in 2019 (see Note 6 of the Consolidated Financial Statements ended as of 31 December 2020), Cellnex, through its subsidiary On Tower France, has committed to acquire or build for Free Mobile, as applicable, a minimum of 4,500 sites that will be gradually transferred to Cellnex until 2029, of which 3,750 sites have been transferred to Cellnex as of 30 June 2024 (3,070 sites in the same period of 2023). During the first half of 2024, 510 sites were acquired (349 sites in the same period of 2023) for a total amount of approximately EUR 141 million (EUR 90 million in the same period of 2023).

On the other hand, in accordance with the agreement reached with Altice France, S.A.S and Starlight HoldCo S.à r.l for Hivory, S.A.S (see agreements described in Note 6 of 2022 Consolidated Financial Statements), Cellnex, through its subsidiary Hivory, S.A.S, has committed to acquire or for SFR Telecom to build, as applicable, up to 2,500 sites that will be gradually transferred to Cellnex until 2030, of which 1,213 sites have been transferred as of 30 June 2024 (787 sites in the same period of 2023). During the first half of 2024, 196 sites were acquired (176 sites in the same period of 2023) for a total amount of approximately EUR 44 million (EUR 31 million in the same period of 2023). The search and construction of sites is outsourced by Hivory to SFR. Hivory, within a framework of obtaining synergies, has agreed that it will front load partially these investments to facilitate the construction of up to 2,500 sites at the earliest possible date. Thus, the Group delivered a prepayment in the first half of 2022 in respect of the investment and acceleration relating to the construction of these sites for an amount of EUR 521 million, which has been reduced by EUR 41 million as of 30 June 2024 (EUR 85 million as of 31 December 2023) as a consequence of the transfer of sites by SFR Telecom.

Finally, a new industrial and synergetic agreement with SFR was reached in 2023 by meeting SFR’s need to deploy new PoPs on existing and new sites. The agreement involves an associated investment over a 6-year period of up to approximately EUR 275 million in exchange for approximately EUR 35 million EBITDA IFRS 16 upon deployment (2029 – c.12.4x EBITDAaL multiple) under a 20 year contract length from the starting date of each new PoPs, with all-or-nothing renewal.

Therefore, the total investment in France during the first half of 2024 and 2023, in relation to the agreements described above, amounted to approximately EUR 371 million and EUR 399 million, respectively. In relation to the Divestment Remedy described in Note 6, 3,226 sites located in France are being gradually transferred during 2023 and 2024 for an amount of approximately EUR 835 million, of which approximately 2,776 sites have already been transferred as of 30 June 2024 for an amount of approximately EUR 784 million (150 sites were transferred in the same period of 2023 for an amount of approximately EUR 34 million).

Poland

During 2021 Cellnex reached an agreement in Poland with Iliad Poland and Polkomtel (see agreements described in Note 6 of the Consolidated Financial Statements ended as of 31 December 2022). Cellnex, through its subsidiaries On Tower Poland and Towerlink Poland, has committed to acquire or for Iliad and Polkomtel to build, as applicable, up to 4,462 sites and 1,500 sites that will be gradually transferred to Cellnex until 2030, of which 1,803 sites and 304 sites have been

transferred as of 30 June 2024 (1,207 sites and 100 sites in the same period of 2023). During the first half of 2024, 350 sites and 54 sites were acquired (409 sites and 29 sites in the same period of 2023), as well as other updates in active equipment, for a total amount of approximately EUR 110 million and EUR 19 million, respectively (EUR 102 million and EUR 13 million in the same period of 2023, respectively).

Italy

During the first half of 2024 and 2023, in the context of the Iliad Italy Acquisition, 477 and 427 sites have been transferred for an amount of approximately EUR 43 million and EUR 65 million, respectively.

Portugal

During the first half of 2024, in the context of the MEO Acquisition in 2019, 51 sites have been transferred (66 sites in the same period of 2023) with an investment amounting to approximately EUR 6 million (EUR 9 million in the same period of 2023).

Additionally, in the first quarter of 2022, Cellnex reached an agreement with Nos Comunicações, S.A. in order to expand its BTS program for up to 150 sites to be transferred to Cellnex for approximately EUR 50 million, as part of its long-term partnership established in 2020. After this transaction, that was completed in the last quarter of 2022, the BTS program leads to a total of up to 550 sites to be completed by 2026, in exchange of a total capex of up to EUR 225 million, of which 382 sites have been transferred as of 30 June 2024 with an accumulated investment of EUR 222 million (EUR 163 million in the same period of 2023). During the first half of 2024, 80 sites have been transferred for an amount of approximately EUR 58 million.

The United Kingdom

The CK Hutchison Holdings Transaction in respect of United Kingdom was completed in the last quarter of 2022 (see Note 6 of the 2022 Consolidated Financial Statements). Cellnex, through its subsidiary On Tower UK, has committed to acquire or for Hutchison to build, as applicable, up to 1,200 sites that will be gradually transferred to Cellnex until 2030. During the first half of 2024, 199 sites have been acquired for a total amount of approximately EUR 45 million (314 sites for a total amount of approximately EUR 74 million in the same period of 2023).

Others

In addition to the movements described above, during the first half of 2024 investments have also been carried out by the Group in relation to “Build-to-Suit” agreements reached with several anchor tenants in Netherlands, Switzerland, Austria, Denmark and Sweden for a total amount of approximately EUR 31 million (EUR 47 million in the same period of 2023 in Netherlands, Switzerland, Ireland, Austria, Denmark and Sweden), and other additions related to the business expansion and improvements of the Group's assets, for an amount of approximately EUR 194 million (EUR 197 million in the same period of 2023). The total additions for the period ended on 30 June 2024 includes the investments carried out by the Group in relation to Engineering Services that have been agreed with different customers, including ad-hoc capex eventually required (such as adaptation, engineering and design services) amounting to approximately EUR 95 million (EUR 104 million in the same period of 2023), mainly in France, UK, Switzerland Portugal and Austria, amounting to EUR 41 million, EUR 33 million, EUR 3 million, EUR 3 million and EUR 11 million, respectively (EUR 40 million, EUR 46 million, EUR 7 million, EUR 3 million and EUR 0 million, respectively, in the same period of 2023).

At 30 June 2024 the Group had not entered into additional relevant framework agreements with other customers.

Property, plant and equipment abroad

At 30 June 2024 and 31 December 2023 the Group had the following investments in property, plant and equipment located abroad:

	Thousands of Euros	
	30 June 2024	31 December 2023
Italy	1,732,290	1,715,422
France	5,180,772	5,000,286
UK	1,242,566	1,138,672
Switzerland	234,988	258,249
Portugal	619,658	549,950
Austria	—	256,902
Poland	1,610,437	1,518,930
Others	398,256	501,636
TOTAL	**11,018,967**	**10,940,047**

Fully depreciated assets

At 30 June 2024, fully depreciated property, plant and equipment amounted to EUR 2,252 million (EUR 1,708 million at 31 December 2023).

Change of control clauses

With regards to the Group's acquisitions of infrastructures from mobile telecommunications operators, certain material contracts entered into by the Group, including most of the Group's agreements with anchor customers, could be modified or terminated if a change of control clause is triggered. With regards to the material contracts entered into by the Group with anchor customers, a change of control clause may be triggered (and is generally limited to) in the event where a competitor of the anchor customer, either alone or in conjunction with others, obtains "significant influence" and/or "control" (which is generally defined as having (i) more than 50% of shares with voting rights (except in a few exceptional cases where this threshold is defined as having 29% or more of shares with voting rights), or (ii) the right to appoint or dismiss the majority of the members of the board of directors of the relevant Group company). In such circumstances, and in certain cases, the anchor customer may be granted an option to buy back assets (generally the infrastructures where they are being serviced). In addition, such buy back option can also be granted in the event that a direct competitor of the anchor customer acquires a significant portion of the shares or obtains voting or governance rights which can be exercised in a way that can negatively affect the anchor customer's interests. A change of control clause may be triggered at the level of Cellnex or only at the level of the relevant subsidiary that has entered into the relevant contract. In certain contracts, the definition of control, and therefore of a change of control, makes specific reference to the applicable law in the relevant jurisdiction.

Purchase commitments at period-end

As of 30 June 2024 the Group held purchase agreements for property, plant and equipment assets amounting to EUR 3,827 million (EUR 4,490 million as of 31 December 2023). These purchase commitments were related to the agreements reached in France with Free Mobile in 2019, where Cellnex, through its subsidiary On Tower France, has committed to acquire or for Free Mobile to build, as applicable, a minimum of 2,500 sites that will be gradually transferred to Cellnex until 2026, and several projects with Bouygues Telecom (Build-to-Suit sites, construction and acquisition of Mobile Switching Centers, Metropolitan Offices and Central Offices -sites with data processing capabilities-, and through which Nexloop will deploy a national optic fiber network in France to provide mobile and fixed fiber-based connectivity and especially accelerate the roll-out of 5G in the country). Additionally, in accordance with the agreement reached with Altice France, S.A.S and Starlight HoldCo S.à r.l for Hivory, S.A.S in 2021, Cellnex, through its subsidiary Hivory, S.A.S, has committed to acquire or for SFR Telecom to build, as applicable, up to 2,500 sites that will gradually transferred to Cellnex until 2030. Furthermore, it included the agreements reached during 2021 in Poland with Iliad Poland and Polkomtel, where, Cellnex, though its subsidiaries On Tower Poland and Towerlink Poland, has committed to acquire or for Iliad and Polkomtel to build, as applicable, up to 4,462 and 1,500 sites that will be gradually transferred to Cellnex until 2030. In addition to the commitments described above, it also included the agreements with CK Hutchison Networks related to the deployment of new sites in Austria, Denmark, Ireland, Italy, Sweden, and the United Kingdom, as well as other "Build-to-Suit" agreements reached with several anchor tenants in Italy, Switzerland, Portugal, Ireland and the Netherlands.

Impairment

As disclosed in Note 3.c of the 2023 Consolidated Financial Statements, the Group evaluates at the end of every financial year if there is any indication of impairment in value of any asset. If any indications were to exist and, at least annually for goodwill, the Group will estimate the recoverable value, which is taken to be the greater of the fair value of the asset less costs to sell and its value in use of the corresponding cash generating unit, in accordance with the general criteria and assumptions described in Notes 3.c and 9 of the 2023 Consolidated Financial Statements.

During the six-month period ended 30 June 2024 no indication exists, also considering the non-significant impact of the geopolitical environment and macroeconomic conditions, as described in Note 2.d, that could lead to the existence of impairment in relation to the tangible assets of the Group, taking into consideration, mainly and among others, that the contracts signed with MNOs and other clients are long-term and are total or partially CPI-linked contract. Additionally, the assets of the CGU's have not changed and the 2023 impairment test reflected sufficient headroom that allows to absorb significant variations of the key hypotheses including modifications in the discount rate applied.

Other disclosures

As a result of the Hutchison United Kingdom Acquisition (see Notes 2 and 6 of the 2022 Consolidated Financial Statements) and pursuant the agreements between Cellnex and Hutchison, Cellnex is joint operator in MBNL in relation with the passive infrastructure. In this regard, following the termination of this joint operation, which is expected to occur in 2031, and the transfer of legal title in certain of those sites to Hutchison, the legal title to a minimum of 3,000 but up to a maximum of 3,833 sites that are the subject of the agreements will be transferred to the Group without any additional disbursement. Irrespectively of the number of sites transferred, the revenues, EBITDA and cash flows should not be impacted.

At 30 June 2024 and 31 December 2023, the Group did not have significant property, plant and equipment subject to restrictions or pledged as collateral on liabilities.

8. Intangible assets

The changes in this heading in the consolidated balance sheet during 2024 were as follows:

	Thousands of Euros			
	Goodwill	Intangible assets for telecom infrastructure services	Computer software and other intangible assets	Total
At 1 January 2024				
Cost	6,652,884	21,146,231	497,739	**28,296,854**
Accumulated amortisation	—	(3,358,794)	(238,373)	**(3,597,167)**
Carrying amount	**6,652,884**	**17,787,437**	**259,366**	**24,699,687**
Carrying amount at beginning of period	6,652,884	17,787,437	259,366	**24,699,687**
Changes in the scope of consolidation (Note 5)	—	1,638	—	**1,638**
Additions	—	—	7,021	**7,021**
Disposals (net)	—	—	(889)	**(889)**
Transfers	—	(16,200)	—	**(16,200)**
Transfers to non-current assets held for sale	—	(533,836)	(29)	**(533,865)**
Foreign exchange differences	29,451	48,571	32,672	**110,694**
Impairment	(311,299)	(90,442)	—	**(401,741)**
Amortisation charge	—	(502,221)	(56,795)	**(559,016)**
Carrying amount at close	**6,371,036**	**16,694,947**	**241,346**	**23,307,329**
At 30 June 2024				
Cost	6,371,036	20,555,962	536,514	**27,463,512**
Accumulated amortisation	—	(3,861,015)	(295,168)	**(4,156,183)**
Carrying amount	**6,371,036**	**16,694,947**	**241,346**	**23,307,329**

Movements during 2024 period

The main variations in the period are due to the reclassifications to "Non-current assets held for sale" described in Note 6.

Signed acquisitions and commitments

During the six-month period ended on 30 June 2024, the Group had not entered into any other framework agreements with customers additional to those detailed in Note 6 and 8 of the 2023 Consolidated Financial Statements.

Intangible assets abroad

At 30 June 2024 and 31 December 2023, the Group had the following net book value of intangible assets located in the following countries:

	Thousands of Euros	
	30 June 2024	31 December 2023
Italy	3,593,852	3,681,149
Netherlands	1,170,551	1,196,265
France	6,502,252	6,644,485
United Kindom	6,028,241	6,010,515
Portugal	1,294,826	1,331,463
Switzerland	1,349,618	1,439,945
Austria	—	954,526
Poland	2,106,767	2,137,327
Others	998,020	1,031,926
TOTAL	**23,044,127**	**24,427,601**

Fully depreciated assets

At 30 June 2024, fully depreciated intangible assets amounted to EUR 133,339 thousand (EUR 142,987 thousand at 31 December 2023).

Purchase commitments at period-end

At 30 June 2024, the Group held purchase agreements for intangible assets, amounting to EUR 2,464 thousand (EUR 5,715 thousand at 31 December 2023).

Impairment

As disclosed in Note 3.c of the consolidated financial statements corresponding to the year ended on 31 December 2023, the Group evaluates at the end of every financial year if there is any indication of impairment in value of any asset. If any indications were to exist and, at least annually for goodwill, the Group will estimate the recoverable amount of the asset, which is taken to be the greater of the fair value of the asset less costs to sell and its value in use. In this regard, in relation to the assets classified as held for sale as of 30 June 2024, as disclosed in Note 6, an impairment amounting to EUR 311,299 thousand and EUR 90,442 thousand has been registered in Goodwill and Intangible assets for telecom infrastructure services, respectively, related to the Group operations in Austria prior it classification as “Non-current assets held for sale”.

After considering that the abovementioned impairment has no significant effect on the recoverable amount determined in the impairment of assets at the end of 2023, during the six-month period ended 30 June 2024 no other indication of impairment exists, also considering both the implication of the impairment tests prepared as of 31 December 2023 of the aforementioned impairment and the non-significant impact of the geopolitical environment and macroeconomic conditions, as described in Note 2.d, that could lead to the existence of impairment in relation to the goodwill or intangible assets of the Group, taking into consideration, mainly and among others, that the contracts signed with MNOs and other clients are long-term and are total o partially CPI-linked contract. Additionally, the assets of the CGU’s have not changed and the 2023 impairment test reflected sufficient headroom that allows to absorb significant variations of the key hypotheses including modifications in the discount rate applied.

Other disclosures

At 30 June 2024 and 31 December 2023, the Group did not have significant intangible assets subject to restrictions or pledged as collateral on liabilities.

9. Investments in associates

The changes in this heading in the consolidated balance sheet are as follows:

	Thousands of Euros
	2024
At 1 January	**42,321**
Profit of the year	(1,961)
Additions	6,590
Others	526
At 30 June	**47,476**

The shareholdings in associates accounted for using the equity method are detailed as follows:

	Thousands of Euros	
	Value of the shareholding	
	30 June 2024	31 December 2023
Torre Collserola, S.A.	1,988	1,971
Nearby Sensors	344	337
Nearby Computing	197	96
Consorcio de Telecomunicaciones Avanzadas, S.A. (COTA)	144	220
Digital Infrastructure Vehicle I SCSp (DIV)	44,803	39,697
Total	**47,476**	**42,321**

Digital Infrastructure Vehicle I SCSp ("DIV")

As part of the T-Mobile Infra Acquisition (see Note 6 of 2021 Consolidated Financial Statements), Cellnex, together with DTAG, as fund's initial limited partners, signed a commitment letter, pursuant to which Cellnex committed to invest EUR 200 million in DIV.

During the first half of 2024, DIV drew approximately EUR 7 million (EUR 4 million in the same in period of 2023), which Cellnex additionally paid with available cash. Such funds were used mainly to finance the acquisition by DIV of small fiber companies in the Netherlands, as well as the general operations of the fund. Thus, these new subsequent investments made by DIV, as per IFRS 10:B94 "Equity Method as One-line Consolidation", have been evaluated separately and have been consolidated within the Cellnex Group through the equity method as of 30 June 2024 and 31 December 2023.

Additionally, during the first half of 2024 new partners have become part of DIV's shareholders and, in accordance with the Limited Partnership Agreement, the founding partners, Cellnex and DTAG have recovered part of the initial investment for an amount of EUR 2 million (EUR 5 million in the same period of 2023). These reimbursements of contributions and the consequent reduction of participation in DIV, and consequently in Cellnex Netherlands, have been recorded as an equity transaction carried out with a non-controlling interest in the subsidiary that did not modify the controlling position in Cellnex Netherlands.

As a result of the period transactions, Cellnex's average investment in DIV has increased by 0.22%, from 19.10% to 19.32% and, consequently and according to the investment agreement, as of 30 June 2024, Cellnex's direct and indirect stake in the Cellnex Netherlands subgroup has increased by 0.1%, from 69.54% to 69.64% (see Note 13.f).

Finally, as of 30 June 2024 the Cellnex's remaining investment commitment in DIV, after considering subsequent amendments, amounts to a net value of EUR 74 million (EUR 81 million as of 2023 year-end).

10. Derivative financial instruments

The detail of the fair value of the derivative financial instruments at 30 June 2024 and 31 December 2023 is as follows:

				Thousands of Euros
	30 June 2024		31 December 2023	
	Assets	Liabilities	Assets	Liabilities
Interest rate swaps:				
Cash flow hedges	38,460	1,131	34,062	3,007
Fair value hedges	107	20,090	2,687	15,915
Interest rate and/or cross currency swaps and/or forwards:				
Cash flow hedges	58,029	1,984	49,473	—
Derivatives not designated as hedges:				
Equity swap	—	13,967	14,943	986
Exchange rate option	—	527	—	—
Derivative financial instruments	**96,596**	**37,699**	**101,165**	**19,908**
Interest rate swap:				
Cash flow hedges	37,894	1,131	33,420	3,007
Fair value hedges	107	17,120	50	15,915
Interest rate and/or cross currency swaps and/or forwards:				
Cash flow hedges	58,029	—	45,474	—
Non-current	**96,030**	**18,251**	**78,944**	**18,922**
Interest rate swap:				
Cash flow hedges	566	—	642	—
Fair value hedges	—	2,970	2,637	—
Interest rate and/or cross currency swaps and/or forwards:				
Cash flow hedges	—	1,984	3,999	—
Derivatives not designated as hedges:				
Equity swap	—	13,967	14,943	986
Exchange rate option	—	527	—	—
Current	**566**	**19,448**	**22,221**	**986**

The Group has used interest rate swaps and interest rate and/or cross currency swaps, in accordance with the financial risk management policy described in Note 4 of the 2023 Consolidated Financial Statements.

The detail of the derivative financial instruments at 30 June 2024 and 31 December 2023, by type of instrument, showing their notional or contractual values, expiry dates and fair values, is as follows:

	Thousands of Euros							
	30 June 2024							
	Notional amount	2025	2026	2027	2028	2029	Subsequent years	Net fair value
Interest rate swaps:								
Cash flow hedges	267,033	7,777	13,414	11,248	5,142	(77)	(21)	37,329
Interest rate and/or cross currency swaps:								
Cash flow hedges	504,817	(1,691)	8,734	8,169	7,667	7,221	26,244	56,044
Fair value hedges	1,000,000	(12,167)	(9,447)	1,719	—	—	—	(19,981)
Derivatives not designated as hedges:								
Equity Swap	150,000	(14,022)	—	—	—	—	—	(13,967)
Exchange rate option	41,475	(530)	—	—	—	—	—	(528)
Total	**1,963,325**	**(20,633)**	**12,701**	**21,136**	**12,809**	**7,144**	**26,223**	**58,897**

	Thousands of Euros							
	31 December 2023							
	Notional amount	2024	2025	2026	2027	2028	Subsequent years	Net fair value
Interest rate swaps:								
Cash flow hedges	267,033	12,871	7,704	7,327	3,824	(288)	(265)	31,054
Interest rate and/or cross currency swaps:								
Cash flow hedges	504,817	8,286	7,617	7,183	6,782	6,401	13,110	49,472
Fair value hedges	1,000,000	(12,087)	(4,762)	3,738	—	—	—	(13,227)
Derivatives not designated as hedges:								
Equity Swap	150,000	14,030	—	—	—	—	—	13,958
Total	**1,921,850**	**23,100**	**10,559**	**18,248**	**10,606**	**6,113**	**12,845**	**81,257**

Interest rate swaps (IRS)

The bond issued in April 2017 for EUR 80,000 thousand and maturing in April 2026 was hedged with floating-to-fix IRS, converting the floating rate of the bond in to a fixed rate (see Note 14). The notional amount and the maturity of the IRS match those of the underlying bond. As a result of the contracted IRS the final interest rate on the EUR 80 million bond is 2.945%.

Additionally, during 2020, Nexloop arranged a floating-to-fixed IRS for an increasing nominal value up to EUR 448,000 thousand. This transaction was structured to hedge the EUR 600,000 thousand 8-year capex facility to partially finance the deployment of the fibre network by Nexloop (see Notes 2.h and 7 of the 2020 Consolidated Financial Statements). Additionally during 2023, Nexloop also arranged a floating-to-fixed IRS for an increasing nominal value up to EUR 139,000 thousand. This transaction was structured to increase the prior hedge on the EUR 600,000 thousand 8-year capex facility and partially hedge the new incremental facility of EUR 100,000 thousand signed on July 24, 2023 and also maturing in 2028.

In April 2022, the Group entered into an interest rate swap agreement for EUR 500,000 thousand, partially transforming the latest EUR 1,000,000 thousand bond issuance from fix-to-floating rate (see Note 14). In this regard, this interest rate swap

has been treated as a fair-value hedge. This hedge is referred to 6M EURIBOR and the reference rate is 0.935%. Finally, in October 2022 the reference to 6M EURIBOR was changed to 1M EURIBOR through new interests rate swaps.

In November 2022, the Cellnex France Infrastructures, arranged a floating-to-fix IRS for an increasing nominal value up to EUR 90,000 thousand. This transaction was structured to hedge the EUR 120,000 thousand term loan facility with a 8-year bullet maturity, to partially finance the deployment of new sites.

Cross currency interest rate swaps

In 2021, Cellnex Finance entered into a cross-currency swap agreement by virtue of which Cellnex lent the USD 600,000 thousand from the bond issuance at a coupon of 3.875% and borrowed the equivalent amount of euros at an agreed exchange rate enabling Cellnex to obtain approximately EUR 505,000 thousand at a coupon of 2.25% (see Note 14).

During 2023, the Group designated the cash maintained in Polish zlotys (PLN) amounting to PLN 169,000 thousand together with the arranged forward rate agreements in the same currency for an amount of PLN 2,104,000 thousand and an equivalent euro value of EUR 469,000 thousand to hedge the disbursement envisaged in relation to the investment commitment acquired in June 2023 in relation to the 30% stake of On Tower Poland acquisition (see Note 2.h of the 2023 Consolidated Financial Statements).

Finally, without a formalized derivative financial instrument, the Group applied as net investment hedge certain debts maintained in currency other than euro to hedge currency risk in net investments in foreign operation as described in Note 14.

As of 30 June 2024 and 31 December 2023, the estimated sensitivity in the value of interest rate swaps to a 1% change (increase or decrease) in the interest rate is as follows:

				Thousands of Euros
		30 June 2024		31 December 2023
	1% change	-1% change	1% change	-1% change
Interest rate swaps:				
Cash Flow Hedges	55,930	18,256	28,866	28,458
Fair Value Hedges	(28,684)	(11,101)	(20,691)	(4,858)

As of 30 June 2024 and 31 December 2023, the estimated sensitivity in the value of interest rate and/or cross currency swaps to a 10% change (increase or decrease) in the exchange rate is as follows:

				Thousands of Euros
		30 June 2024		31 December 2023
	10% change	-10% change	10% change	-10% change
Interest rate and/or cross currency swaps:				
Cash Flow Hedges	198,202	73,376	241,622	106,674

Derivatives not designated as hedges

In November 2023, Cellnex Finance Company, S.A. (Unipersonal), entered into a total return equity swap agreement with a global financial institution referencing the shares of Cellnex for a notional amount of EUR 150,000 thousand, which at prevailing market prices was equivalent to approximately 4,677,487 shares, representing approximately 0.7% of its share capital, with a maturity date of 12 months, to be settled in cash. This derivative is guaranteed by Cellnex Telecom. Under the contract Cellnex Finance receives any dividends and increases in fair value of the underlying shares and pays the decreases in fair value and a fixed variable interest rate. According to the terms of the agreement, the contracted financial instrument cannot be qualified as hedge and its change of the fair value are recognised in “Net financial loss” caption of the accompanying consolidated income statement. During the first half of 2024, the parties have agreed to extend the maturity date set on November 2024, to May 2025.

As of 30 June 2024, the estimated sensitivity in the value of the total return equity swap to a 10% increase or decrease in the market value of the Cellnex share is plus EUR 14,179 thousand and minus EUR 14,179 thousand, respectively (plus EUR 16,666 thousand and minus EUR 16,666 thousand, respectively, at 31 December 2023).

Finally, in June 2024, the Group entered into a cross-currency swap agreement by virtue of which Cellnex has received PLN 175,000 thousand. At maturity, in December 2024, Cellnex will pay PLN 179,350 thousand or EUR 41,475 thousand, depending on the EUR-PLN exchange rate at certain date. In this regard, pursuant to the terms agreed in the cross-currency swap, it has been concluded that hedge accounting cannot be applied since it is a net written option.

11. Trade and other receivables

The breakdown of this heading in the accompanying consolidated balance sheet at 30 June 2024 and 31 December 2023 is as follows:

						Thousands of Euros
	30 June 2024			31 December 2023		
	Non-current	Current	Total	Non-current	Current	Total
Trade receivables (gross)	53,512	829,156	**882,668**	44,751	821,672	**866,423**
Allowances for doubtful debts (impairments)	—	(24,562)	**(24,562)**	—	(22,503)	**(22,503)**
Trade receivables	**53,512**	**804,594**	**858,106**	**44,751**	**799,169**	**843,920**
Current tax assets	—	229,902	**229,902**	—	255,315	**255,315**
Other receivables	260,498	123,840	**384,338**	250,163	101,122	**351,285**
Trade and other receivables	**314,010**	**1,158,336**	**1,472,346**	**294,914**	**1,155,606**	**1,450,520**

Trade and other receivables are shown at amortised cost, which does not differ significantly from their nominal value.

Trade receivables

Trade receivables are measured at their nominal amount, which is similar to fair value at initial recognition. This value is reduced, if necessary, by the corresponding provision for bad debts (impairment loss) whenever there is objective evidence that the amount owed will not be partially or fully collected. This amount is charged against the consolidated income statement for the year.

This caption includes outstanding amounts from customers. At 30 June 2024 and 31 December 2023, the account had no significant past-due balances that were not provided for.

The balance of public-sector debtors as at 30 June 2024 and 31 December 2023, amounted to EUR 14,926 thousand and EUR 19,813 thousand, respectively.

At 30 June 2024, the amount utilized under the non-recourse factoring agreements, in relation to trade receivables, stood at EUR 75.9 million (EUR 72.3 million at 2023 year-end). In this regard, the Group derecognises the receivables sold on a non-recourse basis as it considers that it has substantially transferred the risks and rewards inherent to their ownership to banks. At 30 June 2024 the limit under the non-recourse factoring agreements, in relation to trade receivables, stood at EUR 296 million (EUR 290 million as at 2023 year-end).

Allowances for doubtful debts (write-downs)

The changes in the allowance for doubtful debts during the first half of 2024 were as follows:

	Thousands of Euros
	2024
At 1 January	**22,503**
Disposals	(580)
Net changes	2,639
At 30 June	**24,562**

Disposals in this period relate to previous balances that were fully provided for, and which the Group decided to completely derecognise, without this having any impact on the accompanying consolidated income statement.

Net changes relate to changes in the provision recognised under "Changes in provisions" in the accompanying consolidated income statement with regard to the previous period.

Current tax assets

The breakdown of "Current tax assets" is as follows:

	Thousands of Euros	
	30 June 2024	31 December 2023
Corporate income tax	34,742	78,297
VAT receivable	183,381	169,943
Other taxes	11,779	7,075
Current tax assets	**229,902**	**255,315**

At 30 June 2024, this line mainly included VAT receivable derived from the acquisition of mobile telecom infrastructures France and Poland (see Note 7) for an amount of EUR 171 million (EUR 163 million at 31 December 2023 in relation to the same aforementioned countries).

During the first half of 2024, the Group reached a non-recourse agreement regarding a receivable balance relating to VAT, amounting to EUR 12 million in relation to the acquisition of mobile telecom infrastructures in Portugal (see Note 7). At 30 June 2024, the Group derecognised the VAT receivable sold on a non-recourse basis, based on this agreement, as it substantially transferred all the risks and rewards inherent to its ownership to a financial institution. In addition, the Group reached a non-recourse agreement regarding the balance relating to the Spanish Corporate Income Tax receivable (see Note 17.d), amounting to EUR 55 million. At 30 June 2024 the Group also derecognised the Spanish Corporate Income Tax receivable sold on a non-recourse basis, based on this agreement, as it substantially transferred all the risks and rewards inherent to its ownership to a financial institution.

Other receivables

At 30 June 2024 and 31 December 2023 "Other receivables" comprises:

- The deferred payment and the earn out agreed with Stonepeak in the context of the divestment agreement of the 49% interest in its businesses in Sweden and Denmark through the sale of the 49% of the company Cellnex Nordics, S.L. for a total amount of EUR 174,651 thousand (see Note 2.h of the 2023 Consolidated Financial Statements). This amount includes both the remaining balance of the total acquisition price, amounting to EUR 130,000 thousand, which will be paid on 2027 and the earn out recognised, amounting to EUR 44,651 thousand, that would be payable upon Cellnex execution of 3GIS call option in Sweden agreed with Hutchison (see Integrated Annual Report for the year ended on 31 December 2021). The amount of the aforementioned deferred payments have been recognised at its present value discounted at approximately 6% and it is subject to subsequent capitalization. Therefore, as of 30 June 2024, the present value amounts to EUR 141,992 thousand (EUR 135,833 thousand at 2023 year-end). Thus, the impact on "financial income" of the accompanying consolidated income statement for 2024 amounted to EUR 6,159 thousand (EUR 0 thousand for the same period in 2023).

- The deferred payment agreed with Phoenix Towers International in the context of the Divestment Remedy required by the FCA in the Hivory Acquisition (see Note 7 of the 2023 Consolidated Financial Statements). The amount includes the remaining balance of the total acquisition price, amounting to EUR 100,251 thousand, of which, EUR 25,000 thousand will be paid during the second half of 2024, EUR 55,251 thousand will be paid on 2025 and EUR 20,000 thousand will be paid on 2026. The amount of the aforementioned deferred payment has been recognised at its present value discounted at approximately 7% and it is subject to subsequent capitalization. Therefore, as of 30 June 2024, the present value amounts to EUR 93,843 thousand (EUR 88,744 thousand at 2023 year-end). Thus, the impact on "financial income" of the accompanying consolidated income statement for 2024 amounted to EUR 5,099 thousand (EUR 0 thousand for the same period in 2023).

- Advances to creditors, debtors and employees, deposits and guarantees, among others, amounting to EUR 121,494 thousand (EUR 100,067 thousand at 2023 year-end).

There are no significant differences between the carrying amount and the fair value of the financial assets.

12. Cash, cash equivalents and financial investments

a) Cash and cash equivalents

The breakdown of "Cash and cash equivalents" is as follows:

	Thousands of Euros	
	30 June 2024	31 December 2023
Cash on hand and at banks	279,042	364,836
Term deposits at credit institutions	212,000	927,603
Total	**491,042**	**1,292,439**

b) Current and non-current financial investments

The breakdown of this heading in the accompanying consolidated balance sheet at 30 June 2024 and 31 December 2023 is as follows:

	Thousands of Euros					
	30 June 2024			31 December 2023		
	Non-current	Current	Total	Non-current	Current	Total
Other financial assets	121,547	—	**121,547**	115,581	—	**115,581**
Advances to customers	18,523	3,004	**21,527**	21,508	3,972	**25,480**
Current and non-current financial investments	**140,070**	**3,004**	**143,074**	**137,089**	**3,972**	**141,061**

Other financial assets

As detailed in Note 18.a, in relation to the digitalization and expansion of the terrestrial television networks in remote rural areas in Spain during the digital transformation process, the European Commission issued a decision on 19 June 2013 concluding that Retevisión-I, S.A.U. and other operators of platforms for transmitting terrestrial and satellite signals had received state aid, in the amount of EUR 260 million, that is contrary to the Treaty on the Functioning of the European Union. In this regard, the governments of Extremadura, Catalonia, Valencia, Asturias and others initiated different proceedings to recover the aid, amounting to approximately EUR 100 million. The Group has already appealed such decisions and, in order to suspend the execution, it has set up escrow accounts for a total amount of approximately EUR 122 million (EUR 116 million as of 31 December 2023), which were registered in the heading “Non-current financial investments” of the accompanying consolidated balance sheet. On 5 November 2021, the Group filed an appeal before the General Court of the European Union requesting the annulment of the referred decision. To date, the General Court of the European Union has still not ruled on such appeal. In accordance with Note 18.a, it is not expected that the resolution of the procedures in progress will have a significant effect on the consolidated net assets of the Group to the extent that the aforementioned estimate of the actions to be exercised, the Group considers that it would entail the restitution of the amounts deposited in recovered "escrow" accounts.

Advances to customers

The changes in “advances to customers” during the six-month period ended on 30 June 2024 were as follows:

	Thousands of Euros		
			2024
	Non-current	Current	Total
At 1 January	**21,508**	**3,972**	**25,480**
Additions	67	15	**82**
Charge to the consolidated income statement	—	(1,973)	**(1,973)**
Transfer	(1,973)	1,973	**—**
Others	(1,079)	(983)	**(2,062)**
At 30 June	**18,523**	**3,004**	**21,527**

Current and non-current financial investments relate to the accounting treatment adopted by the Group in reference to the telecom infrastructures acquired, which are to be subsequently dismantled. These purchases are considered advances to customers and are recognized under these headings (see Note 3.d of the 2023 Consolidated Financial Statements).

The balances of the financial assets are reflected at their face value, there being no significant differences concerning their fair value.

Charge to the consolidated income statement

During 2024, in line with the terms of the services agreements entered into with the operators, the corresponding amount of the total paid for the purchase of telecommunications infrastructure, treated as prepayment for the subsequent service agreements, was taken to the accompanying consolidated income statement. At 30 June 2024 this amount was recorded as a reduction to revenues amounting to EUR 1,973 thousand (EUR 1,769 thousand from the six-month period ended on 30 June 2023).

Transfers

The transfers from the six-month period ended on 30 June 2024 are due to the classification under “Current financial investments” of the part that is expected to be charged during the next financial year to the consolidated income statement.

13. Net equity

a) Share capital and treasury shares

Share capital

At 30 June 2024 and 31 December 2023, the share capital of Cellnex Telecom, S.A. amounted to EUR 176,618,843.75, represented by 706,475,375 ordinary registered shares of EUR 0.25 par value each, represented by book entries, fully subscribed and paid.

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 Parent Company, both directly and indirectly, greater than 3% of the share capital at 30 June 2024 and 31 December 2023, are as follows:

	% ownership
Company	**30 June 2024**
Edizione, S.r.l. [(1)]	9.90 %
The Children's Investment Master Fund [(2)]	9.39 %
GIC Private Limited [(3)]	7.03 %
Canada Pension Plan Investment Board	5.19 %
Blackrock, Inc	4.98 %
Massachusetts Financial Services Company	3.04 %
Norges Bank	3.00 %
	42.53 %

	% ownership
Company	**31 December 2023**
Edizione, S.r.l. [(1)]	9.90%
The Children's Investment Master Fund [(2)]	9.39%
GIC Private Limited [(3)]	7.03%
Canada Pension Plan Investment Board	5.19%
Blackrock, Inc	5.04%
CK HUTCHISON HOLDINGS LIMITED	4.83%
Fundación Bancaria Caixa D' Estalvis i Pensions de Barcelona	4.77%
Norges Bank	3.00%
	49.15%

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 30 June 2024 and 31 December 2023, Edizione was positioned as a reference shareholder in Cellnex Telecom, S.A., holding a 9.90% stake in its share capital.

As of 30 June 2024 and 31 December 2023, none of the significant shareholders, whether individually or together, controls the Parent Company.

Treasury shares

The Parent's Company treasury shares transactions are conducted in strict adherence to the current legislation, corporate policy, and resolutions that have been duly adopted by the Ordinary General Shareholder's Meeting.

The Board of Directors of Cellnex Telecom, S.A. approved the Treasury Stock Policy on 27 October 2021, which is available on the Corporate website. The policy regulates the general principles, criteria and limits, operating rules and responsibilities, and governance path to be followed to carry out and control purchase and sale transactions with the treasury shares of Cellnex Telecom, S.A.

In addition, on 1 June 2023, the Ordinary General Shareholder's Meeting of Cellnex Telecom, S.A. resolved to delegate the faculty in favor of the Board of Directors to purchase treasury shares up to a limit of 10% of the share capital.

During the six-month period ended 30 June 2024 and 2023, 19,613 and 24,908 treasury shares have been transferred to employees in relation to employee remuneration payable in shares, respectively. In addition, during the first half of 2024, no treasury shares have been transferred to bondholders of senior unsecured convertible bonds.

At 30 June 2024, the Parent Company has registered a loss of EUR 189 thousand (a loss of EUR 213 thousand during the same period in 2023), net of fees and commissions, as a result of these operations and this has been taken as a reserve movement in the consolidated balance sheet.

The number of treasury shares as at 30 June 2024 and 31 December 2023 amounts to 931,075 and 950,688 shares, respectively and represents 0.132% and 0.135%, respectively, of the share capital of Cellnex Telecom, S.A.

The movement in the portfolio of treasury shares during the first half of 2024 has been as follows:

2024

	Number (Thousands of Shares)	Average Price	Purchases/Sales (Thousands of Euros)
At 1 January 2024	**951**	**42.55**	**40,456**
Sales / Others	(19.61)	42.55	(835)
At 30 June 2024	**931**	**42.55**	**39,621**

b) Share premium

As at 30 June 2024 the share premium of Cellnex Telecom amounted to EUR 15,471 million (EUR 15,482 million at the end of 2023). During the first half of 2024, a total cash pay out to shareholders of EUR 11,825 thousand was declared from the share premium account (see Note 13.d).

c) Reserves

The breakdown of this account is as follows:

	Thousands of Euros	
	30 June 2024	31 December 2023
Legal reserve	35,324	19,000
Reserves from the Parent Company	(230,622)	(402,365)
Reserves of consolidated companies	(1,734,192)	(1,230,968)
Hedge reserves	13,960	14,407
Foreign exchange differences	381,392	215,269
Reserves	**(1,534,138)**	**(1,384,657)**

I) Legal reserve

In accordance with the consolidated text of the Spanish 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 Parent 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.

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

At 30 June 2024, the legal reserve has already reached the legally established minimum. At 31 December 2023, due to the capital increase carried out during 2022, the legal reserve had not reached the legally established minimum.

II) Reserves from the Parent and consolidated companies

The reserves, totaling negative EUR 1,964,814 thousand and EUR 1,633,333 thousand as of 30 June 2024 and 31 December 2023, respectively, include the negative reserves of the Parent and consolidated companies, which amount to negative EUR 2,174,750 thousand and EUR 1,843,269 thousand as of 30 June 2024 and 31 December 2023, respectively, and the convertible bond reserve, which amounts to EUR 209,936 thousand (positive reserve) as of 30 June 2024 and 31 December 2023.

The decrease in “Reserves from the Parent Company” and “Reserves of consolidated companies” during the six-month period ended 30 June 2024 is due to: i) the distribution of 2023 losses for an amount of EUR 313 million; ii) the positive impact on reserves amounting to EUR 1 million in relation to the reimbursement received from DIV (see Notes 9 and 18.c); iii) the negative impact amounting to EUR 17 million in relation to the update of the contingent commitment to purchase shares of Cellnex Netherlands in the context of the T-Mobile Infra Acquisition, as a result of the change in the ownership subject to the contingent commitment to purchase. In this regard, as of 30 June 2024, the value of the contingent commitment amounted to EUR 421 million (EUR 404 million as of 2023 year-end) (see Note 18.c); iv) employee benefit payable in shares (see Note 18), and v) the negative result from transactions with treasury shares in the Parent Company amounting to EUR 0.2 million.

Convertible bonds are compounded 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 non-convertible 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. During the six-month period ended 30 June 2024, there were not significant movements in this reserve.

At 30 June 2024 and 31 December 2023, there are no significant non-distributable reserves from both the Parent Company and the subsidiaries, except from the legal reserve described above.

III) 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 in the case of the fully consolidated companies.

IV) Foreign exchange differences

The detail of this line item is as follows:

	Thousands of Euros	
	30 June 2024	31 December 2023
Cellnex UK (GBP)	279,797	124,902
Cellnex Telecom (USD)	251	251
Cellnex Switzerland (CHF)	2,119	10,439
Cellnex Denmark (DKK)	(434)	(273)
Cellnex Sweden (SEK)	(81,698)	(73,054)
Cellnex Poland (PLN)	181,357	153,004
Total	**381,392**	**215,269**

d) Interim dividend and proposed dividends

The determination of the distribution of dividends is carried out based on the individual statutory financial statements of Cellnex Telecom, S.A., and within the framework of the legislation in force in Spain.

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 was equivalent to that of 2021, increased by 10% (to EUR 35.4 million).

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.

In addition, the Annual Shareholding's Meeting approved to revoke the delegation of powers granted by the General Shareholders' Meeting held on 21 July 2020, approving the payment of a dividend charged to the share premium reserve, to the extent that said authority was not exercised.

During the first half of 2024, 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 dividend charged to the share premium reserve amounting to EUR 11,825 thousand, which represents 0.01676 euros for each existing and outstanding share with the right to receive such dividend.

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

e) Earnings per share

The table below shows the basic and diluted earnings per share calculated by dividing the net profit for the year attributable to the shareholders of Cellnex Telecom, S.A. by the weighted average number of shares outstanding during the year, excluding the average number of treasury shares held by the Group.

	Thousands of Euros	
	30 June 2024	30 June 2023 restated
Profit/(loss) attributable to the Parent Company	(418,086)	(195,716)
Weighted average number of shares outstanding (Note 13.a)	707,447,118	705,356,368
Basic EPS attributable to the Parent Company (euros per share)	(0.59)	(0.28)
Diluted EPS attributable to the Parent Company (euros per share) (*)	(0.49)	(0.20)

f) Non-controlling interests

The balance of this heading in the Group's equity includes the interest of non-controlling shareholders in the fully consolidated companies. Additionally, the balance of "Profit attributable to non-controlling interests" in the consolidated statement of comprehensive income represents the share of non-controlling shareholders in the profit for the year.

The detail of the non-controlling interests is as follows:

			Thousands of Euros	
Non-controlling interests	%(*) owned by Cellnex as of 30/06/2024	%(*) owned by Cellnex as of 31/12/2023	30 June 2024	31 December 2023
Cellnex Switzerland subgroup	72 %	72 %	266,660	278,888
Nexloop [(1)]	51 %	51 %	78,403	63,008
Cellnex Netherlands subgroup [(2)]	70 %	70 %	257,833	256,561
Cellnex Nordics subgroup [(3)]	51 %	51 %	557,413	576,161
Others	60 %	60 %	33,173	35,417
Total			**1,193,482**	**1,210,035**

[(*)] Corresponds to the stake owned by Cellnex in each subsidiaries, directly or indirectly.

[(1)] The agreement between Cellnex and Bouygues Telecom (see Note 2.h of the 2020 Consolidated Financial Statements) includes certain exit agreements and provides Bouygues Telecom with call options over Nexloop's shares held by Cellnex France Groupe, upon the expiry of a given period of time (that is, a 20-year period from the execution of the shareholders' agreement) and subject to certain conditions which the Group believes makes its execution challenging, or in the event that a triggering event occurs (including the breach by Cellnex of the agreements between the shareholders). The shareholders' agreement also sets out Cellnex France's right, but not the obligation, to purchase this non-controlling interest subject to certain events, and, if exercised, Bouygues Telecom will have the obligation to sell its Nexloop's shares, subject to certain conditions and at a price to be calculated pursuant to said agreement.

[(2)] As detailed in Note 9, Cellnex, DIV and a Dutch foundation entered into an agreement upon closing, which set forth the right of DIV to sell its 37.65% non-controlling interest to Cellnex, at a price to be calculated pursuant to said agreement. This agreement

is very similar to the put option agreement of Cellnex Switzerland with DTCP executed in 2019 (see 2019 Consolidated Financial Statements). Thus, as a consequence of the terms set forth in paragraph 23 of IAS 32, the Group maintains a liability (see Note 18.c) corresponding to the contingent commitment to purchase the 30.36% (30.46% as of 31 December 2023) of Cellnex Netherlands' shares from third-party shareholders, whose interests in this consolidated company are reflected as of 30 June 2024 under "Non-controlling interests".

[3] The signed shareholders agreement with Stonepeak includes an agreed dividend policy that states that dividends will be distributed proportionally to its shareholder' stakes based on available cash and business plan performance with a preferential treatment towards Stonepeak in case of negative deviation on the agreed base dividends, which in turn will increase 5% annually. Additionally, the shareholders' agreement also includes certain exit provisions upon the expiry of a given period of time and provides: i) Cellnex with a call option over Cellnex Nordics' shares held by Stonepeak with exercise price equal to a multiple of the exit year's EBITDAaL, ii) a right of first offer (ROFO) for both Cellnex and Stonepeak, iii) Stonepeak with an option to sell its shareholding and Cellnex shareholding subject to certain conditions over Cellnex Nordics' shares held by Cellnex, and iv) Cellnex with an option to sell its shareholding and Stonepeak shareholding subject to certain conditions over Cellnex Nordics' shares held by Stonepeak. The investor might have, under very specific scenarios, the right of the Cellnex Nordics' sale's proceeds more than proportional to its shareholding participation to achieve an agreed IRR. In relation with this exit provisions as none of the agreements reached with Stonepeaks obliges Cellnex to acquire the 49% stake sold to the investor the Group does not maintains a liability, instead, there are two derivative financial instruments, one in relation with the call option granted to Cellnex and the other one in relation with the right granted to Stonepeak to receive in some scenarios a sale's proceeds more than proportional to its shareholding participation. Both derivatives financial instruments have nil value at inception as well as at 30 June 2024 and 31 December 2023, and will be measured in accordance to IFRS 9 paragraph 4.1.4. in subsequent reporting periods.

The changes in this heading were as follows:

	Thousands of Euros
	2024
At 1 January	**1,210,035**
Profit/(loss) for the period	(18,606)
Dividends	(11,344)
Changes in the scope of consolidation	—
Exchange differences	(15,781)
Capital increase from minorities	27,930
Hedge reserves and other movements	1,248
At 30 June	**1,193,482**

"Capital increase from minorities" for the six-month period ended on 30 June 2024 mainly corresponds to:

Capital increase in Nexloop

During the first half of 2024, Nexloop carried out a capital increase amounting to EUR 57 million, which was fully subscribed by Cellnex France Groupe and Bouygues Telecom. Therefore, the stake that both shareholders held in Nexloop, as of 30 June 2024, did not change as a result of the aforementioned transaction.

"Dividends" for the six-month period ended on 30 June 2024 mainly corresponds to:

Dividend distribution in Nordics

During the first half of 2024, Cellnex Nordics carried out a dividend distribution to its shareholders amounting to EUR 23 million (EUR 11 million attributable to non-controlling interests).

14. Borrowings

Overview

The breakdown of borrowings at 30 June 2024 and 31 December 2023 is as follows:

						Thousands of Euros
			30 June 2024			31 December 2023
	Non-current	Current	Total	Non-current	Current	Total
Bond issues and other loans	13,728,520	580,314	**14,308,834**	13,448,285	855,387	**14,303,672**
Loans and credit facilities	3,728,048	96,550	**3,824,598**	4,344,652	47,185	**4,391,837**
Other financial liabilities	14,578	3,463	**18,041**	12,955	3,822	**16,777**
Borrowings	**17,471,146**	**680,327**	**18,151,473**	**17,805,892**	**906,394**	**18,712,286**

During the six-month period ended at 30 June 2024, the Group decreased its borrowings from bond issues and loans and credit facilities (which do not include any debt held by Group companies registered using the equity method of consolidation, "Derivative Financial Instruments" or "Other financial liabilities") by EUR 562,077 thousand to EUR 18,133,432 thousand.

The main variation in "Bonds issues and other loans" was mainly due to the maturity of the EUR 750,000 thousand bond issued in 2016 by the Group as well as the new bond issued in May 2024 (the "2024 Bond") for an amount of EUR 750,000 thousand, as detailed in section "Bond issues and other loans" below.

On the other hand, the net variation in "Loans and credit facilities" was mainly due to:

- A new EUR 80,000 thousand Revolving Credit Facility with 3 year maturity and the possibility of two-year extension in relation to the Nordics Transaction (see Note 2.h.IV of the 2023 Consolidated Financial Statements). Drawdowns from such facility can also be made in DKK or SEK. As of 30 June 2024, an amount in DKK 7,500 thousand (EUR 1,006 thousand) and in SEK 27,000 thousand (EUR 2,377 thousand) has been drawn.

- Regarding the EUR 1,250,000 term loan facility signed on 13 November 2020 with 5 year maturity, on 30 November 2023 the Group made a EUR 200,000 thousand partial repayment being the outstanding amount as of 31 December 2023 EUR 1,050,000 thousand term loan facility. Additionally, on 29 May 2024 the Group made a EUR 600,000 thousand partial repayment. Moreover, on 28 June 2024 the Group made a EUR 125,000 thousand partial repayment being the outstanding amount, as of 30 June 2024, EUR 325,000 thousand term loan facility.

- On 25 June 2024 the Group signed a EUR 125,000 thousand term loan facility with a 18 months bullet maturity that has been fully drawn.

- Finally, as described in Note 10, at the maturity of the cross-currency swap agreement, in December 2024, Cellnex will pay an amount of PLN 179,350 thousand (EUR 41,475 thousand, depending on the EUR-PLN exchange rate at certain date).

Additionally, as part of the commitment to sustainability, Cellnex designed a Sustainability-Linked Financing Framework ("the Framework") to reinforce the role of sustainability as an integral part of the Group's funding process. Obtaining funding under this Framework will help Cellnex to accomplish the ambitious sustainability targets which are consistent with the ESG Strategy. The Framework is aligned with the best practices as described by the International Capital Market Association's ("ICMA"), the Sustainability-Linked Bond Principles ("SLBP") 2020, the Loan Market Association's ("LMA"), the Sustainability-Linked Loan Principles 2023 ("SLLP") and will also provide investors with further insights into the Group's sustainability strategy and commitments. As described below, Cellnex has selected two environmental KPIs and one social KPI, which are core, relevant and material to its business and industry and are aligned with its ESG Strategy.

Finally, in the first half of 2024, Cellnex has achieved Investment Grade status by S&P (with stable outlook) ahead of its 2024 year-end commitment.

Cellnex's achievement of Investment Grade status with S&P and maintenance of this same status with Fitch Ratings signals the company's stability, prudent financial management and its commitment to meeting financial obligations. It reflects the Company's low risk and strong capacity to meet financial commitments making it appealing to a wider range of institutional investors. The accomplishment of this key objective enhances Cellnex's long-term sustainability and competitive edge in the telecom industry.

Borrowings by fixed/variable rate

As of 30 June 2024 and 31 December 2023, the Group's fixed rate notional debt amounted to EUR 14,533,813 thousand and EUR 14,319,702 thousand, representing 80% and 76% of its Gross Financial Debt excluding lease liabilities (EUR 3,184,734 thousand and EUR 2,814,419 thousand, respectively), whereas the Group's variable rate notional debt amounted to EUR 3,682,253 thousand and 4,481,629 thousand, representing 20% and 24% of its Gross Financial Debt excluding lease liabilities, respectively. As of 30 June 2024, the estimated sensitivity in the Group's financial costs to a 1% change (increase or decrease) in the interest rate, both fixed and variable, is as follows. The amount of the Group's financial costs from fixed gross financial debt excluding lease liabilities would remain unchanged. The amount of the Group's financial costs from variable gross financial debt excluding lease liabilities would increase by EUR 37,105 thousand in the event of a 1% interest rate increase and the amount of the Group's financial costs from variable gross financial debt excluding lease liabilities would decrease by EUR 37,105 thousand in the event of a 1% interest rate decrease.

Borrowings: Cash flow reconciliation

Pursuant to the amendments to IAS 7, a reconciliation of the cash flows arising from financing activities is set out below, together with the associated liabilities in the opening and closing balance sheet, distinguishing between changes that give rise to cash flows and those that do not:

30 June 2024

					Thousands of Euros
	1 January 2024	Cash flows	Exchange rate	Other [1]	30 June 2024
Bond issues	14,303,672	(11,706)	(821)	17,689	14,308,834
Loans and credit facilities and other financial liabilities [1]	4,408,614	(559,404)	(22,908)	16,337	3,842,639
Borrowings	**18,712,286**	**(571,110)**	**(23,729)**	**34,026**	**18,151,473**

[1] It mainly includes arrangement expenses accrued, change in interest accrued not paid and convertible bonds accretion.

As of 30 June 2024 and 31 December 2023, the Group's loans and credit facilities were arranged under market conditions and, therefore, their fair value does not differ significantly from their carrying amount. In the case of bond issues, which are traded in active markets, their fair value amounts to EUR 13,198 million and EUR 13,287 million, respectively (based on the market prices at the reporting date).

Borrowings by maturity

The maturities of the Group's borrowings based on the repayment schedule as of 30 June 2024 and 31 December 2023 are shown in the table below:

30 June 2024

		Current	Non-current					Thousands of Euros
	Limit	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years	Total
Bond issues and other loans (*)	14,427,512	609,842	1,322,545	1,142,028	2,060,000	3,122,970	6,209,140	**14,466,525**
Arrangement expenses	—	(29,528)	(28,268)	(23,822)	(20,535)	(16,940)	(38,598)	**(157,691)**
Loans and credit facilities (*)	7,051,540	98,226	743,499	515,867	1,989,858	12,500	479,060	**3,839,010**
Arrangement expenses	—	(1,676)	(753)	(630)	(4,376)	—	(6,977)	**(14,412)**
Other financial liabilities	3,721	3,463	5,615	5,427	666	633	2,237	**18,041**
Total	**21,482,773**	**680,327**	**2,042,638**	**1,638,870**	**4,025,613**	**3,119,163**	**6,644,862**	**18,151,473**

(*) These items are gross value and, consequently, do not include “Arrangement expenses”.

31 December 2023

		Current	Non-current					Thousands of Euros
	Limit	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years	Total
Bond issues and other loans (*)	14,428,249	883,985	608,605	1,726,123	1,709,784	1,865,775	7,669,298	**14,463,570**
Arrangement expenses	—	(28,598)	(28,035)	(24,199)	(18,751)	(15,319)	(44,996)	**(159,898)**
Loans and credit facilities (*)	7,553,300	50,225	1,164,023	258,631	512,785	1,959,808	461,182	**4,406,654**
Arrangement expenses	—	(3,040)	(2,137)	(977)	(642)	(6,113)	(1,908)	**(14,817)**
Other financial liabilities	4,216	3,822	5,725	4,809	474	474	1,473	**16,777**
Total	**21,985,765**	**906,394**	**1,748,181**	**1,964,387**	**2,203,650**	**3,804,625**	**8,085,049**	**18,712,286**

(*) These items are gross value and, consequently, do not include “Arrangement expenses”.

Borrowings by type of debt

	Notional as of 30 June 2024 (*)			Notional as of 31 December 2023 (*)		Thousands of Euros
	Limit	Drawn	Undrawn	Limit	Drawn	Undrawn
Bond issues and other loans	14,427,512	14,427,512	—	14,428,249	14,428,249	—
Loans and credit facilities	7,051,540	3,788,554	3,262,986	7,553,300	4,373,082	3,180,218
Total	**21,479,052**	**18,216,066**	**3,262,986**	**21,981,549**	**18,801,331**	**3,180,218**

(*) Includes the notional value of each borrowing type, and are not the gross or net value of the heading. See “Borrowings by maturity”.

As of 30 June 2024, the total limit of loans and credit facilities available was EUR 7,051,540 thousand (EUR 7,553,300 thousand as of 31 December 2023), of which EUR 4,032,406 thousand in credit facilities and EUR 3,019,134 thousand in loans (EUR 3,958,011 thousand in credit facilities and EUR 3,595,290 thousand in loans as of 31 December 2023).

Furthermore, of the EUR 7,051,540 thousand of loans and credit facilities available (EUR 7,553,300 thousand as of 31 December 2023), EUR 3,336,679 thousand (EUR 3,237,683 thousand as of 31 December 2023) can be drawn down either in Euros (EUR) or in other currencies, such as Pound Sterling (GBP), Swiss franc (CHF), U.S. dollar (USD), Polish zlotys (PLN), Swedish krona (SEK) and Danish krone (DKK).

As of 30 June 2024 the total amount drawn down of the loans and credit facilities was EUR 3,788,554 thousand (EUR 4,373,082 thousand drawn down as of 31 December 2023).

Borrowings by currency

	Thousands of Euros	
	30 June 2024	**31 December 2023**
Euro	16,691,848	17,218,316
GBP	—	63,154
CHF	1,016,911	1,055,408
DKK	1,006	—
USD	570,983	553,283
PLN	40,411	—
SEK	2,417	—
Borrowings	**18,323,576**	**18,890,161**

Note: 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 applying IFRS criteria, especially IFRS9.

As described in Note 4.a-I of the 2023 Consolidated Financial Statements, the foreign exchange risk on the net investment of operations of the Group companies denominated in non-Euro currencies is managed by means of borrowings denominated in the corresponding foreign currency or by means of cross currency swaps (see Note 10).

As of 30 June 2024 and 31 December 2023, the Group maintained bonds and borrowings in CHF, which act as a natural hedge of the net investment in the Group's Swiss subsidiaries. The Group issued three bonds in CHF: CHF 185,000 thousand (EUR 192,028 thousand), CHF 100,000 thousand (EUR 103,799 thousand) and CHF 150,000 thousand (EUR 155,698 thousand). The maturity of these bonds are in 2027, 2025 and 2026, respectively. These non-derivative financial instruments are assigned as net investment hedges against the net assets of Swiss subsidiaries.

During the six-month period ended at 30 June 2024, the Group through its subsidiary, Cellnex Nordics, signed a EUR 80,000 thousand Revolving Credit Facility with 3 year maturity and the possibility of two-year extension. This EUR 80,000 thousand credit line can be drawn down either in Euros (EUR) or in other currencies, such as Danish Krona (DKK) and Swedish Krona (SEK). As of 30 June 2024 the group drawn an amount of DKK 7,500 thousand and SEK 27,000 thousand, an equivalent value of EUR 1,006 thousand and EUR 2,376 thousand respectively.

Finally, the Group maintains a Cross Currency Swap ("CCS") for the bond issue of the USD 600,000 thousand which enabled the Group to obtain approximately EUR 505,000 thousand.

Bond issues and other loans

The detail of the bonds and other financing instruments is as follows:

I) EMTN Programme and Guaranteed EMTN Programme

From 2015 to May 2020, the Group established and subsequently renewed a Euro Medium Term Note Programme (the “EMTN Programme”) through the Parent Company.

In 2020, the Group established and subsequently renewed a Euro Medium Term Note Programme through Cellnex Finance as is the leading financing entity of the Group. Thus, a Guaranteed Euro Medium Term Note Programme (the “Guaranteed EMTN Programme”) was set up in Cellnex Finance, guaranteed by the Parent Company, registered on the Irish Stock Exchange plc, trading as Euronext Dublin, The Guaranteed EMTN Programme 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.

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

30 June 2024

Programme	Issue	Initial duration	Maturity	Fitch / S&P rating	ISIN	Coupon rate	Notional as of 30 June 2024 (Thousands of euros)
EMTN Programme	16/12/2016	16 years	20/12/2032	BBB-/NA	XS1538787497	3.88%	65,000
EMTN Programme	18/01/2017	8 years	18/04/2025	BBB-/BBB-	XS1551726810	2.88%	335,000
EMTN Programme	07/04/2017	9 years	07/04/2026	BBB-/NA	XS1592492125	Eur 6M+2.27%(1)	80,000
EMTN Programme	03/08/2017	10 years	03/08/2027	BBB-/NA	XS1657934714	Eur 6M+2.20%	60,000
EMTN Programme	31/07/2019	10 years	31/07/2029	BBB-/NA	XS2034980479	1.90%	60,500
EMTN Programme	20/01/2020	7 years	20/04/2027	BBB-/BBB-	XS2102934697	1.0%	450,000
EMTN Programme	29/01/2020	7 years	18/02/2027	BBB-/NA	CH0506071148	0.78%	192,028
EMTN Programme	26/06/2020	5 years	18/04/2025	BBB-/BBB-	XS2193654386	2.88%	165,000
EMTN Programme	26/06/2020	9 years	26/06/2029	BBB-/BBB-	XS2193658619	1.88%	750,000
EMTN Programme	17/07/2020	5 years	17/07/2025	BBB-/BBB-	CH0555837753	1.10%	103,799
EMTN Programme	23/10/2020	10 years	23/10/2030	BBB-/BBB-	XS2247549731	1.75%	1,000,000
Guaranteed EMTN	15/02/2021	5 years	15/11/2026	BBB-/BBB-	XS2300292617	0.75%	500,000
Guaranteed EMTN	15/02/2021	8 years	15/01/2029	BBB-/BBB-	XS2300292963	1.25%	750,000
Guaranteed EMTN	15/02/2021	12 years	15/02/2033	BBB-/BBB-	XS2300293003	2.00%	1,250,000
Guaranteed EMTN	26/03/2021	5 years	26/03/2026	BBB-/NA	CH1104885954	0.94%	155,699
Guaranteed EMTN	08/06/2021	7 years	06/08/2028	BBB-/BBB-	XS2348237871	1.50%	1,000,000
Guaranteed EMTN	09/06/2021	6 years	09/06/2027	BBB-/BBB-	XS2385393405	1.00%	1,000,000
Guaranteed EMTN	09/06/2021	11 years	09/06/2032	BBB-/BBB-	XS2385393587	2.00%	850,000
Guaranteed EMTN	30/03/2022	4 years	12/04/2026	BBB-/BBB-	XS2465792294	2.25% (1)	1,000,000
Guaranteed EMTN	25/05/2024	5 years	29/01/2029	BBB-/BBB-	XS2826616596	3.63%	750,000
Total							**10,517,026**

(1) Coupon rate hedged by Interest Rate Swaps. See Note 10.

(2) Coupon rate switched to floating with an Interest Rate Swap for EUR 500,000 thousand.

Bond issuances during the first half of 2024

On 16 January 2024, the bond issued in 2016 by the Group of EUR 750,000 thousand matured and was fully repaid with existing cash.

On 24 May 2024 the Group has successfully completed the issuance of a new bond (the “2024 Bond”) for an amount of EUR 750,000 thousand (with ratings of BBB- by Fitch Ratings and BBB- by Standard&Poor’s) aimed at qualified investors under its Euro Medium Term Note Program (EMTN Program) and guaranteed by Cellnex. The bond is maturing in January 2029 and has a coupon rate of 3.625%.

31 December 2023

Programme	Issue	Initial duration	Maturity	Fitch / S&P rating	ISIN	Coupon rate	Notional as of 31 December 2023 (Thousands of euros)
EMTN Programme	10/08/2016	8 years	16/01/2024	BBB-/BB+	XS1468525057	2.38%	750,000
EMTN Programme	16/12/2016	16 years	20/12/2032	BBB-/NA	XS1538787497	3.88%	65,000
EMTN Programme	18/01/2017	8 years	18/04/2025	BBB-/BB+	XS1551726810	2.88%	335,000
EMTN Programme	07/04/2017	9 years	07/04/2026	BBB-/NA	XS1592492125	Eur 6M+2.27%(1)	80,000
EMTN Programme	03/08/2017	10 years	03/08/2027	BBB-/NA	XS1657934714	Eur 6M+2.20%	60,000
EMTN Programme	31/07/2019	10 years	31/07/2029	BBB-/NA	XS2034980479	1.90%	60,500
EMTN Programme	20/01/2020	7 years	20/04/2027	BBB-/BB+	XS2102934697	1.00%	450,000
EMTN Programme	29/01/2020	7 years	18/02/2027	BBB-/NA	CH0506071148	0.78%	199,784
EMTN Programme	26/06/2020	5 years	18/04/2025	BBB-/BB+	XS2193654386	2.88%	165,000
EMTN Programme	26/06/2020	9 years	26/06/2029	BBB-/BB+	XS2193658619	1.88%	750,000
EMTN Programme	17/07/2020	5 years	17/07/2025	BBB-/BB+	CH0555837753	1.10%	107,991
EMTN Programme	23/10/2020	10 years	23/10/2030	BBB-/BB+	XS2247549731	1.75%	1,000,000
Guaranteed EMTN	15/02/2021	5 years	15/11/2026	BBB-/BB+	XS2300292617	0.75%	500,000
Guaranteed EMTN	15/02/2021	8 years	15/01/2029	BBB-/BB+	XS2300292963	1.25%	750,000
Guaranteed EMTN	15/02/2021	12 years	15/02/2033	BBB-/BB+	XS2300293003	2.00%	1,250,000
Guaranteed EMTN	26/03/2021	5 years	26/03/2026	BBB-/NA	CH1104885954	0.94%	161,987
Guaranteed EMTN	08/06/2021	7 years	06/08/2028	BBB-/BB+	XS2348237871	1.50%	1,000,000
Guaranteed EMTN	09/06/2021	6 years	09/06/2027	BBB-/BB+	XS2385393405	1.00%	1,000,000
Guaranteed EMTN	09/06/2021	11 years	09/06/2032	BBB-/BB+	XS2385393587	2.00%	850,000
Guaranteed EMTN	30/03/2022	4 years	12/04/2026	BBB-/BB+	XS2465792294	2.25% (1)	1,000,000
Total							**10,535,262**

(1) Coupon rate hedged by Interest Rate Swaps. See Note 10.

(2) Coupon rate switched to floating with an Interest Rate Swap for EUR 500,000 thousand

Bond issuances during 2023

There were no bond issues during 2023.

The bond issues have certain associated costs, customary in this type of transactions such as arrangement expenses and advisors' fees, which amounted to EUR 11,706 thousand as of 30 June 2024 (EUR 0 thousand as of 30 June 2023), which the Group defers over the life of the bonds and are taken to the consolidated income statement following a financial criteria. In this regard, an amount of EUR 157,691 thousand and EUR 159,898 thousand was deducted from bond issues in the consolidated balance sheet as of 30 June 2024 and 31 December 2023, respectively. The arrangement expenses and advisor's fees accrued in the consolidated income statement for the period ended 30 June 2024 in relation to the bond issues amounted to EUR 13,913 thousand (EUR 14,345 thousand as of 30 June 2023).

II) Rule 144A / Regulation S Bonds (United States) – USD Bonds

In the third quarter of 2021, Cellnex Finance completed and settled a senior unsecured US Dollar-denominated bond issuance, guaranteed by the Parent Company, for a nominal amount of USD 600,000 thousand (with ratings of BBB- by Fitch Ratings and BB+ by Standard&Poor's) aimed at qualified investors. The bond was issued at a price of 98.724% of its nominal value in US dollars, with a maturity date in July 2041 and a coupon of 3.875% in US dollars.

Simultaneously, Cellnex Finance entered into several Cross-currency Swaps by virtue of which Cellnex lent the USD 600,000 thousand from the bond issuance at a coupon of 3.875% and borrowed the equivalent amount of euros at an agreed exchange rate enabling Cellnex to obtain approximately EUR 505,000 thousand at a coupon of 2.5%.

The bonds are listed on the Vienna MTF of the Vienna Stock Exchange since 7 July 2021.

Issue	Initial duration	Maturity	Fitch / S&P rating	ISIN	Coupon rate	Notional as of 30 June 2024 (Thousands of euros)
07/07/2021	20 years	07/07/2041	BBB-/BBB-	US15118JAA34 Reg S: USE2943JAA72	3.875%	560,486
Total						**560,486**

III) Convertible bonds

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

30 June 2024

Issue	Initial Duration	Maturity	Fitch / S&P rating	ISIN	Coupon rate	Notional as of 30 June 2024 (Thousands of euros)
05/07/2019	9 years	05/07/2028	BBB-/NA	XS2021212332	0.50 %	872,970
20/11/2020	11 years	20/11/2031	BBB-/NA	XS2257580857	0.75 %	1,463,752
11/08/2023	7 years	11/08/2023	BBB-/NA	XS2597741102	2.13 %	959,402
Total						**3,296,124**

31 December 2023

Issue	Initial Duration	Maturity	Fitch / S&P rating	ISIN	Coupon rate	Notional as of 31 December 2023 (Thousands of euros)
05/07/2019	9 years	05/07/2028	BBB-/NA	XS2021212332	0.50 %	865,775
20/11/2020	11 years	20/11/2031	BBB-/NA	XS2257580857	0.75 %	1,454,444
11/08/2023	7 years	11/08/2023	BBB-/NA	XS2597741102	2.13 %	946,368
Total						**3,266,587**

As of 30 June 2024 and 31 December 2023, no amount neither of the convertible bonds with maturity date 2028 nor of the convertible bonds with maturity in 2031 has been converted into shares.

The convertible bonds issued by the Group have been treated as a compound instrument and have been split into its two components: a debt component amounting EUR 3,296,124 thousand (EUR 3,266,587 thousand as of 31 December 2023), 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 "Reserves from the Parent Company".

The Convertible Bonds are listed on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange.

Clauses regarding changes of control

The terms and conditions of the bonds issued or to be issued under the EMTN Programme, the Guaranteed EMTN Programme, the USD Bonds and of the Convertible Bonds include a change of control put clause (at the option of

bondholders), which could result in their respective early repayment and/or its conversion into shares (in case of the Convertible Bonds only).

For the bonds issued under the EMTN Programme, the Guaranteed EMTN Programme and, the USD Bonds, the bondholders' 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, the Guaranteed EMTN Programme and the USD Bonds). For the Convertible Bonds, the put option can 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, the Guaranteed EMTN Programme, the USD Bonds 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 30 June 2024 and 31 December 2023, 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.

Finally, at the date of authorization for issue of these Consolidated Financial Statements, the clauses or obligations included in the bonds terms and conditions had been fulfilled.

IV) ECP Programme

From 2018 until 2020, the Parent Company established the Euro-Commercial Paper Programme (the "ECP Programme") with the Irish Stock Exchange, plc., trading as Euronext Dublin. The ECP Programme had a limit of EUR 500,000 thousand or its equivalent in GBP, USD and CHF. In 2021, Cellnex Finance established the Guaranteed Euro-Commercial Paper Programme (the "Guaranteed ECP Programme"), following the same steps than the Guaranteed EMTN Programme. The Guaranteed ECP Programme was 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 30 June 2024 and 31 December 2023, the Guaranteed ECP Programme had not been used.

Loans and credit facilities

As of 30 June 2024, the total limit of loans and credit facilities available was EUR 7,051,940 thousand (EUR 7,553,300 thousand as of 31 December 2023), of which EUR 4,032,406 thousand in credit facilities and EUR 3,019,134 thousand in loans (EUR 3,958,011 thousand and EUR 3,595,290 thousand respectively as of 31 December 2023).

On 8 February 2024 Cellnex Nordics signed a EUR 80,000 thousand term loan facility with 3 year maturity with the possibility of two-year extension This EUR 80,000 thousand credit line can be drawn down either in Euros (EUR) or in other currencies, such as Danish Krona (DKK) and Swedish Krona (SEK). As of 30 June 2024 the group drawn an amount of DKK 7,500 thousand and SEK 27,000 thousand, an equivalent value of EUR 1,006 thousand and EUR 2,376 thousand respectively.

On 25 June 2024 the Group signed a EUR 125,000 thousand term loan facility with a 18 months bullet maturity that has been fully drawn.

Regarding with EUR 1,250,000 term loan facility signed on 13 November 2020 with 5 year maturity, on 30 November 2023 the Group made a EUR 200,000 thousand partial repayment being the outstanding amount as of 31 December 2023 EUR 1,050,000 thousand term loan facility. Additionally, on 29 May 2024 the Group made a EUR 600,000 thousand partial repayment. Moreover on 28 June 2024 the Group made a EUR 125,000 thousand partial repayment being the outstanding amount as of 30 June 2024 EUR 325,000 thousand term loan facility.

Finally, as described in Note 10, at the maturity of the cross-currency swap agreement, in December 2024, Cellnex will pay PLN 179,350 thousand (EUR 41,475 thousand, depending on the EUR-PLN exchange rate at certain date).

Clauses regarding changes of control

For the loans and credit facilities entered into by Cellnex and/or Cellnex Finance, the change of control trigger is at the Cellnex and Cellnex Finance level. For the syndicated facilities agreement entered into by Swiss Towers, the change of control trigger is measured with respect to Cellnex Switzerland, Swiss Towers and Swiss Infra (as defined below). For the Nexloop Facilities, the change of control trigger is measured with respect to Nexloop. For the 5-year facility agreement of the T-Mobile Infra Acquisition, the change of control trigger is measured with respect to Cellnex Netherlands and Cignal Infrastructure Netherlands (formerly T-Mobile Infra). For the Senior Facility Agreement of Cellnex France Infrastructures the change of control trigger is measured with respect to Cellnex France Infrastructures. For the Revolving Credit Facility Agreement of Cellnex Nordics the change of control clause is measured with respect to Cellnex Telecom S.A. as shareholder of the Borrower, and the Borrower as shareholder of On Tower Denmark ApS and On Tower Sweden AB. At the Cellnex level, a “change of control event” is generally triggered when a third party, alone or together with others, acquires more than 50% of shares with voting rights, or obtains the right to appoint or dismiss the majority of the members of the board of directors of the relevant company. At the subsidiaries level, a “change of control event” is generally triggered when such subsidiary ceases to be 100% owned or majority owned by the relevant Cellnex Group entity.

Loans and credit facilities obligations and restrictions on use of available funds

As of 30 June 2024 and 31 December 2023 most of Cellnex’s outstanding loans and credit facilities do not impose restrictions on the use of available funds. However, certain of the Group’s outstanding loans and credit facilities, including the Nexloop Senior Facility,the Cellnex France Infrastructures Senior Facility and the Cellnex Nordics Revolving Credit Facility impose restrictions on the use of drawn amounts, as these can only be used to finance the payment of Project costs.

Security interests and other covenants and undertakings

As of 30 June 2024 and 31 December 2023, most of the outstanding loans and credit facilities entered into by Cellnex and its subsidiaries are unsecured and unsubordinated and rank "pari passu" with the rest of the Group’s unsecured and unsubordinated borrowings. However, from time to time, the Group may enter into senior and secured loans and credit facilities, such as the Nexloop Facilities or the Cellnex France Infrastructures Facility, under which the Group granted a security package in favour of several creditors and hedge counterparties consistent with certain agreed security principles, including pledges over the Group’s shares in Nexloop or Cellnex France Infrastructures Facility accordingly, and certain receivables including any debt instruments held by the Group in Nexloop (such as the Group’s credit rights under the Nexloop Shareholder Facility, as defined herein) or Cellnex France Infrastructures Facility, accordingly.

In addition, while most of the Group’s loans and credit facilities are subject to cross-default provisions and generally do not require Cellnex nor its subsidiaries to comply with any financial ratio, some of them are subject to certain financial covenants and various restrictions, including but not limited to, (i) requiring Cellnex to maintain a minimum rating of Ba2 by Moody’s Investors Service, Inc., or BB by Fitch Ratings Ltd. or Standard & Poor’s Financial Services LLC, (ii) requiring shares to be pledged and provided as collateral if certain financial ratios are not satisfied, and (iii) imposing restrictions on additional indebtedness and on the Group’s ability to create or permit to subsist certain security interests. The aforementioned financial conditions are mainly associated with European Investment Bank ("EIB") and Instituto de Crédito Oficial ("ICO") loans. Additionally, prepayment obligations under certain of the Group’s loans and credit facilities, including the Nexloop and Cellnex France Infrastructure Senior Facility, may be triggered as a result of the availability of certain proceeds and cash flows and breaches of certain covenants and undertakings. The financing contracts of the Group do not contain any limitations on the distribution and payment of dividends, other than the Nexloop and Cellnex France Infrastructures Senior Facilities and the syndicated facilities agreement entered into by Cellnex Netherlands, Swiss Towers and Nordics, which include covenants restricting the distribution of dividends by Nexloop, Cellnex France Infrastructures, Cellnex Netherlands, Cellnex Switzerland, Swiss Towers and Nordics, respectively, subject to certain conditions.

In this regard, at the date of authorization for issue of these Consolidated Financial Statements, the clauses or obligations included in the foregoing financing agreements had been fulfilled.

Sustainable Finance

As part of the commitment to sustainability, Cellnex has designed a Sustainability-Linked Financing Framework (“the Framework”) to reinforce the role of sustainability as an integral part of the Group’s funding process.

Obtaining funding under this Framework will help Cellnex to accomplish the ambitious sustainability targets which are consistent with the ESG Strategy. The Framework, which was updated in June 2023, is aligned with the best practices as described by the International Capital Market Association's ("ICMA") Sustainability-Linked Bond Principles ("SLBP") 2020 and the Loan Market Association's ("LMA") Sustainability-Linked Loan Principles 2023 ("SLLP") and will also provide investors with further insights into the Group's sustainability strategy and commitments.

Cellnex has selected two environmental KPIs and one social KPI, which are core, relevant and material to its business and industry and are aligned with its ESG Strategy.

Environmental KPIs:

- KPI #1 - Environmental: Percentage reduction of Cellnex's GHG emissions:
  - KPI #1a: Absolute Scope 1, 2 and 3 from fuel and energy-related activities GHG emissions: i) Sustainability Performance Target 2025: 45% reduction in Scope 1, 2 and 3 from fuel and energy-related activities GHG emissions by 2025 vs 2020, and ii) Sustainability Performance Target 2030: 70% reduction in Scope 1, 2 and 3 from fuel and energy-related activities GHG emissions by 2030 vs 2020.
  - KPI #1b: Absolute Scope 3 GHG emissions from purchased goods and services and capital goods. Sustainability Performance Target: 21% Reduction of absolute scope 3 GHG emissions from purchased goods and services and capital goods by 2025 vs 2020.
- KPI #2 - Environmental: Increase annual sourcing of renewable electricity. Sustainability Performance Target: Increase annual sourcing of renewable electricity to 100% by 2025.

Social KPIs:

- KPI #3 - Social: Increase the percentage of women in directors and senior management/managers roles in Cellnex Group. Sustainability Performance Target: Increase to 30% the percentage of women in directors and senior management/managers roles in Cellnex Group by 2025.

The selection of these KPIs has been driven by the extensive research carried out by Cellnex in 2020 to determine the ESG priorities of the telecommunication sector and the company's own. Sustainability Financing Framework (updated on June 2023) can be found at the Group's website.

As of 30 June 2024 the Group structured EUR 4.4 billion (4.3 billion as of 31 December 2023) facilities linked to the Sustainability Framework for 5 years with two of the indicators included in the Framework:

- KPI #1a: 45% reduction in Scope 1, 2 and 3 from fuel and energy-related activities GHG emissions by 2025 vs 2020 and 70% in 2030 vs 2020, and
- KPI #3 - Social: Increase the percentage of women in directors and senior management/managers roles in Cellnex Group to 30% by 2025.

The Group's achievement or failure to reach the established KPIs will imply a step-down or step-up of c.2.5 bps of the applicable margin respectively. No debt default will be triggered by failing to achieve the KPIs selected.

The Group has accomplished the KPIs included in the facilities agreement signed in 2023 and 2022. As a result, a reduction of approximately 2.5 bps is applied to the margin of each agreement.

Other financial liabilities

"Other financial liabilities" relates mainly to certain grants awarded (arranged as repayable advances) to other Group companies (Retevisión-I, S.A.U. and Tradia Telecom, S.A.U.) under the Ministry for Industry, Tourism and Trade's PROFIT programme. According to the technical-financial terms of the grant resolutions, the repayable advances bear no interest.

Corporate rating

At 30 June 2024, Cellnex holds a long-term "BBB-" (Investment Grade) with stable outlook according to the international credit rating agency Fitch Ratings Ltd as confirmed by a report issued on 7 February 2024 and a long-term "BBB-" (Investment Grade) with stable outlook according to the international credit rating agency Standard & Poor's Financial Services LLC as confirmed by a report issued on 5 March 2024.

In the first half of 2024, Cellnex has achieved Investment Grade status by S&P (with stable outlook) ahead of its 2024 year-end commitment.

Cellnex's achievement of Investment Grade status with S&P and maintenance of this same status with Fitch Ratings signals the company's stability, prudent financial management and its commitment to meeting financial obligations. It reflects the Company's low risk and strong capacity to meet financial commitments making it appealing to a wider range of institutional investors. The accomplishment of this key objective enhances Cellnex's long-term sustainability and competitive edge in the telecom industry.

15. Leases

The Group leases many assets, including sites, offices, satellites, vehicles and concessions. Information about leases for which the Group is a lessee is presented below:

Amounts recognised in the consolidated balance sheet

As of 30 June 2024 and 31 December 2023, the amounts recognized in the consolidated balance sheet related to lease agreements are:

Right of use

	Thousands of euros	
	Net book value	
	30 June 2024	31 December 2023
Right of use		
Sites	3,141,185	2,922,866
Offices	30,950	36,235
Satellites	56,493	49,869
Vehicles	1,876	2,242
Optic fiber ducts	106,467	89,605
Total	**3,336,971**	**3,100,817**

The additions of rights of use during the first half of 2024 amounted to EUR 775,214 thousand (EUR 303,360 thousand during the same period in 2023), of which EUR 533,670 thousand (EUR 45,307 thousand during the same period in 2023) relate to reassessments of existing lease contracts at the period end. There were no changes in the scope of consolidation during the first half of 2024 (no changes in the scope of consolidation during the same period in 2023) (see Notes 2.h and 5).

Lease liabilities

	Thousands of euros	
	30 June 2024	31 December 2023
Lease liabilities included in the statement of financial position		
Current	721,175	696,257
Non-Current	2,312,628	2,118,162
Total	**3,033,803**	**2,814,419**

Amounts recognised in the consolidated income statement

As of 30 June 2024 and 2023, the amounts recognised in the consolidated income statement related to lease agreements are:

	Thousands of euros	
	30 June 2024	30 June 2023 restated
Depreciation and amortisation		
Depreciation Right of Use:		
Sites	(320,579)	(311,159)
Offices	(1,850)	(2,704)
Satellites	(3,050)	(3,518)
Vehicles	(334)	(851)
Optic fiber ducts	(34,796)	(1,679)
Total	**(360,609)**	**(319,911)**
Financial costs		
Interest expense on lease liabilities	(156,131)	(165,918)
Other operating expenses		
Expense related to variable lease payments	(1,480)	(1,595)
Total	**(1,480)**	**(1,595)**

During the period ended on 30 June 2024 and 2023, the Group has not recognised in the consolidated income statement, income from subleasing right-of-use assets, nor gains or losses arising from sale and leaseback transactions by a significant amount.

Amounts recognised in the statement of cash flows

The total amount of cash outflows in relation to lease agreements during the six-month period ended on 30 June 2024 amounted to EUR 544,488 thousand (EUR 534,523 thousand during the same period in 2023), of which EUR 325,623 thousand (EUR 312,905 thousand during the same period in 2023) related to payments of lease instalments in the ordinary course of business, EUR 156,131 thousand (EUR 163,554 thousand during the same period in 2023) related to interest payments on lease liabilities and the remaining EUR 62,734 thousand (EUR 58,064 thousand during the same period in 2023) referred to non-ordinary lease payments.

“Payments of lease instalments in the ordinary course of business” as of 30 June 2024 include short-term prepayments amounting to EUR 18,000 thousand (EUR 14,027 thousand during the same period in 2023), which are therefore considered non-recurring payments for the first half of 2024.

Lease agreements. Cellnex Group as lessee

i) Real estate leases

All of the amounts recognised in the balance sheet correspond to lease agreements in which Cellnex Group acts as lessee. Cellnex Group manages and operates almost all of the sites where it locates its telecommunications infrastructure using lease agreements. In addition to these sites, the Group has lease agreements related mainly to offices, vehicles, satellites and ducts for optic fiber cables. As of 30 June 2024 and 31 December 2023 there are no significant restrictions or covenants imposed by leases.

Payments associated with short-term lease agreements are recognised on a straight line basis as an expense in the consolidated profit and loss account. A short-term lease is an agreement with a lease term equal to or less than 12 months.

Likewise, payments associated with low-value lease agreements are recognised on a straight-line basis as an expense in the consolidated income statement. A low-value contract is considered one whose underlying asset has a new value of less than EUR 5 thousand.

Extension options

Regarding the lease term considered for each contract, in relation to the leases of land and buildings in which the Group locates its infrastructures, the term considered for the leases depends mainly on whether the lease contract contains or not unilateral termination clauses and / or renewal (or similar legal rights deriving from the legislation of the countries in which it operates) that grant the Group the right to terminate early or to extend the contracts, as well as the term of the contracts with customers associated with the leases and whether these contracts allow the early termination of the lease or not. The most common types of contracts and the main criteria for determining their term are detailed in Note 3.k of the 2023 Consolidated Financial Statements.

The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. It reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

Discount rates

The Group has generally applied the interest rate implicit in the lease contracts and, for those where the rate cannot be determined, the incremental borrowing rate (IBR) is applied.

The interest rate implicit in the lease is defined by IFRS 16 as the rate of interest that causes the present value of (a) the lease payments and (b) the unguaranteed residual value to equal the sum of (i) the fair value of the underlying asset and (ii) any initial direct costs of the lessor. The interest rate implicit in the lease has been obtained with the assistance of external valuation experts, through a methodology designed for this purpose, in line with the above definition and based on the following components: fair value of the leased asset at lease commencement and end date and annual rent payments. The initial direct costs of the lessor are deemed immaterial considering the nature of the assets leased. The fair value of the leased asset has been measured using a market approach, according to which the leased asset (land or/and buildings) is valued based on observable market prices of similar assets to which adjustments related to surface area, location, size and other relevant factors are made.

The incremental borrowing rate (IBR) is defined by IFRS 16 as the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR has been obtained through a methodology designed for this purpose, in line with the definition above and based on the following components: local reference rate, credit spread adjustment and lease specific adjustment. The credit spread adjustment is based on the Group's creditworthiness and the debt issuance costs. No lease specific adjustment has been applied, as the nature of the leases is essentially the same.

Other information

The contracts signed by the Group do not include any significant restrictions or covenants imposed by leases.

ii) Other leases

Cellnex leases offices, vehicles, satellites and ducts for optic fiber with terms of 6 to 10 years, 3 to 5 years, 3 years and 10 to 40 years, respectively.

The Group also leases IT and other equipment with contract terms of one to three years. These leases are either short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

iii) Sale-and-leaseback

During 2024 and 2023, no significant sale-and-leaseback transactions have been performed.

16. Trade and other payables

The detail of this heading at 30 June 2024 and 31 December 2023 is as follows:

	Thousands of Euros	
	30 June 2024	**31 December 2023**
Trade payables	410,467	400,536
Current tax liabilities	154,819	137,851
Other payables	427,298	603,300
Trade and other payables	**992,584**	**1,141,687**

There is no significant difference between the fair value and the carrying amount of these liabilities.

At 30 June 2024 and 31 December 2023, “Trade payables” included mainly the amounts payable for trade purchases made by the Group and their related costs.

“Current tax liabilities” includes all balances payable by the Group to the tax authorities, as detailed in Note 17.c.

Lastly, “Other payables” is formed mainly of payables to asset suppliers amounting to EUR 397,131 thousand (EUR 553,638 thousand at 31 December 2023).

Cellnex signed, some years ago, a strategic Global Payment Services Agreement (reverse factoring) with a renowned financial institution, in accordance with the Group's commitment to the efficient management of payments to suppliers. The agreements signed by Cellnex, among others, do not modify the payment conditions established with the suppliers nor do they grant any additional financing to the Group and, finally, nor have they involved granting guarantees to the financial entities. In this context, the evaluation carried out concludes that the commercial nature of the invoices has not been modified and, consequently, their accounting classification is maintained. The abovementioned agreement has an aggregate limit of EUR 110 million.

This initiative aims to provide a seamless and standardized approach to supplier transactions across all Cellnex geographies. To date, progress has been made in the implementation of this program at an international level, which will continue to be developed in the coming years. This program is based on the background established by Cellnex at the beginning of the COVID crisis with the Liquidity Support Plan. Furthermore, as a program linked to sustainability, it aligns the Group's financial strategies with Cellnex's dedication to responsible supply chain practices. In turn, this agreement ensures sound financial management and offers suppliers greater flexibility, including the option to access liquidity through invoice advances, fostering stronger, long-term relationships.

17. Income tax and tax situation

a) Tax information

Cellnex Telecom, S.A. has been the Parent Company of a new consolidated tax group for Spanish Corporation tax purposes since the 2015 financial year.

Cellnex files consolidated tax returns as the parent company of the tax group, where the subsidiaries of which are at least 75%-owned and are Spanish tax resident. In addition, the Group companies resident in the Netherlands file consolidated Dutch tax returns. The UK companies and Irish companies apply Group Relief claims and surrenders as appropriate. Cellnex France Groupe files consolidated tax returns as the Parent Company of the tax group, where the subsidiaries of which are at least 95%-owned. The Group companies resident in Portugal file consolidated Portuguese corporation tax returns, as do Group companies resident in Denmark and Austria. In Sweden, the Group companies apply the group contribution regime. The remaining companies included in the consolidation scope file individual corporation tax returns.

Tax audits and litigations

At 30 June 2024, in general, the Group companies' returns for all applicable taxes which are not statute-barred at that date are open to inspection in each of the jurisdictions in which they are based.

In this respect, Cellnex considers that no significant losses will arise with respect to the accompanying Interim condensed consolidated financial statements as a result of the different interpretations which may be afforded to prevailing tax law in relation to the years open to inspection.

- In July 2018 general inspection proceedings were initiated in relation to consolidated corporate income tax for 2015 and 2016 and VAT for the periods April to December 2015 (individual) and 2016 (group entities). In June 2020 agreed tax reassessments were issued in relation to corporate income tax for the years 2015 to 2018. For 2015 and 2016, the reassessments are definitive. For 2017 and 2018, the proposals are provisional, given that the inspection proceedings were limited to basically verifying the correct application of the reduction in income from the assignment of certain intangible assets. The total resulting amount in respect of tax payable amounted to EUR 3,072 thousand. The Directors of Cellnex have estimated that the criteria applied by the tax authorities do not have a material impact on the years open to audit. Also, in 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 Cellnex were not accepted and in December 2020 final assessments were communicated. In all cases, the inspection authorities considered that the Group's approach was reasonable and they expressly stated that no penalties will be applied. In January 2021 Cellnex appealed the VAT 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 Cellnex's claims and this resolution was appealed before the National High Court in October 2023.

- 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. In line with the actions undertaken for the 2012 RETT procedures, Cellnex is planning to engage with the Dutch Tax Authorities to appeal the assessment, and no material impact is expected to arise.

- During 2022, the Dutch Tax Authorities raised assessments relating to historic (2012) RETT transactions affecting Towerlink Netherlands B.V. and Shere Masten B.V.. A favorable 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 2012 transactions with no adverse impact.

- In May 2024, general tax audit proceedings were initiated in relation to the Corporate Income Tax of Cellnex Telecom, S.A. relating to periods 2019 to 2022, as well as Value Added Tax and Withholding Taxes relating to periods from May 2020 to December 2022. As of 30 June 2024, the tax audit procedure is at an initial stage and no material impact is expected to arise.

- In June 2024, general tax audit proceedings were communicated to Hivory and On Tower France relating to periods 2021 to 2023. As of 30 June 2024, the tax audit procedures are at a very preliminary stage and any potential impact will remain under review as the procedures progress.

b) Corporation tax expense

As established by IAS 34, the income tax expense has been recorded based on the best estimate available of the annual effective taxation rate for the 2024 financial year.

This estimate has been made taking into account the standard Corporation Tax rate in the countries in which Cellnex conducts its operations, which are:

	2024	2023
Spain	25%	25%
Italy [1]	28.57%	28.57%
Netherlands	25.8%	25.8%
United Kingdom [2]	25%	25%
France	25%	25%
Switzerland [3]	16.7%	16.7%
Ireland	12.5%/25%	12.5%/25%
Portugal [4]	21%	21%
Finland	20%	20%
Austria [5]	23%	24%
Denmark	22%	22%
Sweden	20.6%	20.6%
Poland	19%	19%

[1] The standard income tax rate is 28.57% in Italy, which is made up of the IRES (Imposta sul Reddito delle Societa) at a rate of 24% and the IRAP (regional business tax in Rome) at a rate of 4.58%.

[2] As of April 2023, the UK CIT rate increased from 19% to 25%. The 19% rate will continue to apply to companies with profits of less than £50,000, with marginal relief for profits of up to £250,000.

[3] The standard income tax rate is 16.65% in Switzerland, which is made up of federal, cantonal and communal (municipal) taxes.

[4] Companies with their head office in mainland Portugal are subject to Corporate Income Tax ("IRC") at a base rate of 21%, plus, as applicable, (i) up to a maximum of 1.5% of taxable income through a municipal tax ("Derrama Municipal"), and (ii) a state surcharge ("Derrama Estadual") levied at the rates of 3% on taxable income between EUR 1.5 million and EUR 7.5 million, 5% on taxable income between EUR 7.5 million and EUR 35 million and 9.0% on taxable income in excess of EUR 35 million, resulting in a maximum aggregate tax rate of approximately 31.5% for taxable income higher than EUR 35 million..

[5] On 14 February 2022, the Austrian government published the Eco-Social Tax Reform Act 2022 in the Official Gazzette, which incorporates a gradual reduction of the current CIT rate of 24% in 2023 to 23% in 2024.

The Merger Transactions

On 1 April 2022, the merger of CK Hutchison Networks Italia S.p.A. and Towerlink Italia S.r.l. into Cellnex Italia S.p.A was completed, with Cellnex Italia S.p.A. being the surviving entity. Furthermore, on 1 July 2022, the merger of Towerco S.p.A. and Iaso Gruppo Immobiliare S.r.l. into Cellnex Italia S.p.A was completed (collectively the "Big Merger II Transaction"). The merger difference was determined at the effective accounting date (backdated to 1 January 2022) as the excess of (i) the cost of the investments and ii) their respective equity. The entire merger difference was allocated to goodwill in Cellnex Italia S.p.A's individual financial statements, which are prepared under Italian GAAP.

Additionally, on 1 November 2023, the merger of Nextcell Srl and Retower Srl with Cellnex Italia S.p.A was completed, with Cellnex Italia S.p.A. being the surviving entity. The merger difference was determined at the effective accounting date (backdated to 1 January 2023) as the excess of i) the cost of the investments and ii) their respective equity. The entire merger difference was allocated to goodwill in Cellnex Italia S.p.A's individual financial statements.

With regards to the goodwill generated by the merger of Nextcell Srl and Retower Srl with Cellnex Italia S.p.A and the Big Merger II Transaction, Cellnex Italia S.p.A opted to step up the tax basis of the goodwill, as provided for by Art. 176, par. 2-ter of the Presidential Decree n. 917/1986, which amounted to EUR 1,908 million at 31 December 2023. Thus, the payment of the substitute tax amounting to EUR 312 million and is performed in three annual instalments (in the second half of 2024, 2025, 2026) respectively equal to 30%, 40% and 30% of the total amount due. On the second and third instalments yearly interest at a fixed rate of 2.5% is due. The payment is required in order to generate a corresponding tax deduction of the amortisation over 18 years, starting from 1 January 2024. The first instalment payment of EUR 91.8 million has been completed by the end of July 2024. Thus, the corresponding accounting impacts have not been registered in the accompanying Interim Condensed Consolidated Financial Statements for the period ended on 30 June 2024.

Global Minimum Tax ("Pillar Two")

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on 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 is effective for the Group's financial year beginning 1 January 2024 and given the countries which have enacted or committed to enact the legislation, the Group 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, and updated as of 30 June 2024, the Pillar Two transitional safe harbours are likely to be applicable in the jurisdictions in which the Group operates and, therefore, the Group does not expect a material exposure to Pillar Two income taxes.

Furthermore, the IASB and AASB have issued amendments to IAS 12 'Income taxes' introducing a mandatory temporary exception from the requirements of IAS 12 for the recognition and disclosure of information about deferred tax assets and liabilities related to the proposed OECD/G20 BEPS Pillar Two model rules. In line with this amendment, the Group has applied this exception in the Interim Condensed Consolidated Financial Statements at 30 June 2024.

c) Current tax liabilities

The breakdown of "Current tax liabilities" is as follows:

	Thousands of Euros	
	30 June 2024	**31 December 2023**
VAT payable	129,035	100,806
Corporate income tax	8,346	21,043
Social security payable	5,905	5,622
Personal income tax withholdings	4,818	4,024
Other taxes	6,715	6,356
Current tax liabilities	**154,819**	**137,851**

d) Deferred taxes

Tax losses carry forwards

As at 30 June 2024 the tax losses generated by the Spanish entities amounted to EUR 147.4 million (EUR 163.8 million at 2023 year-end). This amount corresponds to the Spanish tax group and has been affected by the introduction of the Additional Provision (19th) in the Spanish Corporate Income Tax Law and the decision of the Constitutional Court of Spain regarding the Royal Decree 3/2016:

- For periods beginning on January 2023, the deferred tax asset arising on the tax losses carry forwards is being 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 Spanish tax group. This new measure limits the use of tax losses generated on a standalone basis to 50% of such tax loss, which is offset against the taxable profits of the tax group. As a consequence, the resulting non-deducted tax losses can be offset from the consolidated tax base of the Spanish tax group on a linear basis over a 10-year period, without limitation.

- 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 these Interim Condensed Consolidated Financial Statements, the Group has applied tax losses carried forward subject to a 70% limitation in Spain, which has led to the offsetting of the majority of the Group's tax losses available generated from years prior to 2023. This ruling has reduced the deferred tax assets and has correspondingly increased the corporate income tax asset in respect of the use of such tax losses.

In addition, the Group had tax losses from UK companies available for carry forward against future profits, as detailed below:

- Non-trade loan relationship deficit of EUR 10.6 million (EUR 31.4 million at 2023 year-end), which is available to offset future non-trade income and capital gains of the company that incurred the loss, and

- Trading losses have been reduced to EUR nil (EUR 8 million at 2023 year-end, being therefore fully offset against trading profits.

With regards to other territories where the Group has presence, as at 30 June 2024 the tax losses from the French, Irish, Austrian, Portuguese, Swiss and Polish companies available for carry forward against future profits amounted to EUR 12.1 million, EUR 12.8 million, EUR 46 million, EUR 3 million, EUR 21.9 million and EUR 32.1 million. As at 31 December 2023, tax losses from French, Irish, Austrian, Portuguese, Swiss and Polish companies available for carry forward against future profits, amounted to EUR 4.9 million, EUR 12.8 million, EUR 39.1 million, EUR 4.5 million, EUR 17.9 million and EUR 22.9 million. Thus, as at 30 June 2024, the total amount of tax losses available for carry forward against future profits amounted to EUR 285.8 million (EUR 305.3 million at 2023 year-end).

In Spain, although the consolidated statement of profit and loss reflects accounting losses for the six-month period ended at 30 June 2024 and at 2023 year-end (which, in turn, include the impact of adjustments that affect only the accounting profit or loss, such as the depreciation and amortisation charge associated with fair value adjustments stemming from business combinations), Cellnex Finance Company, S.A. and its grant of loans to the foreign subsidiaries is a factor that offsets the application of the limits on the deductibility of finance costs on the basis of EBITDA and, accordingly, will contribute to the ability to generate taxable profits.

Limit on deductibility of financial expenses

The Spanish CIT legislation limits the deductibility of net financial expenses. This act establishes that the net financial expenses will be deductible from the tax base with the limit of 30% of the operating profit of the year. The net financial expenses that have not been deducted may be deducted in the following tax periods.

Given the activity of Cellnex Finance Company, S.A starting from 2020, the finance costs will foreseeably be deducted in full by 2027.

Spanish Corporate Income Tax receivable

From the total amount of EUR 181 million relating to Income tax paid reflected in the consolidated statement of cash flows of the 2023 Consolidated Financial Statements (EUR 89 million in 2022), EUR 58 million related to the advanced Spanish Corporate Income Tax payment, which is based on accounting rather than taxable profits, primarily for the disposal of 49% stake in Cellnex Nordics and limitations on tax losses.

According to the Spanish Corporate Income Tax Law, advanced payments that exceed the annual Corporate Income Tax due shall be refunded in full following the submission of the Spanish Corporate Income Tax return no later than 25 July 2024. In this regard, during the first half of 2024, the Group reached a non-recourse agreement regarding the EUR 55 million Spanish Corporate Income Tax Receivable obtained in the Spanish Corporate Income Tax return. At 30 June 2024 the

Group derecognised the Spanish corporate income tax receivable sold on a non-recourse basis, based on this agreement, as it substantially transferred all the risks and rewards inherent to its ownership to a financial institution (see Note 11).

Potential divestment of the Group's operations in Austria.

The income tax line for the six-month period ended on 30 June 2024, includes the tax effect, amounting to EUR 116,166 thousand, in relation to the potential divestment of the Group's operations in Austria and the effect of reversing the deferred tax liabilities associated with the intangible assets that have been impaired in Austria, for an amount of EUR 20,802 thousand (see Notes 6, 8 and 19.f.).

18. Employee benefit obligations and provisions and other liabilities

a) Contingent liabilities

At 30 June 2024, the Group has guarantees with third parties amounting to EUR 118,937 thousand (EUR 122,990 thousand at the 2023 year-end). These relate mainly to guarantees provided by financial institutions before public authorities in connection with grants and technical guarantees, and before third parties in connection with rental guarantees.

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 Group 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. The CNMC has issued its decision recalculating the aforementioned amount, reducing it to EUR 18.7 million and this decision was appealed against in the National High Court on 29 September 2016. On 27 July 2022, the appeal was dismissed and an application to submit a new appeal was filed against such decision, which was formally admitted on 1 June 2023. On 11 December 2023, the Supreme Court confirmed that the State Attorney had submitted an opposition to such appeal and that the Supreme Court shall issue its decision in due course. To date, the decision on the merits of the appeal is still pending. Based on the opinion of its legal advisers, the provision recorded in this regard at 30 June 2024 and 31 December 2023 amounted to EUR 18.7 million, recorded in "current provisions and other liabilities" of the accompanying consolidated balance sheet.

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 centers of Cellnex Telecom, S.A. 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 Group 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 Group did not break any competition rules. On 23 March 2018, the Supreme Court issued a judgment dismissing the appeal, and was awaiting the return of the file to the CNMC for the recalculation of the sanction. Following the corresponding calculation procedure, the CNMC ruled that the amount of the fine should not be amended. Cellnex Telecom, S.A., filed an appeal against such decision before the National Appellate Court. On 23 March 2023, such appeal was dismissed by the National Appellate Court. On 15 June 2023, Cellnex Telecom, S.A., filed an application to submit a new appeal. Such appeal has been unadmitted, and in January 2024 Cellnex Telecom S.A. has filed an appeal to declare the annulment of the decision declaring the non-admission as a previous step to filing an appeal for constitutional protection ("recurso de amparo") before the Constitutional Court. The filing of the appeal does not suspend the ruling of the National Appellate Court and, therefore, the CNMC may ask for the execution of the bank guarantee deposited in the National Appellate Court. The original guarantee was provided on 4 February 2020. With regard to these proceedings, on 30 June 2024 and 31 December 2023, the provision recognised based on the opinion of their legal

advisers, amounted to EUR 13.7 million, registered in “current provisions and other liabilities” of the accompanying consolidated balance sheet.

Moreover, and in the context 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 spun-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, Cellnex Telecom, S.A. will be responsible for paying these fines. At 30 June 2024 and 31 December 2023, Cellnex Telecom, S.A. had provided three guarantees amounting to EUR 32.5 million to cover the disputed rulings with the CNMC explained above.

In relation to the digitalization and expansion of the terrestrial television networks in remote rural areas in Spain during the digital transformation process, the European Commission issued a decision on 19 June 2013 concluding that Retevisión-I, S.A.U. and other operators of platforms for transmitting terrestrial and satellite signals had received state aid, in the amount of EUR 260 million, that is contrary to the Treaty on the Functioning of the European Union. The ruling ordered Spain to recover the amount of the aid received. Retevisión-I, S.A.U. lodged an appeal on October 2013 against such decision which was dismissed on 26 November 2015. On 5 February 2017, a further appeal was filed. On 20 December 2017, the Court of Justice of the European Union (CJEU) issued a judgment by which it annulled the decisions of 19 June 2013 and 26 November 2015 aforementioned. After such annulment, the European Commission reopened its investigation and issues a new decision on 10 June 2021, concluding that the aid system was against the European Union’s legislation and, therefore, the aid had to be recovered. Based on this, the governments of Extremadura, Catalonia, Valencia, Asturias and others initiated different proceedings to recover the aid, amounting to approximately EUR 100 million. The Group has already appealed such decisions and, in order to suspend the execution, it has set up escrow accounts for a total amount of approximately EUR 122 million (EUR 116 million as of 31 December 2023) (see Note 12.b). On 5 November 2021, the Group filed an appeal before the General Court of the European Union requesting the annulment of the referred decision. On 10 June 2022, the General Court of the EU ended the written stage of the procedure, and the hearing took place on 5 October 2023. To date, the General Court of the European Union has still not ruled on such appeal, although it is expected during the third quarter of 2024. In the event that, in any of the aforementioned proceedings, there is a court ruling requesting the recovery of the amounts claimed, or any part thereof, by the respective Administration or Public Organism, following our advisors’ criteria, the Supreme Court’s requirements would undoubtfully be met in order to achieve the success of the legal claims that would be lodged by the respective company of the Cellnex Group based on the infringement of the elementary principles of unjust enrichment prohibition and contractor’s indemnity. Consequently, it is not expected that the resolution of the procedures in progress will have a significant effect on the consolidated net assets of the Group to the extent that the aforementioned estimate of the actions to be exercised, the Group considers that it would entail the restitution of the amounts deposited in recovered "escrow" accounts.

b) Current and non-current employee benefit obligations

Long Term Incentive Plan (“LTIP”)

Liabilities recognised in respect of Long Term Incentive Plan are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out below. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight- line basis over the vesting period, based on the Group’s estimate of the number of equity instruments that will eventually vest. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

The amounts considered by the Group in relation to the Long-term Incentive Plans ("LTIP") which were formalised in 2023 and 2024 with the objective to retain key personnel and incentivise the sustainable creation of value for the shareholders, is based on the variables described below. These LTIPs are rolling which means that every year a new plan is set up for the next three years. Therefore, those LTIPs formalised in 2023 and 2024 will remunerate management in 2022, 2023, 2024, 2025 and 2026, respectively, after the approval of annual accounts by the Annual General Shareholders' Meeting which will take place in the first half of the corresponding year.

Rolling Long-term Incentive Plan (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").

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.

The achievement of the objectives established in the 2021-2023 LTIP was assessed by the Nominations, Remuneration and Sustainability Committee and payment of any accrued amounts, if applicable, would have been following approval of the 2023 Consolidated Financial Statements of the Group by the Annual General Shareholders' Meeting. The objectives set for this plan have not been met and therefore no pay-out has been made to the management. The amount recognized under the heading "Net equity" of the accompanying consolidated balance sheet as of 30 June 2024 and 31 December 2023 amounts to EUR 8.5 million.

Rolling Long-term Incentive Plan (2022-2024)

In December 2021, the Board of Directors approved the 2022-2024 LTIP. The beneficiaries include the CEO (in charge at the date of the approval of this plan), 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:

- 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).
- With a weighting of 30%, relative position among a peers group based on Total Shareholder Return. Peers group is form by: American Tower, SBA Communications, Crown Castle, Helios Towers, Vantage Towers, Inwit, Rai Way, MSCI World Index.
- With a weighting of 30%, absolute Total Shareholder Return. The degree of achievement of the share price increase will be calculated on the basis of the average price of the three months prior to the date of grant, volume weighted ("vwap").
- With a weighting of 20%, ESG metrics: i) 8% reaching an specific percentage of sourcing of renewable electricity of the Group, and ii) 12% is based on three parameters: a) the employee engagement at FY21 constant perimeter (based on the pulse survey), b) the reduction of the gender pay gap by 5% at FY21 constant perimeter, and c) achieving an specific percentage of foreign Directors at the Headquarters.

Additionally, under very exceptional performance of absolute Total Shareholder Return and relative position between top 2 companies of the peer group, a booster will be applied to the pay-out capped at a maximum of 5.0x (ranking first with respect the companies of the peer group, and being the share price approximately 115€/share). The achievement of the objectives established in the 2022-2024 LTIP will be assessed by the Nominations, Remunerations and Sustainability Committee and payment of any accrued amounts, if applicable, will be following approval of the annual Consolidated Financial Statements of the Group as of and for the 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 30 June 2024, the estimated cost of the 2022-2024 LTIP amounts to approximately EUR 9.0 million.

Based on the best possible estimation of the related liability and taking into consideration all the available information, the Group has recognised a provision of EUR 2.7 million and EUR 5.1 million in the long-term employee benefit obligations and reserves, respectively, of the accompanying consolidated balance sheet as at 30 June 2024 (EUR 2.6 million and EUR 4.1 million, respectively, as at 31 December 2023). The impact on the accompanying consolidated income statement for the six-month period ended on 30 June 2024, amounted to EUR 1.2 million (EUR 1.8 million in the same period of 2023).

Rolling Long-term Incentive Plan (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:

- 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.

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

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

- With a weighting of 20%, ESG metrics: i) 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 for the year ended on 31 December 2022 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 30 June 2024, the estimated cost of the 2023-2025 LTIP amounts to approximately EUR 20.8 million.

Based on the best possible estimation of the related liability and taking into consideration all the available information, the Group has recognised a provision of EUR 6.8 million and EUR 5.2 million in the long-term employee benefit obligations and reserves, respectively, of the accompanying consolidated balance sheet as at 30 June 2024 (EUR 5.8 million and EUR 3.9

million, respectively, as at 31 December 2023). The impact on the accompanying consolidated income statement for the six-month period ended on 30 June 2024, amounted to EUR 2.3 million (EUR 2.8 million in the same period of 2023).

Rolling Long-term Incentive Plan (2024-2026)

In December 2023, the Board of Directors approved the 2024-2026 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:

- With a weighting of 20%, achieving certain Free Cash Flow (FCF). Cellnex´s FCF is calculated as the recurring leveraged Free Cash Flow after deducting BTS Capex and Expansion Capex. BTS Capex corresponds to committed BTS programs as well as Engineering services with different clients. Cash-in from the disposal of assets (or shares) due to, among others, antitrust bodies' decisions are considered within this item. Cumulative over the 2024-2026 period. Constant perimeter as of December 2023.

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

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

- With a weighting of 20%, ESG metrics: i) 10% reaching a reduction of the procurement related carbon footprint emissions, and ii) 10% is based on achieving an specific percentage of female representation at director level in the group.

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 30 June 2024, the estimated cost of the 2024-2026 LTIP amounts to approximately EUR 21.7 million.

Based on the best possible estimation of the related liability and taking into consideration all the available information, the Group has recognised a provision of EUR 2.2 million and EUR 1.4 million in the long-term employee benefit obligations and reserves, respectively, of the accompanying consolidated balance sheet as at 30 June 2024. The impact on the accompanying consolidated income statement for the six-month period ended on 30 June 2024, amounted to EUR 3.6 million.

Engagement Plan (2023-2025)

On 27 March 2023, the Board of Directors, at the proposal of the Appointments, Remuneration and Sustainability Committee, approved the establishment of an extraordinary multi-year engagement plan (2023-2025) for a small number of employees in the Group (approximately 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:

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

ii. 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 30 June 2024, the estimated cost of the 2023-2025 Engagement Plan amounts to approximately EUR 4.7 million.

Based on the best possible estimation of the related liability and taking into consideration all the available information, the Group has recognised a provision of EUR 1.6 million in reserves of the accompanying consolidated balance sheet as at 30 June 2024 (EUR 3.1 million as at 31 December 2023).

Extraordinary Incentive Plan (2024)

The Board has approved the general terms and conditions of a special and extraordinary incentive plan applicable to certain managers of the Group (approx. 40) to incentivize their special contribution and performance in order to achieve the 2025 guidance.

The purpose of this Extraordinary Incentive Plan is:

- to reinforce and encourage the achievement of the Group’s challenging 2025 guidance; and
- to retain a very selective group of employees who, based on their position and leadership, have a clear contribution to the achievement of the 2025 guidance targets.

This incentive will be delivered 50% in cash an 50% in Cellnex shares.

The Incentive would be calculated based on the degree of compliance with the LTIP 22-24 and LTIP 23-25 targets.

The essential requirements for the payment of the incentive plan are:

- the Beneficiary (i) has an employment contract or service agreement in force with Cellnex at the Accrual Date or (ii) has left the Cellnex before the Accrual Date as a Good Leaver (as per LTIP policy).
- Cellnex's shareholders approve at the Annual General Meeting the annual accounts for the financial year 2025.
- LTIP 2023-2025 accrued and paid, if not, no Extraordinary Incentive Plan will be paid.

As of 30 June 2024, the estimated cost of the Extraordinary Incentive Plan (2024) amounts to approximately EUR 3.9 million.

Based on the best possible estimation of the related liability and taking into consideration all the available information, the Group has recognised a provision of EUR 0.5 million and EUR 0.5 million in the long-term employee benefit obligations and reserves, respectively, of the accompanying consolidated balance sheet as at 30 June 2024. The impact on the accompanying consolidated income statement for the six-month period ended on 30 June 2024, amounted to EUR 1 million.

Reorganisation Plan (2018 – 2019)

During the first quarter of 2018, the Group reached an agreement with the workers’ representatives of Retevisión-I, S.A.U. and Tradia Telecom, S.A.U. regarding a collective redundancy procedure to conclude up to 175 employment contracts in 2018 and 2019 (“The Reorganisation Plan”), as detailed below.

On 27 February 2018, these group companies reached an agreement with the workers' legal representatives consisting of income plans for employees of 57 years of age or older as of 31 December 2017 and, on the other hand, lump-sum indemnity payments as a result of the voluntary termination of employment contracts for other employees not included in the annuity plan. The period during which employees could voluntarily participate in the annuity plan ended on 31 May 2018, whereas the period for claiming the lump-sum termination benefits started on 7 January 2019 and ended on 31 January 2019.

The provision for the workforce agreement was cashed out in 2018, 2019 and first months of 2020. Accordingly, efficiencies should crystalize from 2020 onwards.

This plan fits into the reorganisation process relating to the broadcasting business that is being undertaken by the Group's subsidiary companies. Under this plan, the Group is seeking to adapt its structure to the new business models, which have been widely modernised in recent years with the introduction of equipment, which can be maintained remotely, without the necessity to physically travel to the sites where the equipment is installed.

At 31 December 2018, a provision was recognised for this reorganisation procedure, with an estimated cost of EUR 55 million. As of 31 December 2020, the Reorganisation Plan was finalized.

The balance payable at 30 June 2024 associated with this collective redundancy procedure carried out by the Group represents expected payments related to this process, amounting to EUR 2 million and EUR 1.1 million recorded in the long and short term, respectively, of the accompanying consolidated balance sheet (EUR 2 million and EUR 7.4 million recorded in the long and short term, respectively, at 31 December 2023).

Reorganisation Plan (2022)

In December 2021 an agreement was reached with the workers' representatives of Retevisión-I, S.A.U., Tradia Telecom, S.A.U. and On Tower Telecom Infrastructuras, S.A.U. in relation to a collective redundancy procedure to terminate up to 208 employment contracts in the period from 2022 to 2025 as detailed below.

The agreement consists, on the one hand, of pre-retirement plans for employees of 57 or more years of age who, during the period from 2022 to 31 March 2025 are 57 years of age or older and have a length of service of 7 years and, on the other hand, lump-sum termination benefits as a result of the voluntary termination of their employment contracts for the rest of the employees not included in the pre-retirement plan. The voluntary participation period will begin on 17 January and end on 31 May 2022.

The workforce agreement will be executed in the period from 2022 to 2025. As a result, the opex efficiencies should start to be seen from 2025.

This plan is part of the evolution of the business model (with ever greater emphasis on Telecommunications Infrastructure Services as opposed to broadcasting which was the core business until a few years ago) and technological changes (associated with the development of LTE, mobile broadband and the development of internal management systems that improve efficiency). Therefore, in the last few years work has continued on renewing equipment and automating the network supervision processes, enabling a more centralised management geared towards scheduled actions as a result of preventive maintenance.

The balance payable at 30 June 2024 associated with this reorganisation procedure carried out by the Group represents expected payments related to this process, amounting to EUR 15.9 million and EUR 28.3 million recorded in the long and short term, respectively, of the accompanying consolidated balance sheet (EUR 31.5 million and EUR 22.9 million recorded in the long and short term, respectively, at 31 December 2023).

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, the core business, 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.

By the end of 2023, a provision was recognised for this reorganisation procedure, with an estimated cost of EUR 20.6 million. During the six-month period ended on 30 June 2024, following execution of part of this agreement, contracts ended for 10 employees for a cost of EUR 6.4 million. In the same period of 2023, no contracts ended, since the exits were expected to occur from the second half of 2023 onwards.

The balance payable at 30 June 2024 associated with this reorganisation procedure carried out by the Group represents expected payments related to this process, amounting to EUR 2.4 million and EUR 2.6 million recorded in the long and short term, respectively, of the accompanying consolidated balance sheet (EUR 4.8 million and EUR 6.6 million recorded in the long and short term, respectively, at 31 December 2023).

c) Provisions and other liabilities

The detail of “Provisions and other liabilities” at 30 June 2024 and 31 December 2023 is as follows:

						Thousands of Euros
			30 June 2024			31 December 2023
	Non-current	Current	Total	Non-current	Current	Total
Provisions for other responsibilities	160,638	239,102	**399,740**	194,842	235,237	**430,079**
Provision for asset retirement obligation	486,020	—	**486,020**	513,099	—	**513,099**
Provisions for sanctions in relation to the National Competition Committee	—	32,473	**32,473**	—	32,473	**32,473**
Cellnex Netherlands Put Option Liability	420,903	—	**420,903**	403,903	—	**403,903**
Deferred income and other liabilities	66,441	155,646	**222,087**	94,289	133,263	**227,552**
Deferred payment in relation to Omtel Acquisition	522,918	—	**522,918**	516,192	—	**516,192**
Total	**1,656,920**	**427,221**	**2,084,141**	**1,722,325**	**400,973**	**2,123,298**

i) Provisions for other responsibilities

In accordance with IFRS 3, Cellnex recognises contingent liabilities assumed in business combinations at the acquisition date even if it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. At 30 June 2024, the provisions for other responsibilities amounted to EUR 399,740 thousand (EUR 430,079 thousand at 2023 year-end). Regarding the business combinations carried out in previous years, certain risks associated with the business acquired were assessed by the Group with the assistance of independent third party experts, and in accordance with IFRS 3.22-23. During the six-month period ended on 30 June 2024 and 2023 no provisions associated with business combinations have been registered or reversed (see Note 5). The expectations of the Group are that the provisions recognised will either be settled or will expire within the coming years, based on the statute of limitation for the corresponding provision, in accordance with the tax legislation of each country, which is: EUR 45 million between 1 and 2 years, EUR 90 million between 2 and 3 years and EUR 26 million in more than 3 years.

ii) Provisions for asset retirement obligation

This heading includes the contractual obligation to dismantle and decommission the mobile telecom infrastructures (see Note 3.h of the 2023 Consolidated Financial Statements). As at 30 June 2024, the provision for asset retirement obligation, amounted to EUR 486,020 thousand (EUR 513,099 thousand at 2023 year-end).

iii) Provisions for sanctions in relation to the National Competition Committee

This heading includes the possible sanctions levied by the National Competition Committee (Note 18.a), which have been recorded in the consolidated balance sheet as of 30 June 2024 and 31 December 2023 for an amount of EUR 32.5 million, as the cash flow outflow has been estimated as probable.

iv) Cellnex Netherlands Put Option Liability

During 2021, in relation to the T-Mobile Infra Acquisition (see Note 6 of the 2022 Consolidated Financial Statements), Cellnex, DIV and a Dutch foundation entered into an agreement, which sets forth the right of DIV to sell its 37.65% non-controlling interest to Cellnex, at a price to be calculated pursuant to said agreement (the "T-Mobile Infra Put Option"). If the T-Mobile Infra Put Option is exercised, the purchase price for the shares would be their fair value calculated according to certain formulae included in the T-Mobile Infra Put Option agreement, over a maximum period of 5 years. The T-Mobile Infra Put Option could be exercised over a maximum period of five years, and Cellnex may choose to pay the purchase price in case of an exercise either in cash or with Cellnex shares. The method used for the measurement of the T-Mobile Infra Put Option is based on the best estimate, at the measurement date, of the present value of the amount that must be paid when the put option is exercised (pursuant to "IAS 32 - Financial Instruments"). The estimate of the aforementioned amount could vary depending on the evolution of parameters related to market value, determined according to the option contract entered into by the parties, of the aforementioned non-controlling interest, but does not include other variable elements. The liability recognised for the aforementioned agreement was measured by calculating discounted cash flows on the basis of the percentage of ownership. Also, the measurement includes the related financial effect. Thus, at 30 June 2024 and 31 December 2023 the aforementioned liability was recognised at its fair value. At subsequent reporting dates, this amount could be increased on the basis of its fair value; there is no maximum amount for this value, since it depends on the market value of the ownership interest. The price of this acquisition is therefore uncertain and will undoubtedly be expected to be inflationary, given the favourable performance of such assets (see Note 13.f). Thus, as at 30 June 2024, based on the best estimation of the T-Mobile Infra Put Option and taking into account all the available information, the Board of Directors recognised a provision of EUR 421 million (EUR 404 million at 2023 year-end) for this item in “Provisions and other liabilities long-term" of the accompanying consolidated balance sheet.

v) Deferred income and other liabilities

This item mainly includes deferred income in certain subsidiaries in which, at the closing date, there was invoicing collected in advance, in accordance with the corresponding contractual conditions with customers, as well as amounts claimed from Group companies in ongoing litigation at the period end. The amounts were estimated based on the amounts claimed or stipulated in court rulings issued at the end of each year shown and appealed against by the aforementioned companies. At 30 June 2024, this heading amounted to EUR 222,087 thousand (EUR 227,552 thousand at 2023 year-end).

vi) Deferred payment in relation to Omtel Acquisition

Finally, in the context of the Omtel Acquisition (see Notes 2.h and 6 of the 2020 Consolidated Financial Statements), this amount includes the remaining balance of the total acquisition price, amounting to EUR 570 million, which will be paid, on the earlier of 31 December 2027 or upon the occurrence of certain events of default. The amount of the aforementioned deferred payment is updated to its present value, at an annual market discount rate of 2.65%, at each period end. Therefore, as of 30 June 2024, the present value of the deferred payment amounted to EUR 522,918 thousand (EUR 516,192 thousand at 2023 year-end). Thus, the impact on “financial costs” of the accompanying consolidated income statement for the six-month period ended on 30 June 2024 amounted to EUR 6,726 thousand (EUR 6,726 thousand at the same period of 2023).

The expectations of the Group are that the provisions and other liabilities detailed above, other than "Provisions for other responsibilities", will either be settled or will expire within the coming years beyond to 2025.

19. Revenue and expenses

a) Operating income

The detail of operating income by item during the six-month period ended on 30 June 2024 and 2023 is as follows:

	Thousands of Euros	
	30 June 2024	30 June 2023
Services (Gross)	1,984,675	1,871,849
Other operating income	134,753	129,431
Advances to customers (Note 12.b)	(1,973)	(1,769)
Operating income	**2,117,455**	**1,999,511**

"Services (Gross)" includes revenues from the four different business lines: Towers; DAS, Small Cells and RAN as a service; Fiber, Connectivity and Housing Services, and Broadcast. It also includes the utility fee for an amount of EUR 63,479 thousand at 30 June 2024 (EUR 77,330 thousand in the same period of 2023) which consists of energy pass-through included within the service fee charged to our customers. “Other operating income” mainly includes income from re-charging costs related to activities for renting tower infrastructures for site rentals to third parties (pass-through). “Advances to customers” includes the amortization of amounts paid for sites to be dismantled and their corresponding dismantling costs, which are treated as advances to customers in relation to the subsequent services agreement entered into with the customer (mobile telecommunications operators). These amounts are deferred over the life of the service contract with the operator as they are expected to generate future economic benefits in existing infrastructures.

b) Staff costs

The detail of staff costs by item during the six-month period ended on 30 June 2024 and 2023 is as follows:

	Thousands of Euros	
	30 June 2024	30 June 2023
Wages and salaries	(118,649)	(114,422)
Social Security contributions	(22,595)	(21,958)
Retirement fund and other contingencies and commitments	(4,090)	(26,346)
Other employee benefit costs	(8,683)	(7,917)
Staff costs	**(154,017)**	**(170,643)**

c) Other operating expenses

The detail of other operating expenses by item during the six-month period ended on 30 June 2024 and 2023 is as follows:

	Thousands of Euros	
	30 June 2024	30 June 2023
Repairs and maintenance	(53,821)	(52,518)
Utilities	(195,588)	(196,929)
Other operating costs	(160,944)	(135,428)
Other operating expenses	**(410,353)**	**(384,875)**

d) Non-recurring and non-cash expenses

As of 30 June 2024 and 2023, the items “Staff costs” and “Other operating expenses” above, contains (i) certain expenses that are non-recurring, or (ii) certain expenses that do not represent a cash flow, as detailed below:

i) Donations, which relate to a financial contribution by Cellnex to different institutions (non-recurring item), amounted to EUR 31 thousand (EUR 90 thousand in the same period in 2023).

ii) Redundancy provision, which mainly includes the impact in 2024 and 2023 six-month periods derived from the reorganisation plans detailed in Note 18.b of the accompanying interim condensed consolidated financial statements (non-recurring item), amounted to EUR 1,490 thousand (EUR 25,394 thousand in the same period in 2023).

iii) LTIP remuneration, which corresponds to the LTIP remuneration accrued at 30 June 2024 (see Note 18.b, non-cash item), amounted to EUR 12,449 thousand (EUR 7,316 thousand in the same period in 2023), and extra compensation and benefits costs, which corresponds to extra non-conventional bonus for the employees (non-recurring item), amounted to EUR 174 thousand (EUR 0 thousand in the same period in 2023).

iv) Costs and taxes related to acquisitions and divestments which mainly include taxes and ancillary costs incurred during the business combination processes (non-recurring item), amounted to EUR 11,698 thousand (EUR 9,283 thousand in the same period in 2023).

e) Depreciation and amortisation

The detail of “Depreciation and amortisation” in the consolidated income statement during the six-month period ended on 30 June is as follows:

	Thousands of Euros	
	30 June 2024	30 June 2023 restated
Property, plant and equipment (Note 7)	(424,828)	(415,757)
Right-of-use assets (Note 15)	(360,609)	(319,911)
Intangible assets (Note 8)	(559,016)	(572,878)
Total	**(1,344,453)**	**(1,308,546)**

f) Impairment losses on assets

This line in the consolidated income statement during the six-month period ended on 30 June 2024 includes the impairment amounting to EUR 311,299 thousand and EUR 90,442 thousand that has been registered in Goodwill and Intangible assets for telecom infrastructure services, respectively, related to the Group operations in Austria prior it classification as “Non-current assets held for sale” (see Notes 6 and 8).

g) Results from disposals of fixed assets

This line in the consolidated income statement during the six-month period ended on 30 June 2024 and 2023 includes the impact derived from the result of the disposal of fixed assets (see Notes 6, 7 and 8).

20. Contingencies, commitments and obligations

a) Contingencies

As at 30 June 2024, the contingent liabilities of the Cellnex Group are those detailed in Note 18.a of the accompanying interim condensed consolidated financial statements.

b) Commitments and obligations

i) Agreements between Cellnex France Groupe, Bouygues Telecom and Phoenix France Infrastructures to dispose approximately 3,200 urban sites in France

As described in Note 6, in the first quarter of 2022, the Group entered into two agreements with the aim to fulfil the disposals required by the FCA as a condition for the approval of the Hivory Acquisition (see Note 6 of the 2022 Consolidated Financial Statements).

Firstly, Cellnex France and Phoenix France Infrastructures (in the presence of Bouygues Telecom) entered into a business transfer agreement which sets forth the terms and conditions under which Cellnex France will sell to Phoenix France Infrastructures (or to any company controlled by Phoenix France Infrastructures) 2,000 sites located in very dense areas of France. The sale will be carried out at a price to be calculated pursuant to the agreement which takes into account the profit generated by such sites, for an expected total amount of approximately EUR 690 million (EUR 600 million, net of taxes). The effectiveness of this agreement was subject to the French regulatory approvals the last of which was obtained in October 2022. The sale was structured in five lots of sites and its completion was expected to take place during 2023 and 2024. During 2023, the sale of 1,127 sites to Phoenix France Infrastructures was carried out for a price of approximately EUR 384 million, with an impact in “Results from disposals of fixed assets”.

In addition, Hivory, Cellnex France Groupe and Phoenix Tower France II (a company of the Phoenix Tower International group, formerly known as PTI Alligator BidCo) entered into a share purchase agreement which set forth the terms and conditions under which Hivory would transfer to Phoenix Tower France II 1,226 sites located in very dense areas of France. The effectiveness of this agreement was subject to the French regulatory approvals the last of which was obtained in October 2022. During 2023. the sale was carried out at a price of approximately EUR 275 million (EUR 235 million, net of taxes), without significant impact in the 2023 consolidated income statement.

During the first half of 2024, the fifth lot has been sold, consisting of 423 sites for a total amount of approximately EUR 152 million. The total consideration of the sale has been already received in cash at completion. The accounting impact in the accompanying consolidated income statement amounted to EUR 43 million (net of tax effect) and it was recognized in “Results from disposals of fixed assets” and "Income tax" lines (see Note 6).

As of 30 June 2024, the sale of the sixth lot, consisting of 450 sites, was still pending and its completion is expected to take place during the second half of 2024.

ii) Disposal of the Group operations in Ireland

As described in Note 6, on 5 March 2024, the Group reached an agreement with Phoenix Tower International for the disposal of 100% of the share capital of Cellnex Ireland Limited and Cignal Infrastructure Limited, in exchange for a consideration of approximately EUR 971 million. The closing of this transaction is subject to customary antitrust and foreign direct investment clearance.

To the extent that as of the date of the 2024 Interim Condensed Consolidated Financial Statements this transaction has not yet been completed, the Group continues classifying these assets and their associated non-current liabilities as "Non-current assets held for sale".

iii) Other purchase commitments

As at 30 June 2024, the purchase commitments for tangible and intangible assets are those detailed in Notes 7 and 8 of the accompanying interim condensed consolidated financial statements.

21. Segment reporting

The Group's business segment information included in this note is presented in accordance with the disclosure requirements set forth in IFRS 8, Operating Segments. This information is structured, firstly following a geographic distribution and secondly, by business segment.

In previous years. Cellnex expanded its business in Europe either through acquisition of assets and businesses or with other growth opportunities both in the countries in which it was present and others. Based on the aforementioned, the Group Management manages the results obtained by geographical location. During 2024, as explained in section "1.2. Significant events in the first half of 2024" of the accompanying Consolidated Interim Directors' Report, the Group communicated a new strategy in the Capital Markets Day presentation held in March 2024. Cellnex unveiled a new strategy, a new organizational structure and an improved financial reporting framework that implied, among others, reporting the main financial information for the top five countries, being the rest of the countries reported jointly. Likewise, internal information for decision making being reported in the same way. Thus, the information in this Note has been disclosed in accordance to the aforementioned and, consequently, the comparative information has been properly restated.

As part of the new strategy and reporting, the business segments described below were established based on the organisational structure of the Cellnex Group prevailing as at 30 June 2024 and have been used by Group Management to analyse the financial performance of the different operating segments.

The Group has organised its business into four different business lines, supported by an operations division and central corporate functions. income from the provision of services relates mainly to:

- Towers: this is the Group's largest segment by turnover. It provides a wide range of integrated network passive infrastructure services to enable access to the Group's telecom infrastructure by MNOs, other wireless telecommunications, broadband network operators, among others, allowing such operators to offer their own services to their customers by means of macro-cells active equipment. Telecom Infrastructure Services from the Towers business line are generated from a number of sources: i) annual base fee from telecommunications customers (both anchor and secondary tenants), ii) escalators or inflation as the annual update of the base fee and, iii) new colocations and associated revenues (which include new third party colocations as well as further initiatives as special connectivity projects, site configuration changes as a result of 5G rollout, and Engineering Services, that corresponds to works and studies such as adaptation, engineering and design services on request of its customers, which represent a separate income stream and performance obligation, and as a result of which the number of tenants may increase).

  The services that the Group provides to its customers include infrastructure support services, which in turn include the access of infrastructure networks to telecommunications operators or broadcasters that use wireless technologies. The Group acts as a neutral carrier for mobile network operators and other telecommunications operators that normally require complete access to the infrastructure network to provide services to the end customers.

  Additionally the consolidated income statement for the period includes income from re-charging costs related to infrastructure services activities for mobile telecommunications operators to third parties.

- DAS, Small Cells and RAN as a Service: the Group also provides the infrastructure required to tackle coverage and capacity issues in challenging scenarios where macro-cells cannot fully provide the expected performance. Thus, through Distributed Antenna Systems ("DAS") and Small Cells, coverage and capacity can be highly improved, complementing the macro Tower infrastructures. Some of this challenging special scenarios can be high dense urban areas or indoor coverage in stadium, tunnels or hospitals. Additionally, Cellnex provides services such as i) RAN as a Service which entails the emission and transmission active services in addition to the Tower passive business line in Poland ii) PPDR services involving active infrastructure management for public administrations, including TETRA and 4G/LTE mission critical service networks; (iii) operation and maintenance; (iv) among other services like smart cities/IoT ("Internet of Things").

- Fiber, Connectivity and Housing Services: Cellnex is providing services and developing capabilities such as data transport through fiber including fibre-to-the-tower ("FTTT"), connectivity, backhaul transmission and hosting services in edge datacenters infrastructure, in order to offer its customers the data-processing capacity distributed in the network, without which the 5G potentially could not be realized. For instance, in 2017 the Group acquired Alticom, a Dutch company that owns a portfolio of sites (high-towers) which have datacenters. In France, Cellnex is developing a nation-wide fibre transmission network in partnership with Bouygues Telecom.

- Broadcast: this business line corresponds to broadcasting services in Spain and Netherlands. Its services consist of the distribution and transmission of television and radio signals, the operation and maintenance of broadcasting networks, the provision of connectivity for media content and over-the-top ("OTT") broadcasting services and other services. In Spain, Cellnex is the only operator offering nationwide coverage of the digital terrestrial television ("DTT") service (source: CNMC). Through the provision of broadcasting services in Spain, the Group has developed unique know-how that has helped to develop other services within its portfolio.

Methodology and bases for Segment Reporting

The segmental reporting below is based on monthly reports drawn up by Group management and is generated by the same information system used to obtain all the accounting data at Group level.

Operating income of the corresponding segment corresponds to the ordinary revenues directly attributable to each segment and do not include interest income or dividends.

The majority of assets employed and underlying costs are derived from a shared network common to all operating business units. An allocation of such assets and costs to the business areas is not performed as part of the normal financial information reporting process used by the Group’s Management for decision-making, and Management is of the opinion that additional segmental reporting would not provide meaningful information for decision making.

The Management Committees are the maximum decision making authority. These committees evaluate the Group’s performance based on the operating profit of each company, which are not the same as the above business areas.

The assets and liabilities of each segment at 30 June 2024 and 31 December 2023 are as follows:

	Thousands of Euros						
	30 June 2024						
	Spain [(1)]	Italy	France	UK	Poland	Other countries	Total
Goodwill and other intangible assets	263,202	3,593,852	6,502,252	6,028,241	2,106,767	4,813,015	**23,307,329**
Right-of-use assets	312,844	790,307	921,478	380,294	362,731	569,317	**3,336,971**
Tangible fixed assets	799,518	1,732,290	5,180,772	1,242,566	1,610,437	1,252,902	**11,818,485**
Other non-current assets	666,297	81,274	159,829	54,252	77,504	176,171	**1,215,327**
Total non-current assets	**2,041,861**	**6,197,723**	**12,764,331**	**7,705,353**	**4,157,439**	**6,811,405**	**39,678,112**
Total current assets	**607,211**	**178,158**	**316,391**	**124,726**	**208,245**	**225,250**	**1,659,981**
Non-current assets held for sale	**—**	**—**	**126,127**	**—**	**—**	**2,210,613**	**2,336,740**
TOTAL ASSETS	**2,649,072**	**6,375,881**	**13,206,849**	**7,830,079**	**4,365,684**	**9,247,268**	**43,674,833**
Borrowings and bond issues	16,014,455	—	610,856	—	(983)	846,818	**17,471,146**
Lease liabilities	238,482	408,604	828,788	94,972	290,128	451,654	**2,312,628**
Other non-current liabilities	1,018,319	705,721	1,340,097	1,087,101	287,286	1,029,544	**5,468,068**
Total non-current liabilities	**17,271,256**	**1,114,325**	**2,779,741**	**1,182,073**	**576,431**	**2,328,016**	**25,251,842**
Borrowings and bond issues	671,609	—	—	—	—	8,718	**680,327**
Lease liabilities	37,485	144,390	283,815	36,212	112,890	106,383	**721,175**
Other current liabilities	(8,118,287)	593,500	4,461,990	2,735,028	665,611	1,180,846	**1,518,688**
Total current liabilities	**(7,409,193)**	**737,890**	**4,745,805**	**2,771,240**	**778,501**	**1,295,947**	**2,920,190**
Liabilities associated with non-current assets held for sale	**—**	**—**	**30,900**	**—**	**—**	**622,998**	**653,898**
TOTAL LIABILITIES	**9,862,063**	**1,852,215**	**7,556,446**	**3,953,313**	**1,354,932**	**4,246,961**	**28,825,930**

[(1)] In addition to the Spanish business, it also includes the Corporation and the Cellnex Finance Company.

	Thousands of Euros						
	31 December 2023						
	Spain [(1)]	Italy	France	UK	Poland	Other countries	Total
Goodwill and other intangible assets	272,085	3,681,149	6,644,485	6,010,515	2,137,327	5,954,126	**24,699,687**
Right-of-use assets	309,296	662,888	875,441	390,494	246,242	616,456	**3,100,817**
Tangible fixed assets	831,049	1,715,422	5,000,286	1,138,672	1,518,930	1,462,516	**11,666,875**
Other non-current assets	539,611	74,543	151,825	54,423	61,767	273,008	**1,155,177**
Total non-current assets	**1,952,041**	**6,134,002**	**12,672,037**	**7,594,104**	**3,964,266**	**8,306,106**	**40,622,556**
Total current assets	**1,488,913**	**170,777**	**276,893**	**127,579**	**186,940**	**229,394**	**2,480,496**
Non-current assets held for sale	**—**	**—**	**123,199**	**—**	**—**	**1,138,993**	**1,262,192**
TOTAL ASSETS	**3,440,954**	**6,304,779**	**13,072,129**	**7,721,683**	**4,151,206**	**9,674,493**	**44,365,244**
Borrowings and bond issues	16,397,336	—	551,636	—	—	856,920	**17,805,892**
Lease liabilities	232,201	285,455	817,727	106,055	187,340	489,384	**2,118,162**
Other non-current liabilities	1,006,358	704,237	1,380,071	1,101,687	263,090	1,307,661	**5,763,104**
Total non-current liabilities	**17,635,895**	**989,692**	**2,749,434**	**1,207,742**	**450,430**	**2,653,965**	**25,687,158**
Borrowings and bond issues	896,900	—	—	—	—	9,494	**906,394**
Lease liabilities	41,436	165,343	238,583	38,477	96,726	115,692	**696,257**
Other current liabilities	(7,792,414)	638,749	4,374,773	2,659,830	568,258	1,185,408	**1,634,604**
Total current liabilities	**(6,854,078)**	**804,092**	**4,613,356**	**2,698,307**	**664,984**	**1,310,594**	**3,237,255**
Liabilities associated with non-current assets held for sale	**—**	**—**	**31,225**	**—**	**—**	**262,813**	**294,038**
TOTAL LIABILITIES	**10,781,817**	**1,793,784**	**7,394,015**	**3,906,049**	**1,115,414**	**4,227,372**	**29,218,451**

[(1)] In addition to the Spanish business, it also includes the Corporation and the Cellnex Finance Company.

Segmental reporting is set out below:

	Thousands of Euros						
	30 June 2024						
	Spain [1]	Italy	France	UK	Poland	Other countries	Total [*]
Operating income	304,831	414,955	416,955	340,346	275,219	365,149	**2,117,455**
Operating expenses	(133,196)	(110,806)	(62,172)	(111,874)	(85,465)	(64,105)	**(567,618)**
Depreciation and amortisation, impairment losses on assets and results from disposals of fixed assets	(90,528)	(236,845)	(331,600)	(189,124)	(170,555)	(668,129)	**(1,686,781)**
Net Interest	(35,584)	(63,394)	(132,879)	(116,452)	(45,015)	(70,082)	**(463,406)**
Profit of companies accounted for using the equity method	(43)	—	—	—	—	(1,918)	**(1,961)**
Income tax	87,520	8,597	18,585	34,420	(21,066)	37,563	**165,619**
Consolidated net profit	**133,000**	**12,507**	**(91,111)**	**(42,684)**	**(46,882)**	**(401,522)**	**(436,692)**
Attributable non-controlling interest	(54)	—	(15,796)	—	(2)	(2,754)	**(18,606)**
Net profit attributable to the Parent Company	**133,054**	**12,507**	**(75,315)**	**(42,684)**	**(46,880)**	**(398,768)**	**(418,086)**

[*] Corresponds to the contribution of each country segment to the Group's consolidated income statement. Therefore, these figures include the impact of the intercompany transactions that have been carried out during the six-month period ended on 30 June 2024. Additionally, this income statement by country incorporates all of the non-recurring and non-cash items detailed in section 1.3 of the accompanying Consolidated Interim Directors' Report corresponding to the first half of 2024.

[1] In addition to the Spanish business, it also includes the Corporation and the Cellnex Finance Company.

	Thousands of Euros						
	30 June 2023 restated						
	Spain [1]	Italy	France	UK	Poland	Other countries	Total [*]
Operating income	301,015	392,983	398,787	322,852	234,892	348,982	**1,999,511**
Operating expenses	(142,334)	(112,015)	(52,605)	(96,840)	(82,631)	(66,599)	**(553,024)**
Depreciation, amortisation and results from disposals of fixed assets	(98,256)	(224,709)	(368,963)	(193,451)	(146,830)	(275,540)	**(1,307,749)**
Net Interest	(4,605)	(59,768)	(124,756)	(103,209)	(30,406)	(81,006)	**(403,750)**
Profit of companies accounted for using the equity method	(51)	—	—	—	—	(695)	**(746)**
Income tax	(32,745)	10,405	42,914	18,231	5,927	16,087	**60,819**
Consolidated net profit	**23,024**	**6,896**	**(104,623)**	**(52,417)**	**(19,048)**	**(58,771)**	**(204,939)**
Attributable non-controlling interest	(78)	—	(2,128)	—	(1,134)	(5,883)	**(9,223)**
Net profit attributable to the Parent Company	**23,102**	**6,896**	**(102,495)**	**(52,417)**	**(17,914)**	**(52,888)**	**(195,716)**

[*] Corresponds to the contribution of each country segment to the Group's consolidated income statement. Therefore, these figures include the impact of the intercompany transactions that have been carried out during the six-month period ended on 30 June 2023. Additionally, this income statement by country incorporates all of the non-recurring and non-cash items detailed in section 1.3 of the accompanying Consolidated Interim Directors' Report corresponding to the first half of 2024.

[1] In addition to the Spanish business, it also includes the Corporation and the Cellnex Finance Company.

During 2024, as explained in section "1.2. Significant events in the first half of 2024" of the accompanying Consolidated Interim Directors' Report, the Group has unveiled an improved financial reporting framework that implied, among others, reporting Revenues and Adjusted EBITDA for the top five countries. Thus, the information in this Note has been disclosed in accordance to the aforementioned.

The Group has two customers that exceed 10% of its total revenue. The total income from these customers for the period ended on 30 June 2024 amounted to EUR 856,029 thousand. During the same period in 2023, the Group had two customers that exceeded 10% of its revenue and the amount ascended to EUR 782,255 thousand.

The information by business segment is set out below:

						Thousands of Euros
						30 June 2024
	Towers	DAS, Small Cells and RAN as a Service	Fiber, Connectivity and Housing Services	Broadcast	Pass-through revenues	Total
Services (Gross)	1,572,963	122,812	96,420	129,001	63,479	**1,984,675**
Other operating income	—	—	—	—	134,753	**134,753**
Advances to customers	(1,734)	—	—	(127)	(112)	**(1,973)**
Operating income	**1,571,229**	**122,812**	**96,420**	**128,874**	**198,120**	**2,117,455**

						Thousands of Euros
						30 June 2023
	Towers	DAS, Small Cells and RAN as a Service	Fiber, Connectivity and Housing Services	Broadcast	Pass-through revenues	Total
Services (Gross)	1,486,168	105,119	77,928	125,304	77,330	**1,871,849**
Other operating income	—	—	—	—	129,431	**129,431**
Advances to customers	(1,517)	—	—	(127)	(125)	**(1,769)**
Operating income	**1,484,651**	**105,119**	**77,928**	**125,177**	**206,636**	**1,999,511**

During 2024, as explained in section "1.2. Significant events in the first half of 2024" of the accompanying Consolidated Interim Directors' Report, the Group has unveiled an improved financial reporting framework with more granular detail across business lines, including reporting on four business lines (up from three). Thus, the information by business segment, in this Note has been disclosed in accordance to the aforementioned.

There have been no significant transactions between segments during 2024 and 2023.

22. Related parties

a) Directors and Senior Management

The remuneration earned by the Parent Company's Directors as at 30 June 2024 and 2023 was as follows:

i. The members of the Board of Directors received EUR 1,210 thousand for exercising the duties in their capacity as directors of Cellnex Telecom, S.A. (EUR 1,040 thousand in the same period in 2023).

ii. For performing senior management duties, the CEO:

   a. received EUR 650 thousand, corresponding to fixed remuneration (EUR 650[1] thousand in the same period in 2023).

   b. accrued EUR 650 thousand corresponding to annual variable remuneration, estimated assuming 100% of accomplishment (EUR 650 thousand in the same period in 2023).

c. accrued EUR 0 thousand for the achievement of the multi-annual objectives established in the "Long Term Incentive Plan" that consolidates in December 2024 (did not receive remuneration for the achievement of the multi-annual objectives established in the "Long Term Incentive Plan" that consolidated in December 2023). See Note 18.b.

   Note: The provisions for all the LTIPs in progress, for the period ended on 30 June 2024 amounted to EUR 1,428 thousand (EUR 3,443 thousand in the same period in 2023). See Note 18.b.

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 162 thousand and EUR 32.5 thousand, respectively (EUR 162 thousand and EUR 18.7 thousand in the same period in 2023).

iv. Mr. Marco Patuano signed an entry bonus amounting to EUR 3.5 million. This bonus was 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 was paid during the first half of 2023 and the remaining amount has been paid during the first half of 2024. 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 period ended on 30 June 2024 for members of Senior Management amounted to EUR 4,409 thousand[(2)] (EUR 2,758 thousand in the same period in 2023) and accrued EUR 629.6 thousand for the achievement of the multi-annual objectives established in all the "Long Term Incentive Plan" that consolidates in December 2024 (EUR 0 thousand in the same period in 2023), Note: The provisions for all the LTIPs in progress, for the period ended on 30 June 2024 amounted to EUR 2,796 thousand (EUR 5,667 thousand in the same period in 2023).

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 112 thousand and EUR 94 thousand, respectively (EUR 278 thousand and EUR 84 thousand in the same period in 2023).

The Parent 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 686 thousand at 30 June 2024 (EUR 573 thousand in the same period in 2023).

[(1)] Please note that this amount, for the six-month period ended on 30 June 2023, 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 30 June 2023.

[(2)] Please note that the increase in this amount compared to the prior period is due to the increase in the number of Executive Committee members to be taken into account in 2024 (from 8 to15 members) and the fact that it includes the exit conditions of some members of the Executive Committee.

b) Other disclosures on 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 Parent Company's interests that could not be managed, if occurs, with the appropriate measures.

c) Associates companies

As of 30 June 2024 and 31 December 2023 the Group does not hold balances for significant amounts with associates companies.

For its part, during the six-month period ended on 30 June 2024 and 2023, no significant transactions have been undertaken with associates companies.

d) Other related parties

Other related parties, include shareholders (and their subsidiaries) of Cellnex Telecom, S.A. that exercise significant influence over it, those with a right to appoint a director and those with a stake above 3% (see Note 13.a).

Schema Gamma (formerly ConnecT Due) is controlled by Sintonia, a subholding company wholly-owned by Edizione and, in turn, Sintonia is the largest shareholder of Mundys. As a result, as of the date of the accompanying Interim Condensed Consolidated Financial Statements, Edizione, together with its group of companies, is considered a related party to the Group.

In addition to the dividends paid to shareholders, the breakdown of the balances held and transactions performed with significant shareholders is as follows:

I) Services rendered and received

During the period ended 30 June 2024 and 2023 no significant transactions with related parties have been undertaken.

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

II) Other

As of 30 June 2024 and 31 December 2023, the Group does not hold balances for significant amounts with related parties.

23. Other disclosures

a) Average number of employees

The average number of employees at the Cellnex Group, its subsidiaries and associates during the period, broken down by gender, is as follows:

	30 June 2024		30 June 2023	
Male	1,921	69%	2,077	69%
Female	873	31%	938	31%
Total	**2,794**	**100%**	**3,015**	**100%**

b) Seasonality

The Group's revenues from services do not exhibit a significant cyclical or seasonal pattern.

24. Post balance sheet events

Payment of the substitute tax in Italy

As detailed in Note 17.b (section "The Merger Transactions"), the first instalment payment of the substitute tax in Italy amounting to EUR 91.8 million has been completed by the end of July 2024. Thus, the corresponding accounting impacts have not been registered in the accompanying Interim Condensed Consolidated Financial Statements for the period ended on 30 June 2024.

Cellnex Netherlands EUR Facility Refinancing

On 31 July 2024, Cellnex Netherlands B.V., as borrower, and Cellnex Netherlands B.V., Cignal Infrastructure Netherlands B.V., Towerlink Netherlands B.V., Shere Masten B.V. and Alticom B.V, as guarantors, amended the existing EUR 280 million syndicated facility extending the maturity to 2029 and significantly reducing the interest rate expense for the coming years.

25. Explanation added for translation to English

These interim condensed consolidated financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Group (see Note 2.a). Certain accounting practices applied by the Group that conform to that regulatory framework may not conform with other generally accepted accounting principles and rules.

Madrid, 31 July 2024

Cellnex Telecom, S.A. and Subsidiaries

Consolidated interim directors' report for the six-month period ended on 30 June 2024

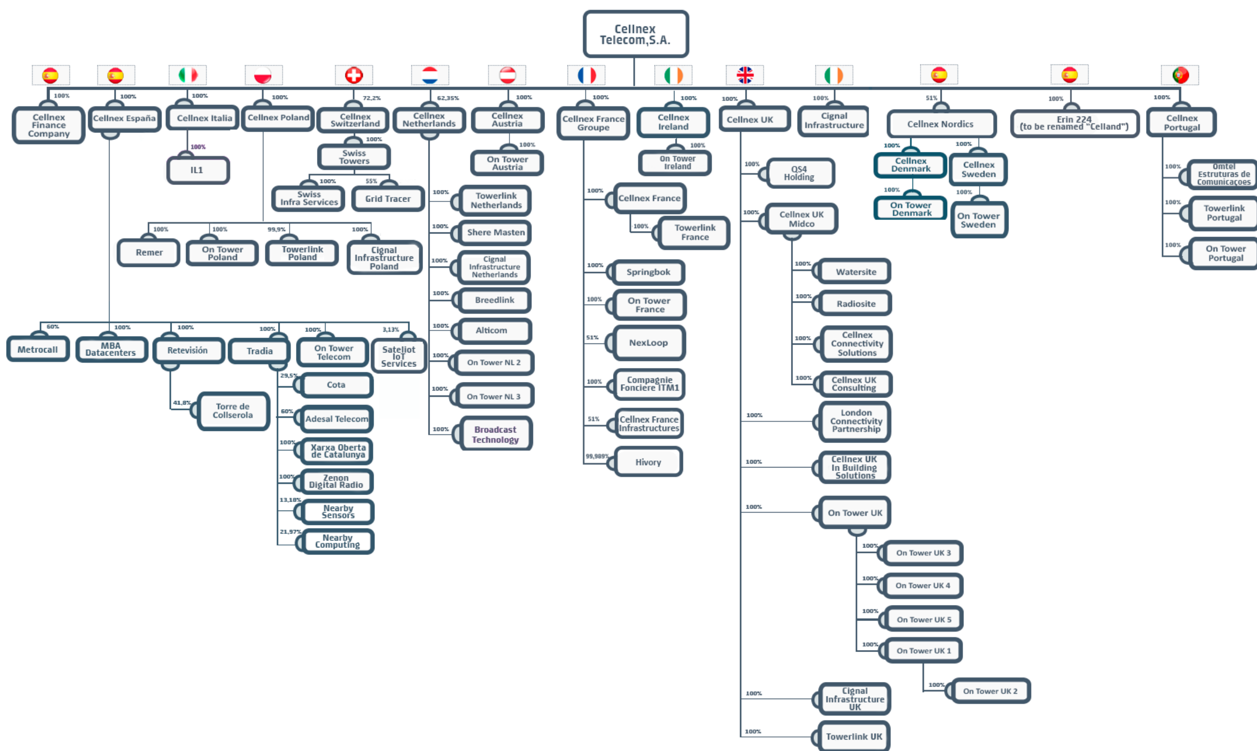
1. INFORMATION REQUIRED UNDER ARTICLE 262 OF THE SPANISH COMPANIES ACT

1.1. Situation of the Group

Corporate structure

Cellnex Telecom, S.A. (a company listed on the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges) is the Parent of a Group in which it is both the sole shareholder and the majority shareholder of the companies heading the various lines of business and geographical markets in which the Group operates.

The organisational structure of the Cellnex Group at 30 June 2024 is summarised as follows:



The detail of the Group's subsidiaries and associates at 31 December 2023 and of the percentages of ownership is shown in Appendixes I and II, respectively, to the consolidated financial statements for the year ended 31 December 2023. In addition, Note 2.h of these interim condensed consolidated financial statements includes the most significant changes in the scope of consolidation during the first half of 2024.

Cellnex is Europe's largest telecommunications towers and infrastructures operator, enabling operators to access a wide network of telecommunications infrastructures on a shared-use basis, and thus helping to reduce access barriers and to improve services in the most remote areas. The Group manages a portfolio of more than 138,000 sites, including forecast roll-outs up to 2030, in 12 European countries, with a significant footprint in Spain, France, the United Kingdom, Italy and Poland. Cellnex, which is listed on the Spanish Stock Exchange, is part of the selective IBEX35 and Euro Stoxx 100 and

enjoys outstanding positions on the main sustainability indices such as CDP, Sustainalytics, FTSE4Good, MSCI and DJSI Europe.

Business

The Group's business model focuses on the provision of services to MNOs, broadcasters and other public and private companies acting as a neutral infrastructure provider. This business model is based on innovative, efficient, sustainable, neutral and quality management to create value for the Group's shareholders, customers, employees and other stakeholders. As explained at the Capital Markets Day, in March 2024, the Group decided to report revenues by the four business lines on which it has focused its operations. Thus, the Group provides services related to infrastructure management for terrestrial telecommunications through the following four business lines: i) Towers, ii) DAS, Small Cells and RAN as a service, iii) Fiber, Connectivity and Housing Services and iv) Broadcast.

The Group's organic growth delivery is primarily focused on Towers, and through selective investments in attractive and complementary adjacent business lines, while becoming operationally more efficient. That is, by means of i) the rationalization of assets, ii) optimizing the cash-cost base and iii) improving the Group's productivity and quality of service to customers.

Towers

This is the Group's largest business line by turnover representing c.74% of revenues. It provides a wide range of integrated network passive infrastructure services to enable access to the Group's telecom infrastructure by MNOs, other wireless telecommunications, broadband network operators, among others, allowing such operators to offer their own services to their customers by means of macro-cells active equipment. Telecom Infrastructure Services from the Towers business line are generated from a number of sources: i) annual base fee from telecommunications customers (both anchor and secondary tenants), ii) escalators or inflation as the annual update of the base fee and, iii) new colocations and associated revenues (which include new third party colocations as well as further initiatives as special connectivity projects, site configuration changes as a result of 5G rollout, and Engineering Services, that corresponds to works and studies such as adaptation, engineering and design services on request of its customers, which represent a separate income stream and performance obligation, and as a result of which the number of tenants may increase).

The services that the Group provides to its customers include infrastructure support services, which in turn include the access of infrastructure networks to telecommunications operators that use wireless technologies. The Group acts as a neutral carrier for mobile network operators and other telecommunications operators that normally require complete access to the infrastructure network to provide services to the end customers.

The Group's acquisition strategy of infrastructure portfolios taken place in the latest years was based on a disciplined and selective approach based on the business case for each acquisition. Investments follows rigorous analysis criteria including both target equity internal rates of return for its shareholders, the quality of the relevant assets and the market characteristics in which those assets operate.

The Towers portfolio at 30 June 2024 is summarised below:

Framework Agreement	Project	Nº of Sites acquired and build (*)	Beginning of the contract	Initial Terms + Renewals [1]
Telefónica Telefónica and Yoigo (Xfera Móviles)	Babel Volta I	1,000 1,211	2012 2013	See Telefónica (Renewal) below [18] 12+8 (Yoigo) [19]
Telefónica	Volta II	530	2014	See Telefónica (Renewal) below [18]
Business combination	TowerCo Acquisition	321	2014	Until 2038
Telefónica and Yoigo (Xfera Móviles)	Volta III	113	2014	See Telefónica (Renewal) below [18] 12+8 (Yoigo) [19]

Telefónica	Volta Extended I	1,090	2014	See Telefónica (Renewal) below (18)
Neosky	Neosky	10	2014	10+10+5
Telefónica	Volta Extended II	300	2015	See Telefónica (Renewal) below (18)
Business combination	Galata Acquisition	8,243	2015	15+15 (Wind) (2)
Business combination	Protelindo Acquisition	261	2012 2016	15+8+1 (KPN) +12 (T-Mobile)
Asset purchase	Bouygues	4,341 41	2016 - 2017 2018	20+5+5+5 / 25+5+5 (3) 20+5 (3)
Business combination	Shere Group Acquisition	1,116	2011 2015 2015	16+8+5 (KPN) +10 (T-Mobile) +15 (Tele2)
Business combination	On Tower Italia Acquisition	11	2014 2015	9+9 (Wind) 9+9 (Vodafone)
Asset purchase	K2W	32	2017	Various
Business combination	Swiss Towers Acquisition	2,246 361	2017 2019	20+10+10 (Sunrise Telecommunications) (4) 20+10+10 (Sunrise Telecommunications) (4)
Business combination	Infracapital Alticom subgroup Acquisition	30	2017	Various
Asset purchase	Others Spain	45 36 375	2017 2018 2018	15+10 15+10 20+10
Asset purchase	Masmovil Spain	551 85	2017 2018	12 (2030)+8(19) 6+1 (x7)
Asset purchase	Linkem	426	2018	10+10
Business combination	TMI Acquisition	3	2018	Various
Business combination	Sintel Acquisition	15	2018	Various
Business combination	BRT Tower Acquisition	30	2018	Various
Business combination	DFA Acquisition	9	2018	Various
Business combination	Video Press Acquisition	8	2019	Various
Business combination	Swiss Infra Acquisition	2,911	2019	20+10 (6)
Business combination	Cignal Acquisition	820	2019	20 (7)
Business combination	Business unit from Iliad Italia, S.p.A.	4,173	2019	20+10 (6)
Business combination	On Tower France Acquisition	9,436	2019	20+10 (6)
Asset purchase	Orange Spain	1,500	2019	10+10+1 (8)
Business combination	Omtel Acquisition	3,560 687 102	2018 2021 2022	20+5 (9) 20+5+5+5 (17) 20+5+5+5 (17)
Business combination	Arqiva Acquisition	6,289	2020 2014	10+1+1+4 (MBNL/EE) (10) 10 (CTIL) (10)
Business combination	NOS Towering Acquisition	2,323	2020	15+15 (11)
Business combination	Hutchison Austria Acquisition (**)	4,654	2020	15+Indefinite (12)
Business combination	Hutchison Ireland Acquisition (**)	1,174	2020	15+15+5 (12)
Business combination	Hutchison Denmark Acquisition	1,666	2020	15+15+5 (12)
Business combination	Small M&A	9	2020	Various
Business combination	Hutchison Sweden Acquisition	3,212	2021	15+15+5 (12)
Business combination	T-Mobile Infra Acquisition	3,147	2018	15+10 (13)
Business combination	On Tower Poland Acquisition	9,241	2021	20+10 (14)
Business combination	Hutchison Italy Acquisition	9,296	2021	15+15+5 (12)
Business combination	Polkomtel Acquisition	7,168	2021	25+15 (15)

Business combination	Hivory Acquisiton	10,522	2021	18+5+5+5 (16)
Business combination	Iaso Acquisition	5	2021	Various
Business combination	Hutchison UK Acquisition	6,566	2022	15+15+5 (12)
Shared with broadcasting business		1,682		
Others		233		
Telefónica (Renewal)	Tranche I	1,543	2022	13+10+7 (18)
Telefónica (Renewal)	Tranche II	1,450	2022	10+10+10 (18)
Telefónica (Renewal)	Tranche III	1,400	2022	7+10+10+3 (18)

(1) Renewals: most of these contracts have clauses prohibiting partial cancellation and can therefore be cancelled only for the entire portfolio of sites (typically termed "all or nothing" clauses), and some of them have pre agreed pricing (positive/negative).

(2) The initial term of the MSA with Wind is 15 years, to be extended for an additional 15-year period (previously confirmed), on an "all-or-nothing" basis. The fees under the MSA with Wind are 80% CPI-linked, taking into consideration that the increase shall not exceed 3% per year, without a minimum in case it is 0%.

(3) In accordance with the agreements reached with Bouygues during 2016 – 2020, at 30 June 2024 Cellnex had committed to acquire and build up to 5,357 sites that will be gradually transferred to Cellnex until 2030 (see Note 7 of the accompanying interim condensed consolidated financial statements). Of the proceeding 5,357 sites, a total of 2,764 sites have been transferred to Cellnex as of 30 June 2024 (as detailed in the previous table). Note that all Bouygues transactions, like most of the BTS programmes Cellnex has in place with other MNOs, have a common characteristic "up to" as Bouygues does not have the obligation to reach the highest number of sites. During 2016 – 2017 various MSAs have been signed with Bouygues in accordance with the different transactions completed (Glénan, Belle-Ille, Noirmoutier). All MSAs have an initial term of 20/25 years with subsequent renewable three/two 5-year periods, on an "all-or-nothing" basis. In relation to the MSA signed with Bouygues in 2018 (Quiberon transaction) the initial term is 20 years with subsequent renewable 5-year periods (undefined maturity). The contracts with customers are linked to a fixed escalator of 2%, except for Nexloop which is 1%.

(4) The MSA with Sunrise has an initial term of 20 years, to be automatically extended for 10-year periods, on an all-or-nothing basis, with undefined maturity. The contracts with customers are index-linked to the CPI, taking into consideration that the increase has no maximum per year and the decrease cannot be less than 0%.

(5) Contracts with customers are index-linked to the CPI and have an average duration of approximately seven years, to be automatically extended (undefined maturity).

(6) The MSAs with Iliad and Salt have an initial term of 20 years, to be automatically extended for 10-year periods, on an all-or-nothing basis, with undefined maturity. The contracts with customers are linked to a fixed escalator of 1%.

(7) Contracts with customers are index-linked to the CPI and have an average duration of c.20 years and a significant probability of renewal due to the portfolio's strong commercial appeal and limited overlap with third party sites.

(8) The main customer of this portfolio of telecom sites is Orange Spain, with which Cellnex has signed an inflation-linked Master Lease Agreement for an initial period of 10 years that can be extended by one subsequent period of 10 years and subsequent automatic one-year periods, on an "all-or-nothing" basis.

(9) The initial term of the Omtel MSA is 20 years, subject to automatic extensions for additional five-year periods, unless cancelled, on an "all-or-nothing" basis, with undefined maturity. The fees under the Omtel MSA are CPI linked, taking into consideration that the increase shall not exceed 2% per year and the decrease cannot be less than 0%.

(10) The initial term of the MSA with MBNL and EE is 10 years with MBNL/EE having the right to extend for three renewal terms. The duration of the MSA with CTIL is until 2024 with extension to be discussed, at least two years before. This MSA is index-linked to the CPI.

(11) The NOS Towering MLA has an initial duration of 15 years, to be automatically extended for additional 15-year periods, on an "all-or-nothing" basis, with undefined maturity. The fees under the NOS Towering MLA will be CPI-linked, taking into consideration that the increase shall not exceed 2% per year and the decrease cannot be less than 0%.

(12) The initial term of each CK Hutchison MSA in Denmark, Ireland, Italy, Sweden and the UK is 15 years, with possible extensions for a further 15-year period and subsequent 5-year periods, on an "all-or-nothing" basis. The term of the CK Hutchison MSA in Austria is indefinite, during the first fifteen years of which Hutchison Drei Austria GMBH, is not able to terminate the agreement without cause. After the initial 15 years, the CK Hutchison MSA in Austria is terminable by Hutchison Drei Austria GMBH upon 3 years' notice. The fees under the CK Hutchison MSAs are CPI-linked, taking into consideration that the increase shall not exceed 2.25% per year and the decrease cannot be less than 0%.

[13] Initial term of 15 years + subsequent automatic renewals of 10 year periods (all or nothing, undefined maturity basis). The fees under the T-Mobile Infra MLA are CPI-linked, taking into consideration that the increase shall not exceed 3.5% per year and the decrease cannot be less than 0%.

[14] Initial term of 20 years to be automatically extended for subsequent 10 year periods (on an all or nothing basis). The fees agreed in the Iliad Poland MSA are annually adjusted in accordance with the Polish CPI provided that the increase shall not exceed 4% per year, without a minimum in case it is 0%.

[15] 25 years with automatic 15 year renewals.

[16] 18 years with automatic 5 year renewals. All-or-nothing renewal clause, undefined maturity. The contracts with customers are linked to a fixed escalator of 2%.

[17] MSA with 20 years + automatic 5 year renewals. All-or-nothing renewal clause, undefined maturity. The fees under the Omtel MSA are CPI-linked, taking into consideration that the increase shall not exceed 2% per year and the decrease cannot be less than 0%

[18] The Telefónica contracts as an anchor tenant have been renewed and unified under one single MLA. The new MLA is CPI-linked without cap and with floor at 0%. Likewise, in each tranche and once the initial period and first two extensions have elapsed, the price may be revised by +5%/-5%.

[19] In 2018, certain Yoigo agreements formed part of a new MSA with a term of 12 years (2030) with potenitial renewal og 8 additional years.

[*] The number of sites acquired by project includes BTS deployed post closing, synergies and others.

[**] These contracts correspond to portfolios classified as "Non-current assets held for sale" as of June 2024.

The table above provides the reference customer associated to each site the Group has acquired or built. Therefore it is not an exhaustive relation of customers' contracts (i.e. there are additional clients or secondary tenants). The purpose of the table is to show that all our tangible assets are linked to at least one reference long term contract (the anchor tenant).

DAS, Small Cells and RAN as a Service

The Group also provides the infrastructure required to tackle coverage and capacity issues in challenging scenarios where macro-cells cannot fully provide the expected performance. Thus, through Distributed Antenna Systems (“DAS”) and Small Cells, coverage and capacity can be highly improved, complementing the macro Tower infrastructures. Some of this challenging special scenarios can be high dense urban areas or indoor coverage in stadium, tunnels or hospitals.

Additionally, Cellnex provides services such as i) RAN-as-a-Service which entails the emission and transmission active services in addition to the Tower passive business line in Poland, ii) PPDR services involving active infrastructure management for public administrations, including TETRA and 4G/LTE mission critical service networks; (iii) operation and maintenance; (iv) among other services such as Smart Cities/IoT (“Internet of Things”).

This constitutes a specialized business line that generates relatively stable cash flows with potential for further growth, specially driven the densification trend of the networks that will require DAS and Small Cells deployments. While on the RAN-as-a-Service side, Cellnex expects to consolidate this business case in Poland before considering expansion in further footprints.

Fibre, Connectivity & Housing Services

Cellnex is providing services and developing capabilities such as data transport through fiber including fibre-to-the-tower, connectivity, backhaul transmission and hosting services in edge datacenters infrastructure, in order to offer its customers the data-processing capacity distributed in the network, without which the 5G potentially could not be realized. For instance, in 2017 the Group acquired Alticom, a Dutch company that owns a portfolio of sites (high-towers) which have datacenters in France, Cellnex is developing a nation-wide fibre transmission network in partnership with Bouygues Telecom.

The Group’s strategy in this segment is to meet Cellnex roll-out commitments while taking advantage of its favorable position to provide mutualized high speed data transmission to MNOs in its infrastructures, and invest selectively in alignment to our anchors’ interest to enhance our Towers' business line value proposition.

Broadcast

This business line corresponds to broadcasting services in Spain and Netherlands. Its services consist of the distribution and transmission of television and radio signals, the operation and maintenance of broadcasting networks, the provision of connectivity for media content and over-the-top ("OTT") broadcasting services and other services. In Spain, Cellnex is the only operator offering nationwide coverage of the digital terrestrial television ("DTT") service (source: CNMC). Through the provision of broadcasting services in Spain, the Group has developed unique know-how that has helped to develop other services within its portfolio.

The Group's strategy in this business line is to maintain its strong market position in the Spanish and Dutch markets in which Cellnex operates, while continue driving efficiencies under the current perimeter. Specifically, the Group plans to keep position in the Spanish national digital TV sector (in which it is the sole operator of national TV private multiplexs ("MUX")) by leveraging its technical knowledge of infrastructure and network infrastructure, its market understanding and the technical expertise of its staff. And doing so, in the Dutch broadcasting market as well.

As of 30 June 2024, Cellnex had a total of 113,216 operational telecom sites: 24,340 in France, 22,572 in Italy, 16,409 in Poland, 13,417 in the United Kingdom, 8,770 in Spain –the Group's five main markets–, and a total of 27,708 sites in the rest of the countries in which it operates (6,672 in Portugal, 5,518 in Switzerland, 4,654 in Austria, 3,992 in the Netherlands, 3,212 in Sweden, 1,666 in Denmark and 1,994 in Ireland); in addition to 1,903 Broadcasting & Others sites and 10,865 DAS and Small Cells nodes.

Organic growth of points of presence at sites was +6.3% compared to the same period of 2023, 3.0% from new colocations in existing sites, with a total of 4,493 –with Italy and Portugal standing out in this field–, and 3.3% from the roll-out of 5,062 new PoPs during the period due to the progress made in the BTS (Built to Suit) programmes in France, Italy and Poland.

2021-2027 Efficiencies Plan: Optimization of ground leases on track

The Group's long-term vision is to enhance its position as a leading European neutral provider of telecom infrastructure by providing innovative services and network end-to-end solutions to MNOs and media broadcasting operators. Through long-term partnerships with its customers and its role as a trusted partner, resulting from its operational excellence of delivering value-added services, the Group has been able to acquire infrastructures, and it aims to continue its strategy of rolling up the European telecom infrastructure market.

With respect to its operating costs and capital expenditures, the Group aims to continue delivering cost efficiency programs to reduce the cost of providing services while increasing its ability to expand the offer of these services with limited increases in human and technical resources.

The main contributor to this efficiency plan is expected to be savings from ground leases. In this regard, Cellnex has a ground lease optimization approach that seeks long-term benefits, as well as a multi-tenant approach that allows the Group to extract network synergies, in terms of i) opex reduction through renegotiations with landlords to improve contract terms and extend contract durations using lump-sum and rent reduction landlord agreements (ground lease optimization) and ii) opex and capex reduction thanks to two or more anchor tenant networks allowing for decommissioning of redundant sites and a single BTS for more than one anchor tenant simultaneously (network synergies). As a result of this initiatives, c. €90-100Mn of recurring opex and lease savings (efficiencies and synergies) are expected by 2025 and c.€150-160Mn by 2027.

Furthermore, following the excellent results obtained in land efficiency and land acquisition, and in line with the updated strategy presented in the 2024 Capital Markets Day, Management highlighted that Cellnex will accelerate the land acquisition activity through the creation of the Celland vehicle, a Cellnex company. Celland will take care of accelerating the acquisitions of land where a Cellnex infrastructure exists. This strong control on leases is key to ensuring an excellent performance despite high inflation and larger perimeter.

Additionally, the Group intends to continue investing in information and technology ("IT") systems to improve its ability to proactively offer its customers the most suitable solutions for their strategic objectives. The Group also plans to maintain its infrastructures and active equipment in strong technical condition to continue offering high quality services to its customers.

Organic growth generation

Revenues (excluding pass through) (please see section 1.3 of the accompanying Consolidated Interim Directors' Report) organic growth generation in the first half ended on 30 June 2024 amounted to EUR 134 million, driven by a number of contributors: i) escalators or inflation (approximately EUR 39 million), ii) new colocations (approximately EUR 30 million) and, iii) BTS program execution (approximately EUR 65 million). As such, the revenue figure increased by 7.4% to EUR 1,929 million, from EUR 1,795 million in the first half ended on 30 June 2023, and by 7.0% to EUR 1,921 million when including change of perimeter and other elements.

Also, the revenues (excluding pass through) organic growth generation associated with the Towers business line in the first half ended on 30 June 2024 amounted to EUR 104 million, driven by a number of contributors: i) escalators or inflation (approximately EUR 34 million), ii) new colocations (approximately EUR 22 million) and, iii) BTS program execution (approximately EUR 48 million). As such, the revenue figure increased by 7.0% to EUR 1,591 million, from EUR 1,487 million in the first half ended on 30 June 2023, and by 5.8% to EUR 1,573 million when including change of perimeter and other elements.

Environmental, Social and Governance ("ESG") Commitment

Cellnex continues during 2024 strengthening its commitment to move towards the sustainable transition of its activity, bolstering ESG (Environment, Social and Governance) criteria as a central and integral part of the corporate strategy of all the group's areas and units. In this regard, the Group is aligned with a cross-cutting approach involving all the company's staff to achieve the Sustainable Development Goals (SDGs) of the 2030 Agenda.

Sustainability strategy

Since the 2016-2020 CSR Plan finished, Cellnex established new, more ambitious objectives in its 2021-2025 ESG Master Plan, which was approved by the Board of Directors in December 2020 and began to be implemented in 2021. During 2023 sustainability strategy had updated through the midterm review of the ESG Master Plan, taking into account the impacts on our stakeholders and in anticipation of the new regulations and requirements in this area.

The Plan revolves around five key axes, and one cross-cutting axis dedicated to transmitting and communicating the commitments taken on, with the same goal in mind: driving telecommunications connectivity between territories with a common and inclusive culture and seeking to be part of the solution to society's challenges.

At the end of 2023, the third year of the ESG Master Plan, the performance was 99% progress in planning and 90% progress in implementation.

Cellnex has a management system implemented based on the company's organizational model and Process Management. Based on the Integrated Management System, the Quality and Certifications Department has focused in 2021 and until 2023 on implementing global certifications in non-certified countries. Currently, Cellnex Spain, Cellnex Italy, Cellnex France, Cellnex Netherlands, Cellnex Switzerland, Cellnex UK, Cellnex Portugal, Cellnex Ireland and Cellnex Poland were ISO 9001, ISO 14000, ISO 45001, ISO 14064, ISO 14046 certified. In addition, all Business Units except from Poland were ISO 27001 certified, Cellnex Spain certified in ISO 50001 (Energy) and ISO 20000-1 (Service Management); and Cellnex Italy certified in EASI, SA 8000 (Social Responsibility) and UNI/PdR 125:2022 (Gender equality).

Main projects 2024

In 2023 Cellnex conducted a comprehensive GAP analysis of the Corporate Sustainability Reporting Directive (CSRD). This analysis focused on assessing the company's existing practices and procedures against the new European Sustainability Reporting Standards (ESRS) requirements.

By analysing its current operations and reporting against the ESRS guidelines, the Group has identified areas where its practices are compliant with the standard and areas that need improvement or modification to meet ESRS requirements. This gap analysis process has provided strategic insight that has enabled the company to chart a roadmap to meet the ESRS guidelines by 2024.

In this respect, during the first half of 2024, a dual materiality analysis was carried out, following the guidelines set out in the new CRSD sustainability reporting regulation. The analysis is currently pending approval by the Nominations, Remuneration and Sustainability Committee.

In parallel, the Group has also been working on a project to digitalise sustainability indicators, as well as on the analysis of the reporting structure, with the aim of generating efficiencies and improving the information control system.

In addition, the Group has started a project to analyse sustainability management in the value chain and thus comply with the EU CSRD Directive on corporate sustainability reporting.

Progress in sustainability ratings

Cellnex is evaluated in the main international sustainability ratings, including CDP, Sustainalytics, MSCI, CSA from S&P Global, FTSE4Good, and Standard Ethics, among others. Through its ESG performance Cellnex demonstrates its commitment to meeting investors' expectations based on transparency and accountability in terms of sustainability. In this sense, Cellnex has continued improving its overall score in the sustainability ratings over the past years.

In 2023, Cellnex was included in the DJSI Europe and early 2024 Cellnex has been recognised in the S&P Global as a Sustainability Yearbook Member. As well, the non-profit organisation CDP recognised the Company as a "Supplier Engagement Leader 2023", as one of the most outstanding organisations in this index. This award highlights its commitment to assessing and mitigating climate risk within the supply chain. On top of this distinction comes the recognition, for the fifth year in a row, that it is among the group of companies comprising CDP's Climate Change "A List".

In the Sustainalytics ESG Risk Rating, the Group continues to consolidate its position in the ‘low risk’ category, with a rating of 11.4. Cellnex received the Industry Top Rated rating in 2023, consolidating its position in the top 1% of companies in the telecommunications sector and in the top 4% of companies in the world in terms of sustainability.

Cellnex Foundation

The Cellnex Foundation responds to Cellnex Telecom’s firm will to go one step further in contributing to a better connected and socially inclusive environment as a comprehensive initiative that complements the Cellnex’s ESG strategy.

Cellnex considers connectivity to be a universal right, therefore it aims to extend connectivity to reduce inequality and through the Cellnex Foundation promotes innovation and entrepreneurship as a driver for sustainable, economic and social development.

In May 2024 the Cellnex Fundation successfully completed the third edition of its Cellnex Bridge acceleration programme. The programme, carried out in collaboration with the accelerator Aticcolab and the social innovation company Innuba, provided during eight months a favourable environment for the development and growth of five innovative startups focused on reducing the digital, social or territorial divide and contributing to environmental sustainability.

During this period, the startups, which had been selected in July 2023, have had access to a wide range of resources, including specialised face-to-face training in business, financing, strategy and creativity, as well as specific sessions and theoretical-practical workshops to work on their business plan, investment plan, communication strategies, legal issues and soft skills. The entrepreneurs had access to a team of mentors and expert professionals who guided them throughout the entire process, and received financial support of EUR 15,000 to help them promote their Proofs of Concept.

Corporate Governance

The structure of the governing bodies and the decision-making process constitute further strengths of the Group. This structure is described in detail in the Annual Corporate Governance Report (“ACGR”) for 2023, which forms part of the Consolidated Directors' Report for 2023.

Cellnex has implemented a defined and transparent set of rules for corporate governance which is compliant with all applicable Spanish governance standards.

The Internal Code of Conduct in securities markets issues regulates, among other things, the Directors' and Managers' conduct with regard to the treatment, use and disclosure of the Group's inside information. The Internal Code of Conduct applies to, among other persons, all members of the Board of Directors, Senior Management and employees who have access to inside information and to the Group's external advisors when they handle such inside information.

At the date of this Consolidated Interim Directors' Report, the Group considers that it substantially complies with the recommendations of the Spanish Good Governance Code of Listed Companies (reviewed in June 2020) since in the ACGR and on the General Shareholders Meeting, it was indicated that, of the 64 recommendations of the National Securities Market Commission, it only does not meet the separation of the Nominations, Remuneration and Sustainability Committee, having considered a priority to improve the efficiency of the Group and, indirectly, work on measures focused to the compensation to the shareholder and to the improvement of the Cellnex shares performance. For this reason, it was finally decided to constitute the new Capital Allocation Committee.

Cellnex also has a corporate website (www.cellnex.com) through which it informs its shareholders, investors and the market at large of any significant events. Neither Cellnex's website nor any of its contents form part or is incorporated into this Consolidated Interim Directors' Report, whether by reference or otherwise, except as otherwise provided herein.

In addition, the Group has a Code of Ethics approved by the Board of Directors and communicated to all employees. The Group has a Committee of Ethics and Compliance in charge of promoting the respect for business ethics and integrity and, in particular, the respect for the Code of Ethics. The Committee of Ethics and Compliance is also the responsible of criminal fulfillment of the Group. Furthermore, the Group has a whistleblowing channel accessible to all the Group's employees and stakeholders which allows them to report potentially significant irregularities detected within the companies of the Group.

The Group has also established an Internal Control over Financial Reporting System ("ICFRS") and it has an internal audit unit that is responsible for carrying out tests to verify compliance with the policies, manuals and procedures defined for the ICFRS, and for validating the effectiveness of controls in place to mitigate the risks related to these processes.

Changes in 2024

The most significant adaptations and changes in the Board of Director's composition during the six-month period ended on 30 June 2024 are as follows:

- On 26 April 2024, the General Shareholders' Meeting adopted the following resolution:
    - in accordance with the proposal of the Board of Directors, following the report of the Nominations, Remunerations and Sustainability Committee, to re-elect Ms. Alexandra Reich as a proprietary director of the Parent Company, for the statutory term of three years.

1.2. Significant events in the first half of 2024

The main highlights in the six-month period ended on 30 June 2024 are as follows:

Cellnex's Next Chapter: building for the long term

The performance of the Group during the first half of 2024 is in line with the unconditional commitment to achieve the "Next Chapter" objectives. All the key financial and business indicators for the period ended on 30 June 2024 (Revenues es-pass-through, Adjusted EBITDA, Recurring Leveraged Free Cash Flow and Free Cash Flow), continue to reflect a solid performance in the period marked by both organic growth and the effect of the efficiencies execution. Furthermore, all operational and financial metrics are consistent with all public targets, and on track to meet the financial outlook for 2024. In addition, during this period, Cellnex achieved, earlier than expected, the Investment Grade rating from Standard & Poor's, ahead of the end-of-2024 target.

In terms of ESG, during 2024, Cellnex has been recognised by CDP as a "Supplier Engagement Leader" for the third year in a row based on its leadership and involvement with suppliers in the fight against climate change and for its efforts to measure and reduce environmental impact in the supply chain. MSCI has confirmed the company's AA ESG rating (maximum AAA).

As Europe's leading operator of wireless telecommunications infrastructure, Cellnex is now fully focused on operational excellence and shareholder returns and, the Board of Directors fully supports new Management in Cellnex's "Next Chapter". In this regard, the Parent Company has reinforced governance rules, focusing on capital allocation to guarantee consistent execution of the new strategy, also ensuring that the Management's remuneration (through the Annual Variable Remuneration and Long Term Incentive Plan) is strongly aligned with shareholder value creation.

Cellnex has delivered a success story while building a business with very solid fundamentals based on predictable revenues and resilient margins. In this regard, the backlog is secured, the contract average duration is around thirty one years and the Parent Company has proven ability to drive organic growth linked to a diversified client base. Resilient margins are based on inflation-linked cash flows and low level of costs with low variable proportion yielding operating leverage.

On March 5th, Cellnex hosted its Capital Markets Day and updated its strategy with focus on boosting industrial value, guided by four pillars:

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

ii. Focused: Cellnex aims to prioritise co-tenancy growth, complemented by Build-to-Suit (BTS) projects for its customer. The goal is to achieve a tenancy ratio of around 1.64x in 2027 to maximise the value of existing assets. While towers remains the core part of the business, Cellnex will invest in selected business lines - DAS (Distributed Antenna Systems), SCs (Small Cells) & RANaaS (Radio Access Network as a Service); and Fiber, Connectivity & Housing Services – aiming to grow these from 11% to c.15% of total revenues by 2027.

iii. Efficient: The Group will launch a comprehensive efficiency plan to improve the EBITDAaL margin by 500 basis points to c.64% in 2027. This will be achieved by a combination of optimising lease costs, segmenting the tower portfolio, improving efficiency in operations and management, as well as driving digital transformation and improvements in productivity. The lease cost optimization will be pursued through the creation of a dedicated vehicle specialized in the land acquisition in selected countries, and;

iv. Responsible: Cellnex remains steadfast in its commitment to strong governance and the incorporation of Environmental, Social, and Governance (ESG) principles within its strategic framework. The Group is dedicated to achieving its ESG Strategy 2025 targets and to fostering continuous improvement, consolidating its leading position as one of the most sustainable telecoms infrastructure operator globally.

Short and medium term guidance

Cellnex is on a path towards sustained success and greater shareholder value. To achieve this, Cellnex will keep its core values intact and will deliver on its targets. In relation to this, there is an unconditional commitment to maintain Investment Grade status by S&P and Fitch, given that Cellnex secured investment grade rating from Standard & Poor's in March 2024, ahead of the target date set for the end of 2024. In addition, Cellnex is reiterating its commitment to its 2025 guidance and is disclosing a new guidance for 2024 and a medium term guidance for 2027 (please see section "2.2 Business Outlook" of the accompanying Consolidated Interim Directors' Report). Furthermore, the Group expects to increase the shareholder value based on a long-term capital structure guiding its capital allocation strategy, and an enhanced financial and operational disclosure. In this regard, Cellnex has unveiled an improved financial reporting framework with more granular detail across business lines, including reporting on four business lines (up from three) and excluding pass-through costs from revenues. Cellnex has also reported revenues and Adjusted EBITDA for the top five countries (up from three), disclosed EBITDA after leases and included more granular detail on CapEx. Please see section "1.3. Business performance and results" of the accompanying Consolidated Interim Directors' Report.

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

Cellnex has adopted a clear and disciplined capital allocation framework aimed at significantly increasing shareholder returns. After achieving investment grade in 2024 (target confirmed) the medium/long term Cellnex's new leverage target is

5.0-6.0x Net Financial Debt (please see section "1.3. Business performance and results" of the accompanying Consolidated Interim Directors' Report for an explanation of this APM) divided by / Adjusted EBITDA, giving the company additional resources to allocate to the shareholder remuneration and/or industrial growth. The proposed range allows Cellnex to have the flexibility needed to adapt its strategy to different external scenarios.

With EUR 10 billion in expected cumulative cash from 2026 to 2030 (both included), the new capital allocation will balance a combination of dividends (minimum of EUR 3 billion in dividends between 2026 and 2030), and/or share buybacks, in addition to investments in industrial growth opportunities as well as extraordinary dividends (up to EUR 7 billion).

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

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

Selective divestment strategy aligned with the Group's roadmap

In accordance with the 'Next Chapter', the Group has conducted an analysis of its current presence and potential path in the countries in which it operates in order to selectively direct resources and efforts towards the growth opportunities that these markets may offer for Cellnex.

Ireland

During the first half of 2024, Cellnex announced the sale of its business in Ireland to Phoenix Tower International for a total consideration of EUR 971 million, equivalent to a multiple of 24x EBITDAaL. See Note 6 of the accompanying interim condensed consolidated financial statements.

France

Agreements between Cellnex France Groupe, Bouygues Telecom and Phoenix France Infrastructures to dispose approximately 3,200 urban sites in France

As described in Note 6 of the accompanying interim condensed consolidated financial statements, in the first quarter of 2022, the Group entered into two agreements with the aim to fulfil the disposals required by the FCA as a condition for the approval of the Hivory Acquisition (see Note 6 of the 2022 Consolidated Financial Statements).

During the first half of 2024, the fifth lot has been sold, consisting of 423 sites for a total amount of approximately EUR 152 million. The total consideration of the sale has been already received in cash at completion. As of 30 June 2024, the sale of the sixth lot, consisting of 450 sites, was still pending and its completion is expected to take place during the second half of 2024.

Financial structure

Cellnex has a debt structure marked by the flexibility provided by the various instruments used. The Group's net debt as of 30 June 2024, amounted to EUR 21,078 million. 80% of the debt is referenced to a fixed rate (considering Gross Financial Debt excluding Lease Liabilities). At the end of the first half of 2024, Cellnex had access to immediate liquidity (cash, undrawn debt and other financial assets) amounting to approximately EUR 3,878 million.

During the first half of 2024, the Group has successfully completed the issuance of a new bond amounting to EUR 750 million (with ratings of BBB- by Fitch Ratings and BBB- by Standard&Poor's) aimed at qualified investors under its Euro Medium Term Note Program (EMTN Program). The bond is maturing in January 2029, has a coupon of 3.625%. In addition, during this period, the bond issued by Cellnex in 2016 amounting to EUR 750 million had matured and has been fully repaid with existing cash. See Note 14 of the accompanying interim condensed consolidated financial statements

Cellnex Telecom's bond issues hold their investment grade rating from both Fitch and S&P (BBB-) with a stable outlook.

1.3. Business performance and results

The six-month period ended on 30 June 2024 highlighted a unique combination of defensive and high quality structural growth with limited exposure to the Russian invasion in Ukraine, which is possible through consistent and sustainable organic growth, solid financial performance and a tireless focus on integration.

Alternative Performance Measures

An Alternative Performance Measure (APM) is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

Cellnex believes that there are certain APMs, which are used by the Group's Management in making financial, operational and planning decisions, which provide useful financial information that should be considered in addition to the interim financial statements prepared in accordance with the applicable accounting regulations (IFRS-EU), in assessing its performance. These APMs are consistent with the main indicators used by the community of analysts and investors in the capital markets.

In accordance with the provisions of the Guide issued by the European Securities and Markets Authority (ESMA), in force since 3 July 2016, on the transparency of Alternative Performance Measures, Cellnex provides below information on the following APMs: Revenues ex pass-through; Average Revenue per Tower (ARPT); Adjusted EBITDA; EBITDAaL, Adjusted EBITDA Margin; EBITDAaL Margin; Gross and Net Financial Debt; Net Payment of Interest; Available Liquidity; Capital expenditures; Recurring Leveraged Free Cash Flow, and Free Cash Flow.

During 2024, as communicated in the Capital Markets Day presentation held in March 2024, the Group has improved financial reporting framework to stakeholders that implied, among others, reporting new APMs to the Market. Thus, the information in this section has been disclosed in accordance to the aforementioned and, consequently, the comparative information for the six-month period ended on 30 June 2023 has been properly prepared or restated, as applicable.

Specifically, in 2024 two new APMs have been incorporated: “Revenues ex pass-through” and “Average Revenue per Tower (ARPT)”. With respect to the comparative information in relation to the period ended on 30 June 2023, the corresponding calculation has been prepared and is duly disclosed in the accompanying Consolidated Interim Directors' Report. In addition, for the APMs “Capital expenditures”, “Gross Financial Debt”, and “Net Financial Debt”, during 2024, certain modifications have been made, which have meant providing a new breakdown in relation to the Expansion Capex and including the "deferred payment in relation to Omtel Acquisition" in the Gross and Net Financial Debt. The comparative information in relation to the period ended on 30 June 2023 has been duly restated in accordance with the current criteria. Finally, the APM “Adjusted EBITDA” has been adapted to the new breakdown of “Operating Income” and “Operating Profit”. The comparative information corresponding to the period ended on 30 June 2023 has been duly restated in accordance with the current breakdown.

The Company presents comparative financial information from the previous year as detailed in Note 2.e to the accompanying interim condensed consolidated financial statements.

1. Revenues ex pass-through

Revenues ex pass-through are calculated as Services (Gross) excluding Utility Fee. Please see Note 19.a of the accompanying interim condensed consolidated financial statements. Thus, this APM excludes from the "Operating Income" all elements passed through to customers and "Advances to customers", as well as business rates, rents and others.

The Group uses Revenues ex pass-through as an operating performance indicator of its business units, once excluding high-volatility elements that do not contribute to the Group's EBITDA. The Group believes it will be widely used as an evaluation metric among analysts, investors, rating agencies and other stakeholders, as a clearer indicator of its performance.

As at 30 June 2024 and 2023, respectively, the amounts were as follows:

	Thousands of Euros	
	30 June 2024	30 June 2023
Services (Gross)	1,984,675	1,871,849
Utility Fee	63,479	77,330
Other operating income	134,753	129,431
Advances to customers	(1,973)	(1,769)
Operating income[1]	**2,117,455**	**1,999,511**
Revenues ex pass-through[2]	**1,921,196**	**1,794,519**

2. Average Revenue per Tower ("ARPT")

The Group uses "ARPT" as an operating performance indicator of its Tower business unit and believes it will be widely used as an evaluation metric among analysts, investors, rating agencies and other stakeholders.

It is calculated as dividing the revenues ex Pass-through associated to the Tower business unit by the number of telecom sites at the end of the reporting period.

Tower revenues are expressed on an annual basis as per the last 12 months ended the last day of the reporting period. "ARPT" is expressed in thousands of Euros.

As at 30 June 2024 and 2023, respectively, the amounts were as follows:

	Thousands of Euros	
	30 June 2024	30 June 2023
Tower revenues - last 12 months[3]	3,092,469	2,840,330
TIS sites as of the end of period	113,216	110,915
Average Revenue per Tower ("ARPT")	**27.3**	**25.6**

3. Adjusted EBITDA

This relates to the “Operating profit” before “Depreciation, amortisation, impairment losses on assets and results from disposals of fixed assets” and after adding back certain non-recurring expenses (such as donations, redundancy provision, extra compensation and benefit costs, and costs and taxes related to acquisitions, among others) as well as certain non-cash expenses (such as LTIP remuneration payable in shares, among others) and advances to customers.

The Group uses Adjusted EBITDA as an indicator of the operating performance of its business units and it is widely used as an evaluation metric among analysts, investors, rating agencies and other stakeholders. At the same time, it is important to highlight that Adjusted EBITDA is not a measure adopted in accounting standards and, therefore, should not be considered an alternative to cash flow as an indicator of liquidity. Adjusted EBITDA does not have a standardised meaning and cannot therefore be compared with the Adjusted EBITDA of other companies.

One commonly used metric that is derived from Adjusted EBITDA is Adjusted EBITDA margin.

As at 30 June 2024 and 2023, respectively, the amounts were as follows:

[1] See Note 19.a of the accompanying interim condensed consolidated financial statements.

[2] Revenues ex pass-through are calculated as Services (Gross) excluding Utility Fee.

[3] Tower revenues are expressed on an annual basis, as per the last 12 months ended the last day of the reporting period.

	Thousands of Euros	
	30 June 2024	30 June 2023 restated
Towers	1,571,229	1,484,651
DAS, Small Cells and RAN as a service	122,812	105,119
Fiber, Connectivity and Housing Services	96,420	77,928
Broadcast	128,874	125,177
Pass-through revenues	198,120	206,636
Operating income[4]	**2,117,455**	**1,999,511**
Staff costs[5]	(154,017)	(170,643)
Repair and maintenance[6]	(53,821)	(52,518)
Services	(164,192)	(132,934)
Pass-through costs	(195,588)	(196,929)
Depreciation and amortisation[7]	(1,344,453)	(1,308,546)
Impairment losses on assets[8]	(401,741)	—
Results from disposals of fixed assets[9]	59,413	797
Operating profit	**(136,944)**	**138,738**
Depreciation and amortisation	1,344,453	1,308,546
Impairment losses on assets	401,741	—
Results from disposals of fixed assets	(59,413)	(797)
Non-recurring expenses[10]	25,842	42,084
Advances to customers	1,973	1,769
Adjusted operating profit before depreciation and amortisation charge (Adjusted EBITDA)	**1,577,652**	**1,490,340**

As at 30 June 2024 and 2023, non-recurring expenses and advances to customers are set out below (see Note 19.d of the accompanying interim condensed consolidated financial statements):

i) Donations, which relate to a financial contribution by Cellnex to different institutions (non-recurring item), amounted to EUR 31 thousand (EUR 90 thousand in the same period in 2023).

ii) Redundancy provision, which mainly includes the impact in 2024 and 2023 six-month periods derived from the reorganisation plans detailed in Note 18.b of the accompanying consolidated financial statements (non-recurring item), amounted to EUR 1,490 thousand (EUR 25,394 thousand in the same period in 2023).

iii) LTIP remuneration which corresponds to the LTIP remuneration accrued at 30 June 2024 (see Note 18.b of the accompanying interim condensed consolidated financial statements, non-cash item), amounted to EUR 12,449 thousand (EUR 7,316 thousand in the same period in 2023), and extra compensation and benefits costs, which corresponds to extra non-conventional bonus for the employees (non-recurring item), amounted to EUR 174 thousand (EUR 0 thousand in the same period in 2023).

[4] See Note 19.a of the accompanying interim condensed consolidated financial statements.
[5] See Note 19.b of the accompanying interim condensed consolidated financial statements.
[6] See Note 19.c of the accompanying interim condensed consolidated financial statements.
[7] See Note 19.e of the accompanying interim condensed consolidated financial statements.
[8] See Note 19.f of the accompanying interim condensed consolidated financial statements.
[9] See Note 19.g of the accompanying interim condensed consolidated financial statements.
[10] See Note 19.d of the accompanying interim condensed consolidated financial statements.

iv) Advances to customers, which includes the amortisation of amounts paid for sites to be dismantled and their corresponding dismantling costs, amounted to EUR 1,973 thousand (EUR 1,769 thousand in the same period in 2023). These costs are treated as advances to customers in relation to the subsequent services agreement entered into with the customer (mobile telecommunications operators ("MNOs")). These amounts are deferred over the life of the service contract with the operator as they are expected to generate future economic benefits in existing infrastructures (non-cash item).

v) Costs and taxes related to acquisitions and divestments which mainly includes taxes and ancillary costs incurred during the business combination processes (non-recurring item), amounted to EUR 11,698 thousand (EUR 9,283 thousand in the same period in 2023).

4. EBITDA after leases (EBITDAaL)

EBITDAaL refers to Adjusted EBITDA after leases. It deducts payments of lease instalments in the ordinary course of business to Adjusted EBITDA.

The Group uses EBITDAaL as an operating performance indicator of its business units and is widely used as an evaluation metric among analysts, investors, rating agencies and other stakeholders. At the same time, it is important to highlight that EBITDAaL is not a measure adopted in accounting standards and, therefore, should not be considered an alternative to cash flow as an indicator of liquidity. EBITDAaL does not have a standardized meaning and, therefore, cannot be compared to the EBITDAaL of other companies.

One commonly used metric that is derived from EBITDAaL is EBITDAaL margin.

As at 30 June 2024 and 2023, respectively, the amounts were as follows:

	Thousands of Euros	
	30 June 2024	**30 June 2023**
Adjusted EBITDA	1,577,652	1,490,340
Payments of Lease Instalments in the Ordinary Course of Business	(463,754)	(462,432)
EBITDA after leases (EBITDAaL)	**1,113,898**	**1,027,908**

5. Adjusted EBITDA Margin and EBITDAaL margin

Adjusted EBITDA Margin corresponds to Adjusted EBITDA, divided by "Services (Gross) excluding Utility Fee". Thus, it excludes elements passed through to customers from both expenses and revenues, mostly electricity costs, the utility fee as well as Advances to customers, business rates, rents and others.

The Group uses Adjusted EBITDA Margin as an operating performance indicator and it is widely used as an evaluation metric among analysts, investors, rating agencies and other stakeholders.

EBITDAaL Margin corresponds to EBITDAaL, divided by "Services (Gross) excluding Utility Fee". Thus, it excludes elements passed through to customers from both expenses and revenues, mostly electricity costs, the utility fee, as well as Advances to customers, business rates, rents and others.

The Group uses EBITDAaL Margin as an operating performance indicator and it is widely used as an evaluation metric among analysts, investors, rating agencies and other stakeholders.

According to the above, the Adjusted EBITDA Margin as at 30 June 2024 and 2023 was of 82% and 83%, respectively. The EBITDAaL Margin as at 30 June 2024 and 2023 was of 58% and 57%, respectively.

	Thousands of Euros	
	30 June 2024	30 June 2023
Adjusted EBITDA	1,577,652	1,490,340
Revenues ex pass-through[11]	1,921,196	1,794,519
Adjusted EBITDA Margin	**82 %**	**83 %**
EBITDA after leases (EBITDAaL)	1,113,898	1,027,908
Revenues ex pass-through	1,921,196	1,794,519
EBITDAaL Margin	**58 %**	**57 %**

6. Gross Financial Debt

The Gross Financial Debt corresponds to “Bond issues and other loans”[12], “Loans and credit facilities[13]”, “Lease liabilities”[14] and "the deferred payment in relation to Omtel acquisition"[15], and does not include any debt held by Group companies registered using the equity method of consolidation, “Derivative financial instruments”[16] or "Other financial liabilities"[17]. "Lease liabilities” is calculated as the present value of the lease payments payable over the lease term, discounted at the rate implicit or at the incremental borrowing rate.

In line with the above, its value as at 30 June 2024 and 31 December 2023, respectively, is as follows:

	Thousands of Euros	
	30 June 2024	31 December 2023 restated
Bond issues and other loans	14,308,834	14,303,672
Loans and credit facilities	3,824,598	4,391,837
Lease liabilities	3,033,803	2,814,419
Deferred payment in relation to Omtel acquisition	522,918	516,192
Gross financial debt	**21,690,153**	**22,026,120**

7. Net Financial Debt

The Net Financial Debt corresponds to “Gross Financial Debt” less “Cash and cash equivalents[18] and "Other financial assets"[19]. Together with Gross Financial Debt, the Group uses Net Financial Debt as a measure of its solvency and liquidity as it indicates the current cash and equivalents in relation to its total debt liabilities. One commonly used metric that is derived from Net Financial Debt is “Net Financial Debt / Adjusted EBITDA” which is frequently used by analysts, investors and rating agencies as an indication of financial leverage.

The “Net financial debt” at 30 June 2024 and 31 December 2023 is detailed as follows:

[11] See Note 19.a of the accompanying interim condensed consolidated financial statements.
[12] See Note 14 of the accompanying interim condensed consolidated financial statements.
[13] See Note 14 of the accompanying interim condensed consolidated financial statements.
[14] See Note 15 of the accompanying interim condensed consolidated financial statements.
[15] See Note 18.c of the accompanying interim condensed consolidated financial statements.
[16] See Note 10 of the accompanying interim condensed consolidated financial statements.
[17] See Note 14 of the accompanying interim condensed consolidated financial statements.
[18] See Note 12.a of the accompanying interim condensed consolidated financial statements.
[19] See Note 12.b of the accompanying interim condensed consolidated financial statements.

	Thousands of Euros	
	30 June 2024	31 December 2023 restated
Gross financial debt	21,690,153	22,026,120
Cash and short term deposits	(491,042)	(1,292,439)
Other financial assets	(121,547)	(115,581)
Net financial debt	**21,077,564**	**20,618,100**

At 30 June 2024, the Net Financial Debt amounted to EUR 21,078 million (EUR 20,618 million at the end of 2023), including a consolidated cash and cash equivalents position of EUR 491 million (EUR 1,292 million at the end of 2023) and EUR 122 million of other financial assets (EUR 116 million at the end of 2023).

- **Net Financial Debt evolution**

	Thousands of Euros	
	30 June 2024	31 December 2023 restated
Beginning of Period	**20,618,100**	**20,240,762**
Recurring leveraged free cash flow [(1)]	(781,311)	(1,545,381)
Expansion (or organic growth) capital expenditures [(2)]	197,991	458,193
Expansion capital expenditures (Build-to-Suit programs) and Remedies [(3)]	533,845	936,899
M&A capital expenditures and Divestments [(4)]	44,954	144,860
Non-Recurrent Items (cash only) [(5)]	11,729	25,478
Other Net Cash Out Flows [(6)]	170,755	59,326
Issue of equity instruments, Treasury Shares and Payment of Dividends [(7)]	11,825	296,349
Net repayment of other borrowings [(8)]	(1,245)	(9,416)
Change in Lease Liabilities [(9)]	219,384	(171,436)
Accrued Interest Not Paid and Others [(10)]	51,537	182,466
End of Period	**21,077,564**	**20,618,100**

[(1)] See heading “Recurring Leveraged Free Cash Flow” of the accompanying Consolidated Interim Directors' Report.
[(2)] See footnotes 8, 9 and 10 in heading “Recurring Leveraged Free Cash Flow” of the accompanying Consolidated Interim Directors' Report.
[(3)] See footnote 11 in heading “Recurring Leveraged Free Cash Flow” of the accompanying Consolidated Interim Directors' Report.
[(4)] See footnote 12 and 13 in heading “Recurring Leveraged Free Cash Flow” of the accompanying Consolidated Interim Directors' Report.
[(5)] See footnote 14 in heading “Recurring Leveraged Free Cash Flow” of the accompanying Consolidated Interim Directors' Report.
[(6)] Corresponds to "Other Net Cash Out Flows" (see footnote 16 in heading "Recurring Leveraged Free Cash Flow" of the accompanying Consolidated Interim Directors' Report), excluding the change in other financial assets (EUR 6 million, see Note 12.b to the accompanying interim condensed consolidated financial statements).
[(7)] Mainly corresponds to "Issue of equity instruments, Acquisition of Treasury Shares and Dividends paid" in the accompanying Consolidated Statement of Cash Flows for the period ended 30 June 2024 minus the contribution of minority shareholders (EUR 28 million, see the relevant section in the Consolidated Statement of Changes in Net Equity).
[(8)] Corresponds to the "Net proceed of Other Borrowings" in the accompanying Interim Condensed Consolidated Financial Statements of Cash Flows for the 30 June 2024 (see Note 14 to the accompanying Interim Condensed Consolidated Financial Statements).
[(9)] Changes in “Lease liabilities” long and short term to the accompanying Consolidated Balance Sheet as of 30 June 2024. See Note 15 to the accompanying Consolidated Financial Statements.
[(10)] “Accrued interest not paid and others” include, mainly, arrangement expenses accrued, change in interest accrued not paid and other impacts such as Foreign exchange differences. It includes non-ordinary lease payments and short-term prepayments.

8. Net Payment of Interest

Net payment of interest corresponds to i) “interest payments on lease liabilities”[20] plus ii) “Net payment of interest (not including interest payments on lease liabilities)” and iii) non-recurring financing costs related to M&A projects[21].

The reconciliation of the hedging “Net payment of interest” from the Interim Consolidated Statement of Cash Flows corresponding to the period on 30 June 2024 and 2023, with the “Net Financial Loss” in the Consolidated Income Statement is as follows:

	Thousands of Euros	
	30 June 2024	30 June 2023 restated
Interest Income [22]	28,827	13,696
Interest Expense [23]	(492,233)	(417,446)
Bond & loan interest accrued not paid	143,257	113,722
Amortised costs – non-cash	83,295	65,850
Interest accrued in prior year paid in current year	(136,963)	(142,173)
Net payment of interest as per the Consolidated Statement of Cashflows (1)	**(373,817)**	**(366,351)**

(1) Net payment of interest as per the Consolidated Statement of Cash Flows, which corresponds to i) “interest payments on lease liabilities” for an amount of EUR 156,131 thousand (see Note 15 of the accompanying interim condensed consolidated financial statements) plus ii) “Net payment of interest (not including interest payments on lease liabilities)” for an amount of EUR 217,144 thousand (see section “Recurring leveraged free cash flow” of the accompanying Consolidated Interim Directors’ Report), and plus iii) non-recurring financing costs (see section “Recurring leveraged free cash flow” of the accompanying Consolidated Interim Directors' Report).

9. Available Liquidity

The Group considers as Available Liquidity the available cash and available credit lines at period-end closing, as well as other financial assets described in Note 12.b of the accompanying consolidated financial statements.

The breakdown of the available liquidity at 30 June 2024 and 31 December 2023 is as follows:

	Thousands of Euros	
	30 June 2024	31 December 2023
Available in credit facilities[24]	3,262,986	3,180,218
Cash and cash equivalents[25]	491,042	1,292,439
Other financial assets[26]	121,547	115,581
Available liquidity	**3,875,575**	**4,588,238**

[20] See Note 15 of the accompanying interim condensed consolidated financial statements.
[21] See Note 19.d of the accompanying interim condensed consolidated financial statements.
[22] See consolidated income statement of the accompanying interim condensed consolidated financial statements.
[23] See consolidated income statement of the accompanying interim condensed consolidated financial statements.
[24] See Note 14 (section "Borrowings by type of debt") of the accompanying interim condensed consolidated financial statements.
[25] See Note 12.a of the accompanying interim condensed consolidated financial statements.
[26] See Note 12.b of the accompanying interim condensed consolidated financial statements.

10. Capital Expenditures

The Group considers Capital Expenditures as an important indicator of its operating performance in terms of investment in assets, including their maintenance, expansion, Build-to-Suit and M&A. These indicators are widely used in the industry in which the Group operates as an evaluation metric among analysts, investors, rating agencies and other stakeholders.

The Group classifies its capital expenditures in four main categories:

Maintenance capital expenditures

Includes investments in existing tangible or intangible assets, such as investment in infrastructure, equipment and information technology systems, and are primarily linked to keeping infrastructure, active and passive equipment, in good working order. Maintenance Capex also includes network maintenance, such us corrective maintenance (responses to network incidents and preventive inspections, e.g. replacement of air conditioning or electrical equipment), statutory maintenance (mandatory inspections owing to regulatory obligations, e.g. infrastructure certifications, lightning certifications), network renewal and improvements (renewal of obsolete equipment and assets improvement, e.g. tower reinforcement, battery renewal, phase-out management), continuity plans (specific plans to mitigate risk of infrastructure collapse or failure with existing services or assets not compliant with regulations), re-roofing (solutions to allow landlords' roofing work and avoid service discontinuity or building repairs attributable to Cellnex) as well as other non-network maintenance activities, such us business maintenance (infrastructure adaptations for tenants, upgrades not managed via Engineering Services, or capex to renew customer contracts without revenue increases), IT systems or repairs and maintenance of offices.

Expansion capital expenditures

Expansion Capital expenditures includes three categories: Tower Expansion Capex, Other Business Expansion Capex and Efficiency Capex.

Please note that Tower Expansion Capex includes Tower Upgrades, consisting of works and studies Cellnex carries out on behalf of its customers such as adaptation, engineering and design services at the request of its customers, which represent a separate income stream and performance obligation. Tower Upgrades carried out in Cellnex' Infrastructure are invoiced and accrued when the customer's request is finalized and collected in accordance with each customer agreement with certain margin. The costs incurred in relation to these services can be an internal expense or otherwise outsourced and the revenue in relation to these services is generally recognized when the capital expense is incurred.

Other Business Expansion Capex consists mainly of investments related to non Passive projects as Active Equiment, DAS, Network or others.

Efficiency Capex consists of investment related to business efficiency that generates additional RLFCF, including among others, decommissioning, advances to landlords (excluding long-term cash advances) and efficiency measures associated with energy and connectivity.

The Company considers capital expenditures as an important indicator of its operating performance in terms of investment in assets. This indicator is widely used in the industry in which the Company operates as an evaluation metric among analysts, investors, rating agencies and other stakeholders.

Build-to-Suit capital expenditures and Remedies

Corresponds to committed Build-to-suit programs (consisting of sites (new and dismantled), backhaul, backbone, edge computer centers, DAS nodes or any other type of telecommunication infrastructure as well as any advanced payment related to it) as well as Engineering Services with different clients. Ad-hoc maintenance capital expenditure required eventually may be included. Cash-in from the disposal of assets (or shares) due to, among others, antitrust bodies' decisions are considered within this item.

M&A capital expenditures and divestments

Corresponds to investments in: i) land acquisition and long-term right of use (including long-term cash advances), ii) shareholdings of companies (excluding the amount of deferred payments in business combinations that are payable in subsequent periods) as well as significant investments in acquiring portfolios of sites (asset purchases) and, iii) cash in from divestments.

Total Capital Expenditures for the period ended 30 June 2024 and 2023 are summarised as follows:

	Thousands of Euros	
	30 June 2024	**30 June 2023**
Maintenance capital expenditures	36,728	51,238
Expansion capital expenditures	197,991	197,086
Tower Expansion Capex	128,141	141,707
Other Business Expansion Capex	29,072	20,654
Efficiency Capex	40,778	34,725
Build-to-Suit capital expenditures and Remedies	533,845	674,374
Build-to-Suit capital expenditures	687,442	708,507
Remedies [2]	(153,597)	(34,133)
M&A capital expenditures and Divestments	44,954	603,526
Land acquisition and long term right of use	51,936	53,089
Other M&A Capex	24,109	550,437
Divestments	(31,091)	—
Total investment [1]	**813,518**	**1,526,224**

[1] "Total Investment", amounting to EUR 814 million (EUR 1,526 million in the same period of 2023), corresponds to "Total net cash flow from investment activities" in the accompanying Consolidated Statement of Cash Flows amounting to EUR 926 million (EUR 1,666 million in the same period of 2023), plus i) "Cash and cash equivalents" of the acquired companies in business combinations amounting to EUR 0 million (EUR 0 million in the same period of 2023) (see Note 5 to the accompanying consolidated financial statements); plus ii) "Cash advances to landlords" amounting to EUR 35 million (EUR 37 million in the same period of 2023) (see Note 15 to the accompanying consolidated financial statements) and "long-term rights of use of land" amounting to EUR 11 million (EUR 21 million in the same period of 2023) (see Note 15 to the accompanying consolidated financial statements); minus iii) "Others" amounting to EUR 158 million (EUR 198 million in the same period of 2023), which includes, mainly, timing effects related to assets purchases and other financial assets.

[2] Corresponds mainly to the total price in relation to the Divestment Remedy with Phoenix France Infrastructures in France.

11. Recurring Leveraged Free Cash Flow

The Group considers Recurring Leveraged Free Cash Flow to be one of the most important indicators of its ability to generate stable and growing cash flows which allows it to guarantee the creation of value, sustained over time, for its shareholders.

At 30 June 2024 and 2023 the Recurring Leveraged Free Cash Flow (“RLFCF”) was calculated as follows:

	Thousands of Euros	
	30 June 2024	30 June 2023
Adjusted EBITDA [(1)]	1,577,652	1,490,340
Payments of lease installments in the ordinary course of business and interest payments [(2)]	(463,754)	(462,432)
Maintenance capital expenditures [(3)]	(36,728)	(51,238)
Changes in current assets/current liabilities [(4)]	(10,696)	(380)
Net payment of interest (without including interest payments on lease liabilities) [(5)]	(217,144)	(202,069)
Income tax payment [(6)]	(56,675)	(33,249)
Net dividends to non-controlling interests [(7)]	(11,344)	—
Recurring leveraged free cash flow (RLFCF)	**781,311**	**740,972**
Expansion capital expenditures	(197,991)	(197,086)
Tower Expansion Capex [(8)]	(128,141)	(141,707)
Other Business Expansion Capex [(9)]	(29,072)	(20,654)
Efficiency Capex [(10)]	(40,778)	(34,725)
Build-to-Suit Capex and Remedies [(11)]	(533,845)	(674,374)
Build-to-Suit Capex	(687,442)	(708,507)
Cash in from remedies	153,597	34,133
Free Cash Flow	**49,475**	**(130,488)**
M&A capital expenditures (cash only) and Divestments	(44,954)	(603,526)
Land acquisition and long-term right of use [(12)]	(51,936)	(53,089)
Other M&A Capex [(12)]	(24,109)	(550,437)
Divestments [(13)]	31,091	—
Non-Recurrent Items (cash only) [(14)]	(11,729)	(9,373)
Net Cash Flow from Financing Activities [(15)]	(617,467)	106,822
Other Net Cash Out Flows [(16)]	(176,722)	(158,468)
Net Increase of Cash [(17)]	**(801,397)**	**(795,033)**

[(1)] Adjusted EBITDA: Profit from operations before "Depreciation and amortisation", "Impairment losses on assets" and "Results from disposals of fixed assets" (after IFRS 16 adoption) and after adding back (i) certain non-recurring items such as costs and taxes related to acquisitions and divestments (EUR 12 million) as well as (ii) certain non-cash items such as advances to customers (EUR 2 million) which include the amortisation of amounts paid for sites to be dismantled and their corresponding dismantling costs and LTIP remuneration payable in shares (EUR 12 million).

[(2)] Corresponds to i) payments of lease instalments in the ordinary course of business excluding short-term prepayments (EUR 308 million) and ii) interest payments on lease liabilities (EUR 156 million). See Note 15 to the accompanying Interim Consolidated Financial Statements.

[(3)] Maintenance capital expenditures: see definition in section "Alternative Performance Measures".

[(4)] Changes in current assets/current liabilities (see the relevant section in the Interim Consolidated Financial Statements of Cash Flows for the 30 June 2024).

[(5)] Corresponds to the net of “Interest paid” and “interest received” in the accompanying Interim Consolidated Statements of Cash Flows for the 30 June 2024 (EUR 374 million), excluding “Interest payments on lease liabilities” (EUR 156 million) (see Note 15 to the accompanying Interim Consolidated Financial Statements) and non-recurring financing costs (EUR 1 million, see footnote 15).

(6) Corresponds to "Income Tax received/(paid)" in the accompanying Interim Consolidated Statements of Cash Flows for the 30 June 2024, excluding 30 million of tax received as detailed in footnote 16.

(7) Corresponds to the net of “Dividends to non-controlling interests” and “Dividends received” as per the Interim Condensed Consolidated Statement of Cash Flows.

(8) Investment related to tower business expansion that generates additional RLFCF, including among others, telecom site adaptation for new tenants and certain tower upgrades carried out on request of customers.

(9) Investment related to other business expansion that generates additional RLFCF.

(10) Investment related to business efficiency that generates additional RLFCF, including among others, decommissioning (EUR 4 million), cash advances to landlords (EUR 35 million) and efficiency measures associated with energy and connectivity (EUR 2 million).

(11) Corresponds to committed Build-to-Suit programs and further initiatives (consisting of sites, backhauling, backbone, edge computing centers, DAS nodes or any other type of telecommunication infrastructure, as well as any advanced payment in relation to them). It also includes cash-in from the disposal of assets (or shares) due to antitrust bodies’ decisions.

(12) Investment in shareholdings of companies as well as significant investments in acquiring portfolios of sites, land and long-term rights of use of land (asset purchases), after integrating into the consolidated balance sheet mainly the "Cash and cash equivalents" of the acquired business.

(13) Divestment in shareholdings of companies.

The amount resulting from (3)+(8)+(9)+(10)+(11)+(12)+(13), hereinafter the “Total Capex” (EUR 814 million), corresponds to “Total Investment” (EUR 814 million, see heading “Capital Expenditures” in the accompanying Consolidated Interim Directors’ Report for the 30 June 2024) minus the “Cash and cash equivalents” of the acquired companies (EUR 0 million, see Note 5 to the accompanying Interim Consolidated Financial Statements).

Total Capex (EUR 814 million) also corresponds to “Total net cash flow from investing activities” (EUR 926 million, see the relevant section in the accompanying Consolidated Statement of Cash Flows for the 30 June 2024), plus i) "Cash advances to landlords" (EUR 35 million, see footnote 10) and ii) "long-term rights of use of land" (EUR 11 million, see footnote 12), minus i) Others amounting to EUR 158 million, which includes, mainly, timing effects related to assets purchases and the change in other financial assets (see Note 12.b to the accompanying Interim Consolidated Financial Statements).

(14) Mainly corresponds to costs and taxes related to acquisitions and divestments (EUR 12 million, see footnote 1).

(15) Corresponds to "Total net cash flow from financing activities" (955 million), as per the Interim Consolidated Statement of Cash Flows, minus i) payments of lease instalments in the ordinary course of business excluding short-term prepayments (308 million, see footnote 2), ii) "Cash advances to landlords" (EUR 35 million, see footnote 10), iii) "long-term rights of use of land" (EUR 11 million, see footnote 12) and iv) Dividends to non-controlling interests (11 million, see footnote 7), plus: i) others (27 million), mainly corresponding to the contribution of minority shareholders (28 million, see the relevant section in the Consolidated Statement of Changes in Net Equity), and non-recurring financing costs (see heading "Net Payment of Interest"). It includes non-ordinary lease payments and short-term prepayments.

(16) Mainly corresponds to timing effects related to assets purchases, financial assets (see Note 12.b to the accompanying Interim Consolidated Financial Statements), payments related to employee benefit obligations (see Note 18.b to the accompanying Interim Consolidated Financial Statements), foreign exchange differences and other impacts, as per the Consolidated Statement of Cash Flows for the six-month period ended 30 June 2024, partly offset mainly by 30 million of tax received (see footnote 6), derived from (i) a payment upon the execution of the Divestment Remedy in France (see Note 6 to the accompanying Interim Consolidated Financial Statements), and (ii) the anticipated refund regarding the advanced Spanish Corporate Income Tax relating to the disposal of 49% stake in Cellnex Nordics (see Note 17.d to the accompanying Interim Consolidated Financial Statements), which was originally calculated on accounting rather than taxable profits.

(17) “Net increase of Cash and Cash equivalents from Continuing Operations ("Operating activities" + "Investing activities" + "Financing activities" + "Foreign exchange differences") as per the Consolidated Statement of Cash Flows for the six-month period ended 30 June 2024).

- **Income tax payment**

The reconciliation of the heading "Income Tax Payment" from the Consolidated Statement of Cash Flows for the period ended on 30 June 2024 and 2023, with "Income tax" in the Consolidated Income Statement, is as follows:

	Thousands of Euros	
	30 June 2024	**30 June 2023**
Current tax expense	**(63,524)**	**(63,276)**
Payment of income tax prior year	(31,745)	(10,375)
Receivable of income tax prior year	60,581	12,037
Income tax (receivable)/payable[27]	(26,415)	37,653
Others	34,428	(9,288)
Payment of income tax as per the Consolidated Statement of Cashflows	**(26,675)**	**(33,249)**

12. Free Cash Flow

Free Cash Flow is defined as RLFCF after deducting BTS Capex (that includes cash-in from Remedies) and Expansion Capex.

	Thousands of euros	
	30 June 2024	**30 June 2023**
Recurring Leveraged Free Cash Flow (RLFCF)	781,311	740,972
Expansion Capital Expenditures (build-to-suit programmes) and Remedies	(533,845)	(674,374)
Expansion (or organic growth) Capital Expenditures	(197,991)	(197,086)
Free Cash Flow	**49,475**	**(130,488)**

Revenues and results

Operating Income for the period ended on 30 June 2024, by country and type of service, can be broken down as follows: Spain accounted for EUR 304 million (of which i) Towers accounted for EUR 98 million – EUR 95 million colocations, EUR 2 million Engineering Services –, ii) DAS, Small Cells and RAN as a Service EUR 45 million, iii) Fiber, Connectivity and Housing Services EUR 24 million, iv) Broadcast EUR 116 million and v) Pass-through revenues EUR 21 million); Italy accounted for EUR 415 million (of which i) Towers accounted for EUR 320 million – EUR 315 co-locations and EUR 5 million Engineering Services –, ii) DAS, Small Cells and RAN as a Service EUR 17 million and iii) Pass-through revenues EUR 78 million); France accounted for EUR 417 million (of which i) Towers accounted for EUR 357 million – EUR 307 million colocations and EUR 49 million Engineering Services –, ii) Fiber, Connectivity and Housing Services EUR 42 million and iii) Pass-through revenues EUR 18 million); UK accounted for EUR 341 million (of which i) Towers accounted for EUR 310 million – EUR 260 million colocations and EUR 50 million Engineering Services –, ii) DAS, Small Cells and RAN as a Service EUR 5 million and iii) Pass-through revenues EUR 25 million); Poland accounted for EUR 275 million (of which i) Towers accounted for EUR 153 million – EUR 142 million colocations and EUR 10 million Engineering Services –, ii) DAS, Small Cells and RAN as a Service EUR 52 million, iii) Fiber, Connectivity and Housing Services EUR 27 million and iv) Pass-through revenues EUR 44 million); and the rest of Europe accounted for EUR 365 million (of which i) Towers accounted for EUR 334 million – EUR 320 million co-locations, EUR 14 million Engineering Services the largest contributors being the i) Portugal with EUR 6 million, ii) Switzerland with EUR 4 million, iii) Austria with EUR 3 million and iv) Ireland with EUR 1 million –, ii) DAS, Small Cells and RAN as a Service EUR 3 million and iii) Fiber, Connectivity and Housing Services EUR 3 million, iv) Broadcast EUR 12 and v) Pass-through revenues EUR 12 million).

Operating Income for the period ended on 30 June 2023, by country and type of service, can be broken down as follows: Spain accounted for EUR 301 million (of which i) Towers accounted for EUR 97 million – EUR 93 million colocations, EUR 4

[27] See Note 11 and 17.c to the accompanying interim condensed consolidated financial statements.

million Engineering Services –, ii) DAS, Small Cells and RAN as a Service EUR 41 million, iii) Fiber, Connectivity and Housing Services EUR 24 million, iv) Broadcast EUR 115 million and v) Pass-through revenues EUR 23 million); Italy accounted for EUR 393 million (of which i) Towers accounted for EUR 293 million – EUR 289 co-locations and EUR 4 million Engineering Services –, ii) DAS, Small Cells and RAN as a Service EUR 15 million and iii) Pass-through revenues EUR 85 million); France accounted for EUR 399 million (of which i) Towers accounted for EUR 362 million – EUR 321 million colocations and EUR 41 million Engineering Services –, ii) Fiber, Connectivity and Housing Services EUR 27 million and iii) Pass-through revenues EUR 10 million); UK accounted for EUR 323 million (of which i) Towers accounted for EUR 288 million – EUR 236 million colocations and EUR 51 million Engineering Services –, ii) DAS, Small Cells and RAN as a Service EUR 4 million and iii) Pass-through revenues EUR 31 million); Poland accounted for EUR 235 million (of which i) Towers accounted for EUR 127 million – EUR 121 million colocations and EUR 6 million Engineering Services –, ii) DAS, Small Cells and RAN as a Service EUR 40 million, iii) Fiber, Connectivity and Housing Services EUR 24 million and iv) Pass-through revenues EUR 44 million); and the rest of Europe accounted for EUR 349 million (of which i) Towers accounted for EUR 317 million – EUR 299 million co-locations, EUR 19 million Engineering Services the largest contributors being the i) Switzerland with EUR 11 million, ii) Portugal with EUR 6 million and iii) Austria with EUR 1 million –, ii) DAS, Small Cells and RAN as a Service EUR 5 million and iii) Fiber, Connectivity and Housing Services EUR 3 million, iv) Broadcast EUR 10 and v) Pass-through revenues EUR 14 million).

Operating Income for the six-month period ended on 30 June 2024 was EUR 2,117 million, which represents a 6% increase over the same period in 2023. This increase was due to the solid performance of the key metrics in the semester and the higher organic growth.

Operating Income from Towers income increased by 5% to EUR 1,571 million.

Towers is the Group's largest segment by turnover through which it provides a wide range of integrated network passive infrastructure services to enable access to the Group's telecom infrastructure by MNOs, other wireless telecommunications and broadband network operators, among others, allowing such operators to offer their own services to their customers by means of macro-cells active equipment.

Revenues from the Towers segment factor in: (i) the annual base fee from telecommunications customers (both anchor and secondary tenants); (ii) price escalators linked to CPI/RPI or inflation or fixed escalators – linked fees typically used to update the annual base fee – ; and (iii) new co-locations and associated revenues (which include new third party co-locations as well as further initiatives as special connectivity projects, site configuration changes as a result of 5G rollout, and Engineering Services, that corresponds to works and studies such as adaptation, engineering and design services on request of its customers, which represent a separate income stream and performance obligation, and as a result of which the number of tenants may increase.

The Group provides to its customers, through the Towers business line, coverage related services and access to the Group's telecom or broadcasting infrastructures for MNOs to co-locate their equipment on the Group's infrastructures, offering additional services that allow MNOs to rationalise their networks and optimise costs, through the dismantling of duplicate infrastructures (decommissioning) and building up new infrastructures (build-to-suit) in strategic sites that can offer service to one or more MNOs. These services have the aim to complete the deployment of 4G and 5G, reduce areas with no signal coverage, improve quality and throughput and extend the network. The Group acts as a neutral carrier for MNOs and other telecomunications operators that normally require complete access to the infrastructure network in order to provide services to the end customers.

The Group acts as a multi-infrastructure operator. Its customers are responsible for the individual communication active equipment hosted in the Group's telecom and broadcasting infrastructures. Revenue is primarily generated from customer services agreements. The Group generally receives monthly or quarterly payments from customers, payable under long-term contracts (which in the case of anchor customers have long or undefined maturities with automatic extensions, unless cancelled). The annual payments vary considerably depending upon numerous factors, including, but not limited to, the infrastructure location, the number and type of customer's equipment on the infrastructure, ground space required by the customer, customer ratio, equipment at the infrastructure and remaining infrastructure capacity. The main costs typically include related services (which are primarily fixed, with annual cost escalations) such as energy and ground costs, property taxes and repairs and maintenance.

The majority of the land and rooftops where the Group's infrastructures are located are operated and managed via lease contracts, sub-lease contracts or other types of contracts with third parties. In general, MNOs engage in the maintenance of their own equipment under their responsibility, although in some cases they may subcontract to the Group the maintenance of their equipment as a separate and additional service. In these cases, the maintenance services are usually awarded through bidding processes to companies capable of providing such services, such as vendors of equipment, maintenance and installation companies and other companies with sufficient capacity to provide the services, such as the Group itself.

Furthermore, the foreseeable new technological requirements linked to 5G, along with other ordinary maintenance services such as investment in infrastructure, equipment and information technology systems, generally upon request of its customers, will translate into asset investment commitments in the coming years.

The Group carries out certain "Engineering Services", that correspond to works and studies such as adaptation, engineering and design services, upon request of its customers, which represent a separate income stream and performance obligation. This is necessary to support passive infrastructure upgrades and adaptation in order to enable further co-locations (co-tenancies) in such infrastructures. The costs, which represent a percentage of the "Engineering Services" income stream, incurred in relation to these services, and will be classified as capital expenditures, can be an internal expense or otherwise outsourced and the revenue in relation to these services is generally recognized as the capital expense is incurred. The Group carries out engineering services, consisting of works and studies such as adaptation, engineering and design services as well as Installation Services at the request of its customers, which represent a separate income stream and performance obligation. Engineering services carried out in Cellnex infrastructure are invoiced and accrued when the customer's request is finalised and collected in accordance with each customer agreement with certain margin. Also, Engineering services can be deployed under the heading of Capex Recovery which are carried out, invoiced, accrued and collected over several years with a certain margin. The costs incurred in relation to these services, that will be classified as capital expenditures, can be an internal expense or otherwise outsourced and the revenue in relation to these services is generally recognised when the capital expense is incurred. The margin is significantly lower than the Adjusted EBITDA margin of the Group, tending to be a mid-single-digit percentage. In terms of engineering services, when a new PoP is installed, the following concepts are usually involved: as-built drawings, strength calculation, reports (electro, static, EMF...), joint site survey, site adequacy, energy meter installation, access cards and keys or tower/mast modifications. On the other hand, installation services are a type of engineering services carried out mainly in Cellnex' infrastructure, accrued as projects progress, invoiced and collected in accordance with certain milestones. If the project is finalised and rejected by the customer, the cost is reclassified as an expense. Installation services include the installation of customers' equipment on site, such as installation of antennae, microwave equipment or remote radio units. The total amount of revenues associated with these engineering services during the six-month period ended on 30 June 2024 was EUR 131Mn (EUR 126Mn during the same period in 2023). The total amount of capital expenditures incurred related to engineering services during the first half of 2024 is disclosed in Note 7 to the accompanying interim condensed consolidated financial statements. Until 2022, Engineering services were considered within the BTS programmes disclosed to the market: various acquisition business plans have contractualised engineering services. From 2023 onwards, if more engineering services are required, the capital expenditures associated with the projects reported within Expansion Capex or Maintenance Capex, depending on its nature and magnitude, and, if required, as a new capex line. Some of this capex devoted to engineering services, especially in the UK, can be advances of capex to be recovered through future engineering services revenues as well as the corresponding margin (Capex Recovery).

The Group generally receives monthly payments from customers, payable under long-term contracts (which in the case of anchor customers have long or undefined maturities with automatic extensions, unless cancelled). The annual payments vary considerably depending upon numerous factors, including, but not limited to, the infrastructure location, the number and type of customer's equipment on the infrastructure, ground space required by the customer, customer ratio, equipment at the infrastructure and remaining infrastructure capacity. The main costs typically include related services (which are primarily fixed, with annual cost escalations) such as energy and ground costs, property taxes and repairs and maintenance. The majority of the land and rooftops where the Group's infrastructures are located, are operated and managed via lease contracts, sub-lease contracts or other types of contracts with third parties. In general, MNOs handle the maintenance of their own equipment under their responsibility, although in some cases they may subcontract to the Group the maintenance of their equipment as a separate and additional service.

In general, the Group's service contracts for co-location services with anchor customers have an initial non-cancellable term of 10 to 20 years, with multiple renewal terms (which in the case of anchor customers have long or undefined maturities with automatic extensions, unless cancelled, with "all or nothing" clauses), and payments that are typically revised based on an inflationary index like the consumer price index (CPI) or on fixed escalators. The Group's customer contracts have historically

had a high renewal rate. In this regard, the Telefónica contract, the first anchor customer that reached its initial term, has been successfully renewed. Contracts in place with Telefónica and Wind Tre may be subject to change in terms of the fees being applied at the time of a renewal, within a predefined range taking into account the last annual fee (which reflects the cumulative inflation of the full initial term), that in the case of Telefónica ranges from -5% to +5% (applicable after the initial period and the first two extension periods have elapsed) and from -15% to +5% for Wind Tre.

Operating Income from the DAS, Small Cells and RAN as a Service business amounted to EUR 123 million, which represents a 17% increase compared to the same period in 2023.

Through this business line the Group provides the infrastructure required to improve coverage and capacity in challenging scenarios where macro-cells do not perform as expected. By deploying DAS networks and Small Cells, coverage and capacity can be highly enhanced, thus complementing the Towers business line infrastructures. Some of these challenging scenarios are high-density urban areas or indoor coverage in stadiums, tunnels or hospitals.

The Group has an extensive experience in DAS network and Small Cells solutions. As of 30 June 2024, the Group had deployed approximately 10,865 antennas nodes with the DAS and Small Cells, in venues such as stadiums, skyscrapers, shopping malls, dense outdoor areas in city centers, airports, underground lines and railway stations. DAS is a network of spatially distributed antennas connected to a common source, thus providing wireless service within a specific geographic area. The system can support a wide variety of technologies and frequencies, including 2G, 3G, 4G and 5G. The Group works as a truly neutral host, together with the MNOs, in order to provide the optimal solution for the increasing need for coverage and densification in complex high-demanding scenarios. The Group manages the complete life cycle of the solution: infrastructure acquisition, design, installation, commissioning, O&M, supervision and service quality assurance. The Group also operates active equipment of the network in relation to the antennas nodes with the DAS that it manages.

In addition, through this business line the Group also provides the following services:

- RAN-as-a-Service: entails the emission and transmission of active services on-top-off the Towers passive segment in Poland;

- PPDR services: consists in the provision of services involving active infrastructure management for public administrations, including TETRA and 4G/LTE mission critical service networks. In particular, the Group operates seven regional and two municipal TETRA networks in Spain which are critical for the communication needs of regional governments and municipalities where the networks are located and a highly reliable Global Maritime Distress and Safety System (GMDSS) for the Maritime Rescue Service for the Safety of Life at Sea, which provides communication services to ships in distress and risk situations in the coastal areas around Spain. The Group also operates the Automatic Identification System (AIS) for the Spanish Maritime Safety Agency, an arm of the Spanish Ministry of Transport, Mobility and Urban Agenda;

- O&M: through which the Group manages and operates infrastructure (as opposed to outsourcing it to third parties) and provides maintenance services of customer equipment and infrastructure to the Group's customers (other than its broadcasting customers that are serviced by the Broadcast business line); and

- Other Services: including, among others, the provision of communications networks for smart cities and specific solutions for efficient resource and service management in the cities and IoT services.

All these services conform a specialized business line that generates relatively stable cash flows with potential for further growth, mainly driven by the networks' densification trend that will continue to require DAS and Small Cells deployments. With respect to the RAN-as-a-Service services, the Group expects to first consolidate this business in Poland before considering further expanding its footprint.

Operating Income from the Fiber, Connectivity and Housing Services business amounted to EUR 96 million, which represents a 23% increase compared to the same period in 2023.

The Group provides services and is further developing capabilities in data transport through fiber (including fiber to the tower, connectivity, blackhaul transmission and the hosting of services in edge computing data centers infrastructure), in order to offer its clients the data processing capacity distributed in the network, without which the potential of 5G could not be

realised. As such, in 2017 the Group acquired Alticom, a Dutch company that owns a portfolio of sites (high-towers) that includes data centers. Moreover, in France Cellnex is developing a nation-wide fiber network in partnership with Bouygues Telecom that also includes the development of edge data centers.

In addition, the Group uses optic fiber to connect its, or its clients', infrastructures (Towers macro cells, DAS and Small Cells) and edge computing facilities. The Group acquired XOC in 2018, a concessionary company dedicated to the management, maintenance and construction of the optic fiber network of the Generalitat de Catalunya, that also provides optic fiber capacity to Spanish telcos and to enterprises (fiber to the enterprise - FTTE).

The services in this business line also include connectivity between different nodes of the telecommunication networks (backhaul) of the Group's clients and/or connectivity with its customers' premises (enterprise leased lines), using radio-links, fiber or satellite. The Group also provides specialised leased lines to telecom operators such as MNOs or fixed network operators (FNOs), public administrations, and small and medium enterprises as well as companies in rural areas of Spain enabling high speed connectivity.

Operating Income from the Broadcast business amounted to EUR 129 million, which represents a 12% increase compared to the same period in 2023.

Through this business line, the Group provides broadcasting services in Spain and the Netherlands. Its services consist of the distribution and transmission of television and radio signals, the operation and maintenance of broadcasting networks, the provision of connectivity for media content and OTT broadcasting services and other services. In Spain, Cellnex is the only operator offering nationwide coverage of the DTT service (source: CNMC). Through the provision of broadcasting services in Spain, the Group has developed unique know-how that has helped to develop other services within its portfolio. The Group classifies the services that it provides to its customers as a broadcast network operator in the following three groups: (i) Digital TV, (ii) Radio and (iii) Other broadcasting services. The Group's customers within the Broadcast business line include all national and most regional and local TV broadcasters as well as leading radio station operators in Spain. Some of the key customers for DTT services include Atresmedia, CTTI, Mediaset España, Net TV, Veo TV and RTVE. Additionally, in the Netherlands VRT, Talpa and NPO are key customers. The DTT broadcasting contracts do not have any volume risk, they have instead stable and visible pricing of MUXs, are compliant with applicable regulations and contain attractive indexation terms. The main features of the Group's DTT broadcasting contracts are:

- Medium-term contracts with high renewal rates. Complying with legal limitations, the Group usually enters into either 5-year or 4-year maximum term contracts. The Group has experienced a high rate of renewal for these types of contracts in the recent past, although price pressure from customers can be possible when renegotiating contracts (as it has been the case in the recent cycle of contract renewals the Group has just faced).

- No volume risk. For each MUX distributed, the Group receives a "flat fee", as long as the conditions attached to the audiovisual licenses for TV channels do not change.

- Stable and visible pricing. The prices the Group charges to its customers are negotiated between the parties although the Group has to fulfil a series of regulatory requirements. In order to price its services, the Group uses a method which has been fully disclosed to the telecom regulator and competition authorities.

- Indexation to CPI that allows the Group to cover increases in operational costs where CPI is positive.

In Spain, the Group's key customers for radio services include CATRADIO, Cope, Grupo Radio Blanca, Onda Cero, RAC1 and RNE. The Group's contracts with radio stations typically have a term of five years and the prices are usually indexed to inflation. The main customers for the Group's other broadcasting services (O&M, connectivity and others) include, amongst others, TVC, Junta de Castilla y León and RTVE. These contracts have an initial term of three years.

The transactions performed during the previous years, especially in the Towers business segment, helped boost operating income and operating profit, the latter also being impacted by the measures to improve efficiency and optimise operating costs. Regarding land, which is the most important cost item, the Group makes cash advances, which are prepayments to landlords related to specific long-term contracts that allow Cellnex to reduce its annual recurring payments and extend the duration of the contracts, basically in order to obtaining efficiencies. The cash advances to landlords and long-term right of use lands executed during the six-month period ended on 30 June 2024 amounts to EUR 47 million (EUR 58 million in the

same period in 2023), and approximately 9% of this cash advances are covering a lease period of 10 years or less (approximately 7% in the same period 2023).

In line with the increase in operating income, Adjusted EBITDA was 6% higher than at the same period in 2023, reflecting the Group's capacity to generate cash flows on a continuous basis.

In this previous context of intense growth, the "Depreciation and amortisation" expense has increased by 3% compared to the same period in 2023, as a result of the higher fixed assets (property, plant and equipment) in the accompanying consolidated balance sheet, following the additional capital expenditures carried out during the second half of 2023 and the first half of 2024.

During the first half of 2024, in relation to the potential divestment of the Group's operations in Austria, the Group has recognized an impairment amounting to EUR 265 million, in relation to goodwill and intangible assets for telecom infrastructure services, net of the corresponding tax effects. See Notes 6, 8, 17.d and 19.f of the accompanying interim condensed consolidated financial statements.

Moreover, the net financial loss increased by 15%, derived largely from the new bond issuances and credit facility disposals carried out during 2023 and the first half of 2024.

The income tax line for the six-month period ended on 30 June 2024, includes the positive effect derived from the recognition of a deferred tax asset, amounting to EUR 116 million, and the reversal of deferred tax liabilities for an amount of EUR 21 million, associated with the potential divestment of the Group's operations in Austria. See Note 17.d of the accompanying interim condensed consolidated financial statements.

Therefore, in accordance to the abovementioned, the net loss attributable to the parent company on 30 June 2024 amounted to EUR 418 million mainly due to the impairment loss in relation to the assets in Austria as well as the substantial effect of higher amortisations and financial costs associated with the intense investment effort carried out during the previous years, and the consequent geographical footprint expansion. Thus, as detailed in the Annual Results Presentation, the Group expects to continue experiencing a net loss attributable to the Parent company in the coming quarters.

Consolidated Balance Sheet

Total assets at 30 June 2024 stood at EUR 43,675 million, a 2% decrease compared to the 2023 year-end, mainly due to both the systematic depreciation and amortisation of the intangible and tangible fixed assets, as well as the divestment of sites in France in accordance with the Divestment Remedy required by the FCA in the Hivory Acquisition (see Note 6 to the accompanying Interim Condensed Consolidated Financial Statements) offset by the investments carried out during the first half of 2024. In addition, during the first half of 2024, as mentioned above, the Group has recognized an impairment amounting to EUR 265 million, in relation to goodwill and intangible assets in Austria, net of the corresponding tax effects. Around 80% of total assets concern property, plant and equipment and other intangible assets, in line with the nature of the Group's business related to the management of terrestrial telecommunications infrastructure.

The total investments carried out in the first half of 2024 amounted to EUR 814 million, mainly related to business expansion that generates additional Recurring Leveraged Free Cash Flow (including decommissioning, telecom site adaptation for new tenants and prepayments of land leases), as well as expansion capital expenditures related to committed build-to-suit programmes and engineering services with various clients (see Note 7 to the accompanying Interim Condensed Consolidated Financial Statements). Moreover, over this period the Group has also invested in maintaining its infrastructure and equipment, keeping sites in good working order, which is key to maintaining a high level of service.

Consolidated net equity at 30 June 2024 stood at EUR 14,849 million, in line with the 2023 year-end, without relevant equity transactions during the period.

In relation to bank borrowings and bond issues, the Cellnex debt structure is marked by flexibility, low cost and high average life, and the 80% at a fixed interest rate. During the first half of 2024, the main variation was due to the maturity of the EUR 750 million bond issued by the Group in 2016 as well as the new bond issued in May 2024 for an amount of EUR 750 million, as detailed in Note 14 to the accompanying Interim Condensed Consolidated Financial Statements.

The Group's net financial debt as at 30 June 2024 stood at EUR 21,078 million compared with EUR 20,618 million at the end of 2023 (restated). Likewise, on 30 June 2024, Cellnex had access to immediate liquidity (cash & undrawn debt) to the tune of approximately EUR 3.9 billion (EUR 4.6 billion at the end of 2023).

Corporate Rating

At 30 June 2024, Cellnex holds a long-term “BBB-” (Investment Grade) with stable outlook according to the international credit rating agency Fitch Ratings Ltd as confirmed by a report issued on 7 February 2024 and a long-term “BBB-” (Investment Grade) with stable outlook according to the international credit rating agency Standard & Poor’s Financial Services LLC as confirmed by a report issued on 5 March 2024.

1.4. Main risks and uncertainties

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

The main risks to the fulfillment of the Group’s objectives are as follows:

Strategic risks	I)	Risks related to the environment in which the Group operates and risks stemming from the specific nature of its businesses.
	II)	Risks of increasing competition.
	III)	The Group's status as a "significant market power" (SMP) operator in the digital terrestrial television (DTT) market in Spain imposes certain detrimental obligations on it compared with its competitors.
	IV)	Industry trends and technological developments may require the Group to continue investing in adjacent businesses to telecommunication towers, such as fibre, edge computing and small cells.
	V)	Spectrum is a scarce resource and it is highly dependent on political decisions. Access may not be secured in the future, which would prevent the Group from providing a high portion of its services in accordance with its plans.
	VI)	Risk related to a substantial portion of Group revenue being derived from a small number of customers.
	VII)	Risk of infrastructure sharing.
	VIII)	Risk of non-execution of the entire committed perimeter.
	IX)	The expansion or development of the Group's businesses, including through acquisitions or other growth opportunities, involve a number of risks and uncertainties that could adversely affect operating results or disrupt operations.
	X)	Risks inherent in the businesses acquired and the Group's international expansion.
	XI)	Risk related to the non-control of certain subsidiaries.
	XII)	Risks related to execution of Cellnex's capital allocation.
	XIII)	Regulatory and other similar risks.
	XIV)	Litigation.
	XV)	Risk related to the Parent Company's significant shareholders' interests differing from those of the Group.
Operational risks	XVI)	Risks related to the industry and the business in which the Group operates.
	XVII)	Risk of not implementing the Environment and Climate Change strategy
	XVIII)	Risks related to maintaining the rights over land where the Group's infrastructures are located.
	XIX)	Difficulties to attract and retain high quality personnel could adversely affect the Group's ability to operate its business.
	XX)	The Group relies on third parties for key equipment and services, and their failure to properly maintain these assets could adversely affect the quality of its services
Financial risks	XXI)	Financial information.
	XXII)	Expected contracted revenue (backlog).
	XXIII)	Foreign currency risks.
	XXIV)	Interest rate risk.
	XXV)	Credit risk.
	XXVI)	Liquidity risks.
	XXVII)	Inflation risk.
	XXVIII)	Risk related to the Group's indebtedness.
	XXIX)	The Parent Company cannot guarantee that it will be able to implement its Shareholders' Remuneration Policy or to pay dividends (and even if it were able to, that it would do so).
Compliance risks	XXX)	Fraud and compliance risks.
	XXXI)	Risk associated with significant agreements signed by the Group that could be modified due to change-of-control clauses.

Strategic risks

I) Risk related to the environment in which the Group operates and risks stemming from the specific nature of its businesses

The Group's business includes the provision of services through its four different segments: (i) Towers, (ii) DAS, Small Cells and RAN as a Service, (iii) Fiber, Connectivity and Housing Services and (iv) Broadcast. Any factor adversely affecting the demand for such services, some of which are not under the control of the Group (such as for instance, those which are a

consequence of the geopolitical environment and macroeconomic conditions), could potentially have a material adverse impact on its business, prospects, results of operations, financial condition and cash flows.

Through the Towers segment, the main business activity, the Group facilitates access to the spectrum (owned by its customers), by means of providing access to telecom through its connectivity services as well as the related passive and active infrastructure to external MNOs, typically under mid- and long-term contracts. Therefore, the Towers segment is highly dependent on the demand for such infrastructures and a decrease in such demand may adversely affect the Group's business.

In the Broadcast activity, the demand for the Group's communications depends on the coverage needs from its customers, which, in turn, depend on the demand for TV and radio broadcast by their customers.

Likewise, for the other segments, DAS, Small Cells and RAN as a Service, and Fiber, Connectivity and Housing Services, the demand for connectivity depends on public administrations as well as entities operating in the private and public sectors.

The willingness of the Group's customers to use the Group's communications infrastructures, contract its services, or renew or extend existing contracts on its communications infrastructures on the same terms, can be affected by numerous factors, (some of which are beyond the Group's control) including, among others:

- increased sharing initiatives among MNOs (both related to passive and active network sharing), roaming or resale arrangements by MNOs;
- mergers or consolidations among the Group's customers such as MNOs;
- reduced potential organic growth due to higher number of competitors in each market as many MNOs have already contractualized the roll-out plans with their own (or associated) towercos such as Totem, Vantage, DFMG or Inwit (please see "ii. Risk of increasing competition").
- the ability and willingness of MNOs to maintain or increase capital expenditures on network infrastructure;
- the financial condition of the Group's customers, including the availability or cost of capital;
- governmental licensing of spectrum or restrictions on or revocations of spectrum licenses;
- changes in electromagnetic emissions' regulations;
- changes in demand for TV and radio services and consumption habits (channels, etc.) by end consumers, including the level of multimedia content consumption;
- significant increases in the attrition rate of customers regarding the number of PoPs or customer ratio, (among others, due to the increased number of towercos (please see Risk ii) some clients can withdraw their equipments from the Group's towers), or decreases in overall demand for broadcast space and services, caused by, among others, the adoption of new digital patterns by customers and the obsolescence of the products and services rendered by the Group's companies;
- a decrease in consumer demand for wireless telecom and broadcasting services due to economic, political and market/regulatory conditions, disruptions of financial and credit markets or other factors, including inflation, zoning, environmental, health or other existing government regulations or changes in the application and enforcement thereof, as well as taxes/customs duties levied on the Group's services;
- the evolution of the advertising business' revenue in the media sector, and especially, TV, internet and radio;
- changes in connectivity to the internet;
- an increase in demand for private networks;

- the evolution of public internet;
- changes in the data traffic demand worldwide as well as changes in data transmission prices and speed;
- the availability or capacity of the Group’s infrastructure or associated land interests where the infrastructure is located;
- the location of the Group’s wireless infrastructure;
- changes in, or the success or failure of, the Group’s customers’ business models;
- delays or changes in the deployment of next generation wireless technologies or the failure by the Group to anticipate the development of new wireless technologies;
- technological advances and development of alternative technologies that the Groups does not currently use, such as the development of satellite-delivered and optical fibre-delivered radio and video services and internet TV;
- the existence of alternative providers of the Group’s services or, alternatively, the self-provision of services by the Group’s customers;
- the willingness of the Group’s current or future customers to make contractual arrangements with the Group under the current terms and conditions; and
- the Group’s customers’ desire to renegotiate its agreements with them or to adversely amend current contractual arrangements.

As a result of these factors the Group’s customers may scale back their need or demand for its services which could materially and adversely affect the degree of utilisation of the capacity of the Group’s communications infrastructures and its network and connectivity development services, which could have a material adverse effect on the Group’s business, prospects, results of operations, financial condition and cash flows.

To reduce its exposure to risks as a result of the environment in which it operates, the Group has pursued a selective international expansion plan, diversification and growth policy, fostering understanding with Government Agencies to develop infrastructures. In addition, it has continued to implement an efficiency plan in order to streamline operating investments and expenditures.

II) Risk of increasing competition

The Group may experience at any time increased competition in certain areas of activity from established and new competitors, for example as a result of other infrastructure providers entering the European market. Telxius completed in 2021 an agreement with American Tower for the sale of its telecommunication towers division in Europe. Therefore, American Tower has significantly increased its presence in the European market and becoming a key player and strong competitor of the Group. In addition several infrastructure funds acquired portfolios of towers from Vodafone and DFMG, thus reduced the addressable market of the Group both to grow organically and inorganically. The industry is competitive and customers have access to alternatives in telecom infrastructure services and other network services, whereas for broadcasting TV the alternatives are more limited. Where the Group acts as a provider of services, competitive pricing from competitors could affect the rates and services income. In addition, competition in infrastructure services could also increase the cost of acquisition of assets and limit the Group’s ability to grow its business. Moreover, the Group may not be able to renew existing services agreements or enter into new services agreements. The higher prices for assets, combined with the competitive pricing pressure on services agreements, could make more difficult for the Group to achieve targeted returns on investments.

Increasing competition for obtaining organic growth from other clients, the acquisition of infrastructure assets or companies in the context of the Group’s business expansion has made the acquisition of high quality assets significantly more costly, and taking into consideration the Group's business nature, with long term contracts, fixed fees normally inflation-linked, more and more infrastructure funds and private equity firms have shown appetite towards this kind of assets. Some competitors

are larger than the Group and may have greater financial resources, while other competitors may apply investment criteria with lower return on investment requirements. Likewise, Cellnex also faces competition or may face future competition from its US peers. Additionally, some of the Group´s customers have set up their own infrastructure companies, while more European MNOs are increasingly showing their willingness to set their own infrastructure vehicles, which could drive to scarcity in terms of assets for sale (thus generating inflation on prices for assets), combined with more competitiveness on the normal course of the Group’s business limiting the organic growth potential.

Besides, if the Group is unable to compete effectively with its competitors or anticipate or respond to customer needs, the Group could lose existing or potential customers, which could reduce its operating margins and have a material adverse effect on the Group´s business, prospects, results of operations, financial conditions and cash flows.

III) The Group’s status as a “Significant Market Power” (“SMP”) operator in the digital terrestrial television (“DTT”) market in Spain imposes certain detrimental obligations on it compared to its competitors

In 2006, the Group was classified as a SMP operator by the competition authorities. Given its dominant market position, the National Commission of Markets and Competition (Comisión Nacional de los Mercados y de la Competencia, or “CNMC”, the former Comisión del Mercado de las Telecomunicaciones, or “CMT”) imposed certain regulatory remedies on it to allow it to operate in the broadcasting market which, amongst others, set out that if the Group is not able to reach a voluntary commercial agreement with an operator, the CNMC will dictate the commercial conditions of the agreements. The CNMC has introduced certain flexibility to those conditions as per the latest review of the relevant market, concluded on 17 July 2019 with the publication of Resolution approving the definition and analysis of the wholesale market for the television broadcasting transmission service (Market 18/2003, as notified to the European Commission and the European Electronic Communications Regulators Entity).

The competitors of the Group in the market who are not considered to be a SMP operator because of their low market share and limited coverage capacity are not subject to these obligations. These obligations and potential additional obligations imposed on the Group by the regulatory authorities vis-à-vis its competitors could materially and adversely affect the Group’s business, prospects, results of operations, financial condition and cash flows.

IV) Industry trends and technological developments may require the Group to continue investing in adjacent businesses to telecommunication towers, such as fibre, edge computing and small cells

European MNOs are apparently moving towards a less infrastructural-based business model, thus the sharing trends in the telecommunications sector are increasing, especially given the upcoming 5G technological cycle. In this context, Cellnex may need to reinforce its services' offer in order to meet the needs of its customers, increasingly investing in adjacent businesses to telecommunication towers, such as RAN as a Service, fibre, edge computing, small cells, or acquisition of lands.

While the above adjacent businesses can be managed through co-location services offered by a neutral provider (in a similar way to the Group’s current Towers business segment and potentially with comparable economic principles), the Group may face certain additional risks, such as (i) execution risk of entering into new businesses; (ii) limited local know-how about the commercial potential of new business deployments; (iii) higher financing requirements, requiring in turn increased financing capabilities; (iv) the need to have a large-scale to become a relevant player in these businesses given global and local competition; (v) increased risk of overbuilding capacity affecting the price equilibrium in the market; (vi) compliance with new regulations; (vii) risk of over-paying, giving the high current valuations due to growing investors' demand; and (viii) increased competition against players holding better operational capabilities, among others. It should be noted the Group is assessing opportunities to expand its RAN as a Service in Poland, which could generate additional complexity, execution risks and increase funding needs.

The Group believes it has the technical know-how to support the long term needs of its customers and has been gradually investing in adjacent asset-class businesses in order to gain experience and mitigate potential future risks, however failing to overcome such risks could have a material adverse effect on the Group’s business, prospects, results of operations, financial condition and cash flows.

V) Spectrum is a scarce resource and it is highly dependent on political decisions. Access may not be secured in the future, which would prevent the Group from providing a high portion of its services in accordance with his plans

The Group and its customers are highly dependent on the availability and accessibility of sufficient spectrum for the provision of services. Spectrum is a scarce resource and the process for guaranteeing access to it is highly complex, costly and time-consuming.

The Group depends upon spectrum allocation for the wireless services that it provides, either in the Towers segment (4G, 5G, etc.), the Broadcast segment, (TV and radio) or the other segments, (Small Cells, Public Protection Disaster Relief, IoT or radio links). The Group cannot guarantee that the spectrum needed to appropriately render its services or the spectrum needed by its customers will be available in the future, and any change in spectrum allocation could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

The licenses and assigned frequency usage rights that the Group and its customers use for services such as connectivity have a finite maturity. The Group and its customers could be unable to renew or obtain their licenses and frequency usage rights necessary for their business upon expiration of their terms or they may have to make significant investments to maintain its licenses, either of which could have a material adverse effect on their business, prospects, results of operations, financial condition and cash flows.

Focusing into the Broadcast segment, the Group owns the infrastructures and equipment that broadcasters use to compress and distribute their signals in Spain and the Netherlands. The evolution of technology standards, formats, coding technologies and consumer habits is likely to influence the future spectrum demand for broadcasting services.

The Group cannot guarantee that its customers or DTT broadcasters will have sufficient access to spectrum in the long-term to maintain and develop its current services.

Following the EU regulation in this matter, the Spanish government passed Royal Decree 391/2019 approving the new National Technical Plan for DTT and the regulation of certain aspects of the liberalization of the "second Digital Dividend". This Royal Decree states that the sub-700 megahertz ("MHz") will continue to be used for DTT broadcasting until, at least, 2030. Nonetheless, since the allocation of spectrum is decided by the Spanish government, the Group is highly dependent on political decisions for the future of its DTT broadcasting business, which decisions are outside of its control.

Since the allocation of spectrum is decided by the Spanish government, the Group is highly dependent on political decisions for the future of its DTT broadcasting business, which decisions are outside of its control. In the event that the number of MUXs available for DTT is further reduced, the Group's customers could lose some of its current DTT multiplex spectrum currently licensed.

Finally, the Group believes that any delays in 5G rollouts in member states of the European Union ("Member States" and the "EU", respectively) are likely to be temporary rather than long lasting, considering the systemic importance of universal broadband access. However, 5G rollouts could also be adversely affected by growing concerns, fuelled in part by unreliable sources propagated through social and other media, that 5G's radio waves could pose health risks, which could materially affect the Group's business, prospects, results of operations, financial condition and cash flows.

VI) Risk related to a substantial portion of the revenue of the Group is derived from a small number of customers

In the Towers segment the Group's main clients are telecom operators (mostly MNOs); in the Broadcast segment its main clients are media broadcasters (TV channels and radio stations); and in the other segments (DAS, Small Cells and RAN as a Service and Fiber, Connectivity and Housing Services) the main clients are (i) a small number of public administrations, at national, regional and/or local levels, (ii) safety and emergency response organizations, (iii) companies operating in the utility sector, and (iv) certain telecom operators. The ongoing consolidation process in the telecom and broadcasting sectors may result in a decrease in the number of MNOs or media broadcasting operators in the future, which could potentially have a negative impact on the main segments of the Group.

The Group's reliance on a small group of customers may adversely affect the development of its business. As such, the loss of one or more of any of the Group's main customers, resulting from, amongst others, a merger, bankruptcy, insolvency, network sharing, loss of licenses, roaming, joint development, resale agreements or contract early termination may have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

The Group cannot guarantee that contracts with its major customers will not be terminated (including contractual agreements to transfer or build assets under the Group's acquisition agreements, purchase commitments and build-to-suit programs), or that these customers will renew their contracts with the Group on the same terms or at all, including due to disagreements regarding certain terms or matters or otherwise. Any of the above could potentially have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows. Further, the Group is exposed to constant renegotiation and renewal processes of its contracts with its customers, (especially those related to the DAS, Small Cells and RAN as a Service, Fiber, Connectivity and Housing Services and Broadcast segments), which may result in the current contractual arrangements being adversely amended, which could in turn affect the total value of its contracts. The Group completed during last years a general cycle of renewal of contracts in the Broadcast segment that has led to a downward revision of prices paid by the Group's customers and reducing the indexation to inflation. Contracts in the DAS, Small Cells and RAN as a Service, Fiber, Connectivity and Housing Services and Broadcast segments have generally shorter terms than contracts in the Towers segment, and accordingly they need to be renewed more frequently. In addition, certain contracts for services may be cancelled under certain circumstances by the customer at short notice without penalty. The termination of the contracts ("churn") with major customers may materially and adversely affect the Group's business, prospects, results of operations, financial condition and cash flows.

In addition, the maturities of the lease contracts, sub-lease contracts and other types of contracts with third parties to operate and manage land and rooftops where the Group's telecommunications infrastructures are located, are generally shorter than the contracts that the Group has entered into with its customers for the provision of services in such infrastructures. As a result, there is a mismatch in the maturities of both contractual relationships which could prevent the Group from successfully providing agreed upon services to its customers, as the Group may not have access to primary resources essential to execute such contractual obligations. The real property interests of the Group relating to its infrastructures consist primarily of ownership interests, fee interests, easements, licenses and rights-of-way. A loss of these interests at a particular infrastructure may interfere with the Group's ability to operate infrastructures and generate revenues. Land owners could decide not to renew, or to adversely amend the terms of the land lease contracts with the relevant Group company, or landlords may lose their rights to the land they own, or they may transfer their land interests to third parties. Also, some landlords can force Cellnex to leave the towers and look for a new land. Moreover, land aggregator entities, which tend to intermediate ground lease prices by acquiring large portfolios of land contracts, may increase the price for the Group's land lease contracts, which could result in a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows. In addition, subsidiaries of the Group may in the future become involved in disputes with their landlords, which could interfere with the Group's operation of a given site or force the Group to build new sites in order to continue providing services to its customers. The Group's inability to negotiate rent renewals on attractive terms, or to protect its rights to the land on which its infrastructures are located, may result in an increase in costs and may interfere with the Group's ability to operate infrastructures and generate revenues. Any damage or destruction to the Group's infrastructure due to unforeseen events, including natural disasters, may impact the Group's ability to conduct its business. Additionally, if the loss of service is not deemed to be due to an unforeseeable force majeure event, the Group could be held responsible for failing to satisfy its obligations under its transmission contracts, which could result in service credit penalties or suspension of normal fees and annual charges. If the Group is unable to provide services to its customers, it could lead to a loss of customers, resulting in a corresponding material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

In addition, some contracts entered into by the Group provide that certain expenses are passed through to the Group's customers, such as energy costs, and the Group cannot guarantee that the pass through mechanism will protect 100% of the energy cost borne by the Group during the full term of the contract (especially in the current geopolitical situation leading to energy prices escalation), which may have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows. In addition, Cellnex could potentially be exposed to fines if Cellnex were found to be engaged in the electricity resale business simply because energy costs are included in the charges for which it bills its customers. Electricity supply is a regulated activity in countries where Cellnex operates.

Moreover, potential energy outages, especially in the context of the military conflict between Russia and Ukraine and disrupting supply chains may affect the Group's relationship with its customers, especially in those businesses where the

Group operates active equipment providing the communications signal (such as the Broadcasting in Spain or the active network model in Poland).

In the ordinary course of its business, the Group experiences disputes with its customers, generally regarding the interpretation of terms in the Group's commercial agreements. It is possible that such disputes could lead to a termination of the Group's contracts with customers or a material modification of the terms of those agreements, either of which could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows. If the Group is forced to resolve any of these disputes through litigation, its relationship with the relevant customer could be terminated or damaged, which could lead to decreased revenue or increased costs, resulting in a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

Additionally, in relation to Towers, the Group currently differentiates from its competitors through the neutrality of its position in the market. The loss or weakening of such neutral position as a result of one customer becoming a reference or controlling shareholder of the Parent Company could lead to the termination of contracts or to a loss of customers; and hence, to a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

VII) Risk of infrastructure sharing

While the Group believes the neutral operator model presents certain advantages and there is a growing trend of externalization of the provision of wireless communications infrastructure, extensive sharing of site infrastructure, roaming or resale arrangements among wireless service providers as an alternative to using the Group's services may slow down entering into new service agreements. Moreover, if MNOs utilize shared equipment (either active or passive) rather than deploy new equipment, it may result in the decommissioning of equipment on certain existing infrastructure because parts of the customers' networks may become redundant.

Any potential merger, integration or consolidation of the Group's customers would likely result in duplicate or overlapping networks, which may result in the termination or non-renewal of customer contracts (for example where they are co-customers on an infrastructure) and in the loss of commercial opportunities resulting in a lower number of potential customers for the Group. Likewise, the Judgment of the General Court (First Chamber, Extended Composition) issued on May 28, 2020 which annulled the Commission Decision C(2016) 2796 of May 11, 2016, declaring incompatible with the internal market the concentration resulting from the acquisition of Telefónica Europe Plc by Hutchison 3G UK Investments Ltd. may increase the interest of the Group's customers to merge, which could result also in the loss of commercial opportunities for the Group. In addition, customer consolidation may result in a reduction in their total future capital expenditures because their expansion plans may be similar. As a result of the above, either MNOs' consolidation or broadcasters' consolidation could decrease the demand for the Group wireless infrastructure, which in turn could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

VIII) Risk of non-execution the entire committed perimeter

The framework agreements for the provision of services with anchor customers may include clauses by which the parties agree to execute further acquisitions or the construction of infrastructures over a defined period or acquisition or construction of a maximum number of infrastructures. Such agreements may or may not be implemented, either in whole or in part, due to a potential integration or consolidation of the Group's customers. Moreover, customers could decide not to pursue such agreements due to a change in their business strategy. In addition, such agreements with anchor customers may include the unilateral right to dismiss a low-single digit percentage of the total sites (respiration rate clause) per year. If any these circumstances were to occur, there is no guarantee that the Group may have enough contractual protection in order to be compensated for such changes, which in turn could have a material adverse effect for the Group's business, prospects, results of operations, financial condition and cash flows.

IX) The expansion or development of the Group's business, including through acquisitions or other growth opportunities, involve a number of risks and uncertainties that could adversely affect operating results or disrupt operations

The Group's strategy is aimed at strengthening and expanding its operations, including through the acquisition of assets, entities or minority interests (including minority stakes in companies where the Group already holds a majority interest), joint

ventures, mergers and other arrangements in the countries where the Group currently operates or elsewhere, which could require, among other matters, new debt and the issuance of shares (of Cellnex or its affiliates) to finance such growth opportunities and in the case of acquisitions of minority interests as described above, payments of prices which are inflationary, strongly revaluated, or higher than the original price paid by the Group (as it is already agreed upon in the relevant shareholders agreements), following the revaluation of Cellnex's share price performance (from the signing of those transactions and until the acquisition of those minority interests). For example, in 2019 the Group purchased 90% of the share capital of Swiss Infra for a total consideration (Enterprise Value) of approximately EUR 770 million and in 2021 the Group acquired an additional 10% for EUR 131.5 million, or in 2019 the Group acquired 70% of the share capital of On Tower France for an aggregate upfront consideration of approximately EUR 1.4 billion, and in 2022 the Group acquired the remaining 30% non-controlling interest from Iliad, S.A. for EUR 950 million. Additionally, in 2021 the Group acquired 60% of the share capital of On Tower Poland for a total consideration (Enterprise Value) of approximately EUR 1,458 million, and in 2022 and 2023, respectively, the Group acquired and additional 10% and the remaining 30% non-controlling interest from Iliad Purple for an amount of approximately EUR 131 million and EUR 512 million, respectively (Euro value of the date of completion), exclusive of taxes. Consequently, the Group expects that the acquisition of minority stakes may follow, at least, the same pattern and therefore for the price to be inflationary with respect to the purchase price of the majority stakes.

The Group's growth strategy deployed in recent years has an impact in the accounting losses due to a prudent depreciation and amortization policy and it exposes the Group to operational and strategic challenges and risks such as the need to identify potential acquisition or divestment opportunities on favourable terms, the diversion of management's attention from existing business, the potential impairment of acquired intangible assets, including goodwill, or the acquisition of liabilities or other claims from acquired businesses, including liabilities under "successor liability" doctrines in connection with employment, pension, tax, regulatory, environmental, accounting and other matters, which may significantly impact the value of the acquired target and the overall viability and success of the intended business.

Prior to entering into an acquisition agreement, the Group generally performs due diligence with respect to the target or the relevant assets, but such inspection is limited by its nature. Additionally, the Group's analysis and risk evaluation prior to entering into any acquisition agreements are based on the accuracy and completeness of the information available to the Group. The Group may not independently verify the accuracy or completeness of certain of the information made available to it in the context of its due diligence procedures.

Any assets acquired by the Group may be subject to hidden material defects that were not apparent or that otherwise the Group failed to discover or consider at the time of the acquisition. To the extent the Group or other third parties underestimated or failed to identify risks and liabilities associated with an acquisition, the Group may incur, directly or indirectly, in unexpected liabilities, such as defects in title, an inability to obtain permits enabling the Group to use the underlying infrastructure as intended, or other environmental, structural or operational defects or liabilities requiring remediation. As such, in accordance with IFRS 3, at an acquisition's completion date Cellnex recognises contingent liabilities (which are a result of present obligations arising from past events, where the fair value can be reliably measured) arising from the purchase price allocation process in business combinations, even if it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Failure to identify any such defects, liabilities or risks or to adequately address any such defects, liabilities or risks could expose the Group to unanticipated costs and liabilities or could result in the Group having acquired assets which are not consistent with its investment strategy, which are difficult to integrate within its portfolio, which fail to perform in accordance with expectations, and/or which adversely affect the Group's reputation, which, in turn, could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

In addition, achieving the benefits of new acquisitions depends in part on the timely and efficient integration of the acquired business operations, communications infrastructure portfolio and personnel. Integration may be difficult and unpredictable for many reasons, including, among other things, differing financial, accounting, reporting, information technology and other systems and processes, cultural differences, differences in customary business practices and conflicting policies, procedures and operations. In addition, integrating businesses may significantly burden management and internal resources. There could also be integration risks related to the commercialization of the spaces where newly acquired sites are located, as well as in connection with the transition of the payments, the retention of existing customers on newly acquired sites, including obtaining the necessary prior consents to assign the relevant services agreements, and the implementation of the Group's standards, controls, procedures and policies with regards to any newly acquired towers. The Group may also face the risk of failing to efficiently and effectively integrate the new assets into the Group's existing business or to use such assets to their full capacity.

The Group's growth strategy is also linked, among other factors, to the capacity to successfully decommission and build new infrastructures. The framework agreements for the provision of services signed with anchor customers may include agreements for the further acquisition or construction of infrastructures over a defined period of time or for the acquisition or construction of a maximum number of infrastructures. Such agreements may or may not be implemented, either in whole or in part, due to a potential integration or consolidation of the Group's customers or due to a change in their business strategy or due to the impact of the Russian invasion of Ukraine, among others. In addition, such framework agreements with anchor customers may include the unilateral right of the customer to dismiss a low single-digit percentage of the total sites per year (Respiration Rate). Any of the foregoing could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows. In addition, the Build-to-Suit programs are executed on the basis of framework agreements with third-party suppliers or with the customers that will use the new infrastructures. As such the Group relies on third parties to effectively execute its contractual obligations and despite long term contracts tends to be based on fixed costs, the raw materials price increase might ultimately negatively affect the final cost of the infrastructures this impacting the Group's prospects. Moreover, the Group may face additional challenges in managing its expansion into new countries or into countries where the Group may have limited knowledge and understanding of the local market, business relationships and familiarity with the local governmental procedures and regulations.

In the ordinary course of its business, the Group reviews, analyses and evaluates potential transactions, assets, interests, activities or potential arrangements that the Group believes may add value to its business or its scope of services. Failure to timely identify growth opportunities may adversely affect the expansion or development of the Group's business. In addition, the failure to correctly assess the terms and conditions of potential transactions could imply unexpected costs to the Group, or could prevent the Group from obtaining the full benefit of the related business expansion (e.g., by way of changes in the expected perimeter of the relevant transaction upon closing), or any benefit at all, any of which could in turn materially and adversely affect the Group's business, prospects, results of operations, financial condition and cash flows. Moreover, the Group may fail to sufficiently assess the price adjustments that should be taken into account for potential changes in the perimeter of the target, or may fail to successfully absorb them or pass them onto its customers, which could imply unexpected costs to the Group and could materially and adversely affect the Group's business, prospects, results of operations, financial condition and cash flows.

The Group may face contingencies, including delays, in the implementation of its strategy (including due to the lack of suitable acquisitions or buyers for assets, the failure to negotiate and agree acceptable purchase or divestment agreements or the failure to satisfactorily complete due diligence). In addition, the completion of any pending or future acquisitions may be subject to the satisfaction of certain conditions precedent, some of which may not be within the Group's control, and failure to satisfy such conditions may prevent, delay or otherwise materially adversely affect the completion of the relevant acquisition. As such, there is no assurance that any such pending or future acquisitions or divestments will be completed or, if completed, that it will be completed on the same terms as are described in the transaction agreements. For example, necessary regulatory or administrative authorizations or approvals, including antitrust approvals, may be refused or may only be granted by way of the provision of certain remedies, involving divestitures or otherwise, on onerous terms, and any such refusal or imposition of remedies, involving divestitures or otherwise, on onerous terms may limit the Group's ability to grow its portfolio of assets in a particular market or jurisdiction as expected or at all, or may result in significant delays and/or significant unexpected costs in relation to a particular acquisition.

Even if compliant with antitrust legislation, the Group may not be able to consummate such transactions, undertake such activities or implement new services successfully due to disruptions in its activities, increased risk of operations or other consequences which could negatively impact the Group's business and its prospects. In addition, the loss of the Group's neutral position may cause sellers of infrastructure assets to be reluctant to enter into new joint ventures, mergers, disposals or other arrangements with the Group, and adversely impact its growth strategy. As the Group increases its size, management expects that large MNOs may be open to collaborating with the Group in several ways, such as by selling their sites or other infrastructure assets to the Group, including in exchange for Shares, which could negatively impact the Group's business and its prospects as this type of transactions could affect the perception of the Group's neutrality.

Market conditions and other factors, such as the Group's competitors' willingness to also expand their businesses through the acquisition of the same assets, entities or minority interests that the Group seeks to acquire, may also adversely affect the Group's ability to identify and execute acquisitions or increase the acquisition costs.

Additionally, the Group may experience at any time increased competition in certain areas of activity from established and new competitors, for example as a result of other infrastructure providers entering the European market. Further, any such

competitors could become a significant landlord of the Group's portfolio. The Group's main competitors are Vantage Towers, American Tower, Phoenix Tower, TOTEM, Inwit, TDF or CTIL, among others. A potential combination of any of those would create a more predominant competitor.

The industry is competitive and customers have access to alternatives in Towers, DAS, Small Cells and RAN as a Service, Fiber, Connectivity and Housing Services, whereas for Broadcast the alternatives are more limited. Where the Group acts as a provider of services, competitive pricing from competitors could affect the Group's rates and services income. In addition, competition in infrastructure services could also increase the cost of acquisition of assets and limit the Group's ability to grow its business. Moreover, the Group may not be able to renew existing services agreements or enter into new ones. Higher prices for assets, combined with the competitive pricing pressure on services agreements, could make it more difficult for the Group to achieve its return on investment criteria. Increasing competition for the acquisition of infrastructure assets or companies in the context of the Group's business expansion could make the acquisition of high quality assets significantly more costly (taking into consideration the nature of the Group's business, with long-term contracts and fixed fees which are normally inflation-linked, infrastructure funds and private equity firms are showing increasing appetite towards this class of assets), and could materially and adversely affect the Group's business, prospects, results of operations, financial condition and cash flows. Some competitors are larger than the Group and may have greater financial resources, while other competitors may apply investment criteria with lower return on investment requirements. Likewise, the Group also faces competition or may face future competition from its peers. In addition, some of the Group's customers have set up their own infrastructure companies and more European MNOs are increasingly showing their willingness to establish their own infrastructure vehicles, which could lead to increases in the demand for assets for sale (thus leading to increases in asset prices), as well as increased competition in the ordinary course of the Group's business, limiting potential organic growth. Moreover, these MNO-captive infrastructure vehicles could eventually join together, further limiting the Group's inorganic growth prospects.

If the Group is unable to compete effectively with such customers and other competitors, or to effectively anticipate or respond to customer needs or consumer sentiment, it could lose existing and potential customers, which could reduce the Group's operating margins and have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

The Group is also subject to a number of construction, service provision, financing, operating, regulatory and other risks related to the development, expansion and maintenance of its infrastructure, many of which are beyond its control. The operation, administration, maintenance and repair of some of the Group's infrastructures requires coordination and integration of highly sophisticated and specialized hardware and software technologies and equipment, which, consequently, require significant operating expenses and capital expenditures, as well as highly- qualified personnel with the relevant technical know-how. Any failure in the functioning of any of such technologies or equipment may expose the Group to reputational risks, as well as the risk of losing clients, amongst others.

There are additional risks associated with doing business internationally, including changes in a specific country's or region's political or economic conditions, inflation, deflation or currency devaluation, expropriation, unwind of state aids, subsidies and contracts or governmental regulation restricting foreign ownership or requiring reversion or divestiture, increases in the cost of labour (as a result of unionization or otherwise), power and other goods and services required for the Group's operations and changes in consumer price indexes in foreign countries which could adversely affect the Group's results of operations.

As a result, the Group is unable to predict the timeline for the successful execution of its strategy and there is no guarantee that the Group will be successful in identifying acquisitions, divestments or making any investments in a timely manner or at all. Generally, if the Group cannot identify, implement or integrate attractive opportunities on favourable terms or at all, or if the Group's foreign operations and expansion initiatives do not succeed as expected, they could adversely affect the Group's ability to execute its growth strategy. Any of the foregoing could materially and adversely affect the Group's business, prospects, results of operations, financial condition and cash flows.

X) Risks inherent in the businesses acquired and the Group's international expansion

Notwithstanding the Group's diversification of its risk exposure through the internationalisation of its operations, the Group cannot assure that the countries where it operates will not experience economic or political difficulties in the future.

The Group's customers in European markets such as Spain, Italy, France, the United Kingdom, Switzerland, Poland, Portugal and the Netherlands represent a significant portion of the operating income of the Group, therefore especially exposing it to risks affecting these countries. The Group increased its presence in the United Kingdom, following completion of the Hutchison United Kingdom Acquisition in 2022, and thereby increased its exposure to risks affecting this country. Notwithstanding the above, the Group is in process of completing the last disposal in France, as required in the context of the Hivory Acquisition.

Adverse economic conditions may have a negative impact on demand for the services the Group provides and on its customers' ability to meet their payment obligations. In periods of recession, the demand for services provided by the Group tends to decline, adversely affecting the Group's results of operations. A negative or low growth cycle could affect the Group in the European markets where the Group operates as of the date of the accompanying Consolidated Interim Directors' Report (in particular, in those countries with customers representing a significant portion of the operating income of the Group).

Some events could severely affect macroeconomic conditions and financial markets and exacerbate the risk of regional or global recessions or "stagflation" (i.e. recession or reduced rates of economic growth coupled with high inflation rates), all of which in turn may also materially and adversely affect the Group's business, results of operations, cash flows, financial condition and prospects.

Likewise, the Group is directly exposed to adverse political conditions in the European markets where the Group operates as of the date of the accompanying Consolidated Interim Directors' Report (in particular in those countries where there are customers representing a significant portion of the operating income of the Group). Also, changes in the international financial markets' conditions as a result of the effects of the Russian invasion of Ukraine pose a challenge to the Group's ability to adapt to them as they may have an impact on its business. The Group cannot predict how the economic and political cycle in such markets will develop in the short-term or in the coming years, or whether there will be a deterioration in political stability in them.

Therefore, the Group may be adversely affected by the adverse economic conditions or potential instability in the European markets where the Group operates as of the accompanying Consolidated Interim Directors' Report (in particular, in those countries where there are customers representing a significant portion of the operating income of the Group), while at the same time a more geographically diversified revenue source allows a lower risk exposure to specific country-related issues. In addition, the Group may be adversely affected by economic, social and political conditions in the countries in which its customers, suppliers and other counterparties operate.

Countries or supranational organizations, such as the EU, in the markets where the Group or its customers operate may develop and implement legislation, adopt decisions or otherwise change laws, regulations and treaties, or their interpretation thereof, which could materially and adversely affect the Group's business, prospects and results of operations. The European Commission has conducted investigations in multiple countries focusing on whether local rulings or local legislation violate EU state aid rules and concluded that certain countries, including Spain, allegedly provided illegal state aid in certain cases. The decisions of the European Commission and the national authorities in relation to such investigations, and any such changes to laws, regulations and treaties, or their interpretation thereof, and any related expropriation, cancellation, unwind, claw-back and recovery of state aids and subsidies could materially and adversely affect the Group's business, prospects and results of operations.

Because of the Group's significant presence in the United Kingdom, it may face the risk of political and economic uncertainty derived from the United Kingdom's decision to leave the EU which became effective on 31 January, 2020 ("Brexit"). Prior to that, on 24 January, 2020, the United Kingdom signed the Agreement on the withdrawal of the United Kingdom from the EU and the European Atomic Energy Community (the "Withdrawal Agreement"). Under the terms of the Withdrawal Agreement, a transition period ran until 31 December, 2020, during which time the United Kingdom continued to benefit from, and was bound by, many EU laws. On 24 December, 2020, the EU and the United Kingdom entered into three agreements setting out the terms of their post-Brexit relationship namely the Trade and Cooperation Agreement, the Agreement on Nuclear Cooperation, and the Agreement on Security Procedures for Exchanging and Protecting Classified Information. The Trade and Cooperation Agreement covers the general objectives and framework of the relationship between the United Kingdom and the EU, including in relation to trade, transport, visas, judicial, law enforcement and security matters, and mechanisms for dispute resolution. Under the terms of the Trade and Cooperation Agreement, the United Kingdom firms no longer benefit from automatic access to the EU single market and there is no longer free movement of people between the United

Kingdom and the EU. In addition, while domestic law derived from EU law, EU law directly applicable in the United Kingdom, and EU rights, powers, liabilities and obligations recognised and available in the United Kingdom, in each case immediately before 31 December, 2020, were, subject to certain exceptions, retained by the United Kingdom, the United Kingdom's law may diverge from EU law in the future. The legal, political and economic uncertainty resulting from Brexit may adversely affect the Group's business, prospects, results of operations, financial condition and cash flows in the United Kingdom, in particular because of the Group's significant presence in the United Kingdom.

Growing public debt, higher-for-longer interest rates, reduced growth rates and any measures of monetary policy that may be implemented in the future in the credit markets all could affect the Group's business. A change in any of these factors could affect the access of the Group to the capital markets and the terms and conditions under which it can access such capital, which could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

Furthermore, as a significant portion of the contracts of the Group with operators are inflation-linked and some do not have a minimum limit or floor, deflationary macroeconomic circumstances will have an adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows. Moreover, in the current high interest rate environment, most of the Group's contracts that are linked to inflation are capped at various levels, whereas the Group's operating expenses and payment of lease instalments are generally uncapped, which would negatively impact the Group's business, prospects, results of operations, financial condition and cash flows. However, even if contractually agreed, certain operators may not agree to bear the cost of the inflation impact on the Group's contracts.

As a consequence of the foregoing, the Group cannot assure that any estimates, forecasts, forward-looking statements or opinions contained herein or which may have been expressed in the past will remain accurate or will not abruptly change as a result of the effects of adverse economic and/or political conditions, in particular those deriving from the Russian invasion of Ukraine, the ongoing conflict in Middle East or the outcome of US elections in November 2024. Moreover, the Group's inability to reduce the impact of the foregoing could have a material and adverse effect on its business, results of operations, financial condition and prospects.

Risks related to acquisitions

Completion of any new acquisition or divestment is subject to the satisfaction of certain conditions, some of which are not within the Group's control, and failure to satisfy such conditions may prevent, delay or otherwise materially adversely affect the completion of the acquisition or divestment. Such conditions include the obtaining of an antitrust clearance decision by the relevant antitrust authority.

If the Group fail to complete a previously announced acquisition or divestment on the terms described in the agreements, it may not be able to obtain the expected synergies of the proposed business expansion represented by such transaction, and this failure could result in significant costs to the Company, all of which could materially and adversely affect the value of the Company's shares and the Group's deleveraging plans, business, prospects, results of operations, financial condition and cash flows. Additionally, liabilities and defects may emerge that are hidden or unknown at the time of the execution of any agreement.

Prior to entering into any agreement, the Group usually perform due diligence to identify any risks, including any potential liability arising out of the business and defects of the acquired tower business. However, the Group's capacity to physically inspect the acquired towers is limited and such towers may be subject to defects or risks that were unknown at the time of the execution of the agreements or at the time of completion of the transaction or were known but were not considered material.

In addition, the Group assume all rights and liabilities of the acquired business since the closing of the transaction, including liabilities under "successor liability" doctrines in connection with employment, pension, tax, regulatory, environmental, accounting and other matters. The Group may be subject to unknown or non-disclosed liabilities or contingencies, including those resulting from tax, labour, regulatory or accounting matters, as well as new contingencies derived from past events which the Group is unaware of or could not anticipate.

To the extent that the Group fails to identify, fully quantify or assess the materiality of such risks, the Group may incur unexpected liabilities and further costs, relating to, among others, property, environmental, labor, tax or regulatory matters, as well as structural and operational defects.

The Group may be unable to adequately address any such risks and the realization of any such risks could expose the Group to unanticipated costs and liabilities and prevent or limit the Group from realizing the projected benefits of the transaction, which could adversely affect the Group's business, prospects, results of operations, financial condition and cash flows.

The Group could not independently verify the accuracy or completeness of the information on the acquisitions

The Group's analysis and risk evaluation prior to entering into any agreements assumed on the accuracy and completeness of the information available to the Group. The Group could not independently verify the accuracy or completeness of certain of the information made available to it context of its due diligence procedures.

The Group may be unable to successfully integrate the new business into the Group

The operational integration of a new business into the Group could prove to be difficult and complex, and the benefits and synergies from such integration may not be in line with the Group's expectations. This may imply difficulties and costs in the integration process which are beyond the Group's control and may exceed those foreseen at the time of the signing of the agreements.

Difficulties may arise as a result of conflicts between control structures, procedures, standards, business cultures and policies, or compensation structures of the Group and those of business acquired, or the need to implement, integrate and harmonize diverse business operating procedures and financial, accounting, reporting, information technology and other systems, which could adversely affect the Group's ability to maintain relationships with the customers of the business acquired, employees, suppliers and other business partners following the acquisition.

There is also an integration risk related to the commercialization of the space where the sites are located, as well as in connection with the transition of the payments, the retention of existing customers on sites operated by the business acquired, including obtaining the necessary prior consents to assign the relevant service agreements and the maintenance of the Group's standards, controls, procedures and policies with regards to towers operated by the business acquired or divested.

The Group may also face the risk of failing to efficiently and effectively integrate the new assets into the Group's existing business or to use such assets to their full capacity. The Group expects to successfully combine the relevant businesses; however, in the event it cannot reach its objectives within the anticipated timeframe, or at all, or if the underlying assumptions for its expectations prove to be incorrect, the expected anticipated benefits and cost savings may not be fully realized, which could materially and adversely affect the Group's business and the value of the Parent Company's shares, prospects, results of operations, financial condition and cash flows.

It should be noted that the Group may face a risk of implementing an effective and unified culture across the different geographies where it is present as a result of several simultaneous integrations, potentially conflicting the alignment of its employees with the Group's strategy and the engagement of its workforce.

Additionally, the significant demands on the attention of the Group's management arising from the integration of the business acquired could result in other areas of the Group's business not receiving the attention they require, which could have an adverse effect on its business. If the Group is unable to manage the expanded organization, then it could impact in the opportunity to improve the efficiency of the Group's Consolidated Income Statement, in addition to any other difficulties that could arise if full integration of assets and resources of the business acquired is not achieved, which could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

XI) Risk related to the non-control of certain subsidiaries

Although Cellnex has full control and a 100% stake in the vast majority of its subsidiaries, Cellnex has made and may continue to make equity investments, which may include minority investments, in certain strategic assets managed by or

together with third parties, including governmental entities and private entities. In addition, the Group has full control over certain subsidiaries in which shareholders are holders of a minority investment.

Moreover, the Group may seek to rely on minority partners to fund future industrial projects, which could generate complexity, limit the ability to fund those projects and drag part of the operating leverage of the business by sharing the benefits through dividends paid to the those parties (thus impacting the Free Cash Flow generation of the Group).

Investments in assets over which Cellnex has partial, joint or no control are subject to the risk that the other holders of interest in the assets (making use their minority rights), who may have different business or investment strategies than Cellnex or with whom it may have a disagreement or dispute, may have the ability to independently make or block business, financial or management decisions, such as the decision to distribute dividends or the appointment of members of management, which may be crucial to the success of the project or Cellnex's investment in the project, or otherwise implement initiatives which may be contrary to its interests, creating impasses on decisions and affecting its ability to implement the foreseen strategy. Additionally, the approval of other shareholders or partners may be required to sell, pledge, transfer, assign or otherwise convey Cellnex's interest in such assets. Alternatively, other shareholders may have rights of first refusal or rights of first offer in the event of a proposed sale or transfer of Cellnex's interests in such assets. These restrictions may limit the price or interest level for Cellnex's interests in such assets, in the event it wants to dispose such interests. In addition, minority shareholders may target an exit through different mechanisms (i.e. put options, right of first offers, drag options, rights to acquire belonging to Cellnex, etc.) and the Group has the willingness to acquire such minority stakes. However, the price of this acquisition may be inflationary and strongly revaluated (as happened with the acquisition of the additional 30% of On Tower France as described in Note 2.h.II of the 2022 Consolidated Financial Statements, and with the acquisition of the remaining 30% of On Tower Poland as described in Note 2.h. of the 2023 Consolidated Financial Statements) or because this mechanisms may have already a defined price in the SHA, which is higher than the current original price paid by Cellnex.

During 2022, Cellnex France Groupe, Iliad, On Tower France and Free Mobile entered into two agreements, pursuant to which, Cellnex (through Cellnex France Groupe, of which Cellnex owns 100%) acquired 30% interest of the share capital of On Tower France, S.A.S ("On Tower France") from Iliad, S.A. ("Iliad"), for an amount of EUR 950 million, exclusive of taxes. The price paid was calculated pursuant to said agreement, which was very inflationary as happened with the acquisition of the additional 10% of Swiss Infra. Pursuant to this acquisition, Cellnex France Groupe held 100% of On Tower France as of 31 December 2022. In addition, Cellnex enhanced the Build-to-Suit programmes with 2,000 new sites (additional to the minimum 2,500 sites already committed -see Note 5 of the consolidated financial statements ended as of 31 December 2019-) until 2027, with an Enterprise Value of EUR 639 million. Moreover, during 2022, Cellnex Poland and Iliad Purple entered into an agreement, pursuant to which, Cellnex (through Cellnex Poland, of which Cellnex owns 100%) acquired 10% interest of the share capital of On Tower Poland, for an amount of PLN 615 million (approximately EUR 140 million at the current exchange rate) (exclusive of taxes). This price implied the same valuation of On Tower Poland applied at the closing of the Iliad Poland Acquisition. Pursuant to this acquisition, Cellnex Poland held 70% of On Tower Poland as of 31 December 2022. During 2023, Cellnex and Iliad Purple entered into an agreement pursuant to which Cellnex (through Cellnex Poland, of which Cellnex owns 100%) acquired an additional 30% interest in the share capital of On Tower Poland from Iliad Purple, for an amount of approximately PLN 2,273 million (with a Euro value of EUR 512 million as of the date of completion), exclusive of taxes. Following this acquisition, Cellnex Poland held 100% of On Tower Poland as of 31 December 2023 (see Note 2.h of the 2023 Consolidated Financial Statements). The Iliad Poland SHA was very similar to the Iliad France SHA with regards to the referred right to sell.

Other holders of interest in the Group´s assets may become insolvent or file for bankruptcy at any time, or fail to fund their share of any capital contribution that might be required. Finally, they may be unable, or unwilling, to fulfil their obligations under the relevant shareholder or joint investment agreements or may experience financial or other difficulties that may adversely affect Cellnex's investment in a particular joint venture. This may result in litigation or arbitration procedures generating costs and diverting Cellnex's management team from their other managerial tasks. In certain of Cellnex's joint ventures, it may also be reliant on the particular expertise of other holders of interest and, as a result, any failure to perform Cellnex's obligations in a diligent manner could also adversely affect the joint venture. If any of the foregoing were to occur, Cellnex's business, prospects, results of operations, financial condition and cash flows could be materially and adversely affected.

XII) Risks related to execution of Cellnex's capital allocation

Cellnex' strategy includes the aim to expand its operations while deleveraging to maintain Investment Grade status by S&P and Fitch, among others, through divestments. In this regard, during the first half of 2024, Cellnex achieved, earlier than expected, the Investment Grade rating from Standard & Poor's, ahead of the end-of-2024 target. Furthermore, in accordance with the 'Next Chapter', the Company has conducted an analysis of its current presence and potential path in the countries in which it operates in order to selectively direct resources and efforts towards the growth opportunities that these markets may offer for Cellnex (see Note 6 of the accompanying Interim Condensed Consolidated Financial Statements for further detail). This strategy exposes Cellnex to operational challenges and risks, such as the need to identify potential opportunities on favourable terms. It also may expose Cellnex to other risks such as the diversion of management's attention from existing business or the potential impairment of acquired or divested intangible assets, including goodwill, as well as of liabilities or other claims.

Prior to entering into an agreement, Cellnex generally performs a due diligence exercise on the potential changes to existing or new tax laws or international tax treaties, methodologies impacting the Group's international operations, or fees directed specifically at the ownership and operation of communications infrastructures or its international acquisitions or divestments, which may be applied the acquisition or divestment. To the extent Cellnex or other third parties underestimated or failed to identify or disclose risks and liabilities associated with a transaction, it may incur, directly or indirectly, in unexpected liabilities, such as defects in title, an inability to obtain permits enabling Cellnex to use the underlying infrastructure as intended, environmental, structural or operational defects or liabilities requiring remediation. Failure to identify or disclose any defects, liabilities or risks could result in Cellnex having acquired or divested assets which are not consistent with its strategy which are difficult to integrate with the rest of the portfolio or which fail to perform in accordance with expectations, and/or adversely affect Cellnex's reputation, which, in turn, could have a material adverse effect on its business, prospects, results of operations, financial condition and cash flows.

Generally, if Cellnex cannot identify, implement or integrate attractive acquisition or divestment opportunities on favourable terms or at all, it could adversely impact its ability to execute its growth strategy.

XIII) Regulatory and other similar risks

Risks related to changes in tax and legal regulations and socio-political changes are significant, given that the Group carries out an activity subject to government regulations, as well as to the regulatory framework in the European Union (the "EU"). These changes in tax and legal regulations could be applied or enforced retroactively. The main rules applicable to the Group and its customers include the availability and granting of licences for the use of the spectrum, the rates for its use and the commercial framework for the sale of terrestrial radio broadcasting assets and the obligations imposed on the Group by the Spanish competition authorities in relation to its broadcasting infrastructure activities.

Moreover, environmental and health regulation imposes additional costs and may affect the Group's results of operations. In the countries in which the Group operates, it is subject to environmental laws and electromagnetic regulations, as well as to the EU laws and regulations, concerning issues such as damage caused by air emissions, noise emissions and electromagnetic radiation. These laws are increasingly stringent and may create in the future substantial environmental compliance liabilities and costs.

Public perception of possible health risks associated with cellular and other wireless communications technologies could affect the growth of wireless companies, which could in turn slow down the Group's growth. In particular, negative public perception of these health risks could undermine the market acceptance of wireless communications services, increase opposition to the development and expansion of telecom infrastructures and lead to price increases of the infrastructure services where the infrastructures are located. The potential connection between radio frequency emissions and certain negative health or environmental effects has been the subject of substantial study by the scientific community in recent years and numerous health-related lawsuits have been filed against wireless carriers and wireless device manufacturers. If a scientific study or court decision in the jurisdictions in which the Group operates or elsewhere resulted in a finding that radio frequency emissions pose health risks to consumers, it could negatively impact the Group's customers and the market for wireless services, which could materially and adversely affect the Group's business, prospects, financial condition, results of operations and cash flows. The Group insurance coverage may not be sufficient to cover all or a substantial portion of any liability it may have.

The Group's services are affected by the current electromagnetic emission rules applicable in terms of limiting the emissions coming from equipment of the Group's customers hosted by the Group. Despite the fact that the radio emitting equipment is held by Cellnex, the Group´s customers are liable for the emissions of their own equipment. In the event that such rules were amended against the Group´s interest, they could limit its growth capacity and may adversely affect its business, prospects, results of operations, financial condition and cash flows.

The Group mitigates the risks to which is exposed from possible regulatory changes through coordination in the relevant country's governmental bodies to ensure that it follows prevailing local legislation and that it is able to anticipate regulatory changes.

XIV) Litigation

The Group is subject to the risk of legal claims and proceedings and regulatory enforcement actions in the ordinary course of business. The results of legal and regulatory proceedings cannot be predicted with certainty. The Group cannot guarantee that the results of current or future legal or regulatory proceedings or actions will not materially harm the Group's business, prospects, financial condition, results of operations or cash flows, nor can it guarantee that it will not incur losses in connection with current or future legal or regulatory proceedings or actions that exceed any provisions that it may have set aside in respect of such proceedings or actions or that exceed any available insurance coverage, which may have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

XV) The Parent Company's significant shareholder's interests may differ from those of the Group

As of 30 June 2024, there are three significant shareholders of Cellnex represented in the Board of Directors with one director each, which pursuant to publicly available information on the website of the Spanish Securities Market Commission (the "CNMV"): (i) Edizione S.R.L ("Edizione") indirectly holds approximately 9.90% of Cellnex's share capital; ii) The Children's Investment Master Fund ("TCI") directly and indirectly holds approximately 9.39% of Cellnex's share capital, and; (iii) GIC Private Limited ("GIC") directly and indirectly holds approximately 7.03% of Cellnex's share capital. Pursuant to publicly available information on the website of the CNMV, there are other significant shareholders with stakes above 3% of the share capital (see Note 13 of the accompanying Interim Condensed Consolidated Financial Statements).

Cellnex's significant shareholders may have an influence over those matters requiring shareholders' approval, including the appointment and dismissal of the members of the Board of Directors, the payment of dividends, changes in the issued share capital of Cellnex and the adoption of certain amendments to the bylaws. There can be no assurance that any current or future significant shareholder will act in a manner that is in the best interest of the Group, which could, in turn, adversely affect the Group's business, prospects results of operations, financial condition and cash flows.

Operational risks

XVI) Risks related to the industry and the business in which the Group operates

The sector where the Group develops its activities is characterized by rapid technological changes and it is essential to be able to offer the products and services demanded by the market and to select the appropriate investments.

The development and implementation of new technologies designed to enhance the efficiency of wireless networks or new technologies developing alternative network solutions (either broadcasting infrastructure or alternative technologies to the network services provided), or changes in the Group customers' business models, could reduce the need for infrastructure-based wireless services, reduce the need for broadcasting or network services, decrease demand for the Group's infrastructure space or reduce rates or other fees obtained in the past. In this regard, the Group faces the risk that its customers may not adopt the technologies the Group invests in. For example, as communication technologies continue to develop, competitors may be able to offer wireless telecom infrastructure products and services that are, or that are perceived to be, substantially similar to or better than those offered by the Group, or offer technologies that provide similar functionality with competitive prices and with comparable or superior quality.

The Group cannot be certain that existing, proposed or as yet undeveloped technologies of its complementary segments (such as, 5G, "Small Cells", DAS, data centres/edge computing and fibre will not become dominant in the future and render

the technologies and infrastructure the Group currently uses obsolete. Should the Group's competitors develop and commercialize new technologies designed to improve and enhance the range and effectiveness of wireless telecom networks, it could significantly decrease demand for existing infrastructure. In fact, the Broadcast business is threaten due to substitute new technologies such as cable TV, satellite TV, or OTTs, or low-orbit satellites might in the future challenge network configuration, negatively impacting the Towers business prospects.

The Group's business and growth prospects could be jeopardized if it was not able to promptly identify and adapt to shifting technological solutions and/or if it failed to acquire or develop the necessary capabilities and expertise to meet the clients' changing needs. The development and implementation of new services with a significant technological component is also subject to inherent risks that the Group may not be able to overcome.

In addition, customers of the Group's services may reduce the budgets they may have allocated to telecom infrastructure, broadcasting infrastructure or other services, as the industry constantly invests in the development and implementation of new technologies or because of changes in their business model. Examples of these technologies include spectrally efficient technologies, which could reduce the Group´s customers' network capacity needs and as a result could reduce the demand for infrastructure-based wireless services.

Moreover, certain Small Cell-based complementary network technologies, in which the Group is actively working, could shift a portion of its customers' investments away from the traditional infrastructure-based networks, which may reduce the need for MNOs to add more equipment at communication infrastructures. Moreover, the emergence of alternative technologies could reduce the need for infrastructure-based broadcast or network services. For example, the growth in the delivery of wireless communications, radio and video services by direct broadcast satellites could materially and adversely affect demand for the Group's infrastructure services. Further, a customer may decide to no longer outsource infrastructures or otherwise change its business model, which would result in a decrease in the Group's revenue.

In the Broadcast activity, digital terrestrial television ("DTT") is the method most widely used to transmit TV signals in Europe but an eventual unexpected increase in Spain of the use of alternative distribution platforms (such as satellite, cable or internet protocol television "IPTV") or the growth and deployment of Wi-Fi network could reduce the Group's current business volume. In the DAS, Small Cells and RAN as a service activity the Group uses, among other technologies, terrestrial tranked radio ("TETRA") services technology or radio links to deliver its services, and the use of alternative technologies could reduce its revenues and limit potential future growth. The development and implementation of any of these and similar technologies, as well as of new products and technologies, may render some of the products and services offered by the Group obsolete which could have a material adverse effect on its business, prospects, results of operations, financial condition and cash flows.

XVII) Risk of not developing the Environment and Climate Change strategy

Cellnex's degree of involvement and commitment to the environment and the fight against climate change has led it to develop the Environment and Climate Change strategy, aligned with the ESG Master Plan, based on 8 lines of action, all of which are aligned with the United Nations' ODS.

Failure to develop the plan would entail a reputational risk. A worse rating in the sustainability indices and in the analyses of proxy advisors would mean a worse valuation by investors. It would also represent a failure to comply with the commitments acquired in environmental matters with various international bodies and institutions (United Nations, Global Compact, Business for 1.5°C or Science-Based Targets initiative (SBTi) according to IPPC, TNFD, as well as with our stakeholders and society in general.

The Group may not comply with the environmental requirements established in the Spanish and/or European Legislative Framework, or with the requirements of listed companies such as those established in the Non-Financial Information and Diversity Act.

Failure to implement the measures set out in the Environment and Climate Change strategy to reduce the impact of climate change would ultimately have direct consequences for the Group's activity. Among these are the management of energy efficiency and the associated carbon footprint, due to the impact on, for example, cooling systems to compensate for the increase in temperatures at the various types of the Group's telecommunications sites; or supply chain management by incorporating suppliers into the carbon footprint reduction strategy. Failure to implement the mentioned strategy, could also

have an impact on the financing costs due to the increase in margins, as a consequence of sustainability KPIs (SBT) not achieved.

XVIII) Risks related to maintaining the rights over land where the Group's infrastructures are located

The Group's real property interests relating to its infrastructures consist primarily of ownership interests, fee interests, licenses and rights-of-way. A loss of these interests at a particular infrastructure may interfere with the Group's ability to operate infrastructures and generate revenues. In the context of acquisitions, the Group may not always have the ability to access, analyse and verify all information regarding titles and other issues prior to completing an acquisition of infrastructures and the absence of title or other issues can affect the Group's rights to access and operate an infrastructure.

The Group owns the majority of its telecommunications infrastructures it operates; however, the vast majority of the land and rooftops where these infrastructures are located is operated and managed through lease contracts, sub-lease contracts or other types of contracts with third parties (with the exception of the UK, where the group owns a large amount of the land where its sites are located). Thus, for various reasons, land owners could decide not to renew, or to adversely amend the terms of the ground lease contracts with the relevant Group company, or landlords may lose their rights to the land they own, or they may transfer their land interests to third parties. Also, some landlords may force Cellnex to leave the towers and look for a new land. In particular, the increasing presence of ground lease aggregators may negatively affect the Group´s ability to renew those contracts under commercially acceptable terms. For instance, the Group could lose its rights over the land, the land could be transferred to third parties or reversion of assets may be mandatory at the end of the relevant concession period. The Group also has long-term rights to use third party infrastructures and the non-compliance with its obligations would lead to the loss of the right to use these infrastructures. Lastly, in the future the Group must revert back to the corresponding government authorities certain assets under the terms of certain concession agreements (i.e. in Group subsidiaries such as Xarxa Oberta de Catalunya ("XOC") and Tradia).

In addition, the maturities of the lease contracts, sub-lease contracts or other types of contracts with third parties to operate and manage land and rooftops where the Group's telecommunications infrastructures are located, are generally shorter than the contracts that the Group has entered into with its customers to provide services. In that sense, there is a mismatch in the maturities of both contractual relationships which could prevent the Group from successfully providing agreed upon services, as the Group may not have access to primary resources essential to execute those contractual obligations.

The Group's inability to use the land where its infrastructures are located may have a material adverse effect on the Group's ability to comply with its contractual obligations and to complete its current or future infrastructure or growth projects as expected on schedule or within budget, if at all. This may in turn have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

Likewise, and in line with the Group's industry peers that operate telecom or broadcasting infrastructure, the Group may not always have all the necessary licenses and permits of its infrastructure assets. The lack of necessary licenses, property titles and permits could give rise to monetary fines and, as an interim measure, the authorities could order that the affected equipment or infrastructures be sealed-off or even decommissioned until the required authorization or license is obtained. Criminal liability could also arise in certain circumstances. Similarly, the basic resources to provide service to the Group's customers may not be guaranteed.

To minimise these risks, the Group has specific control policies, procedures, plans and systems for each area, which are periodically reviewed and updated by specific external auditors for each area (financial reporting, quality, occupational risks, etc.). The Group also continually monitors and analyses its insurable risks and has implemented an insurance programme, to ensure a level of coverage and risk in keeping with the policies that have been introduced.

XIX) Difficulties to attract and retain high quality personnel could negatively affect the Group's ability to operate its business

The Group's ability to operate its business, grow and implement its strategies depends, in part, on the continued contributions of its senior executive officers and key employees. In the increasingly volatile labour market where the Group operates, the loss of any of its key senior executives, could have an adverse effect on its business unless and until a replacement is found. Related to this, the Company conducts a recurrent succession plan review to identify internal pipeline as well as external talent mapping. In addition, the Group believes that its future success, including the ability to

internationally develop the Group's business, will depend on its continued ability to attract and retain highly skilled personnel with experience in its key business areas. At the same time, developing talent from within, which needs to be also a priority to build a solid talent pipeline and also a driver to retain key talent as per development opportunities. Labour markets are becoming tight and with inflationary pressure on hiring. In some markets where Cellnex operates, with low unemployment rates, demand for high quality personnel is intense and the Group may not be able to successfully recruit, train or retain qualified personnel.

Any failure by the Group to attract and retain skilled and experienced employees or the loss of any of its key employees, could harm its business and growth prospects and have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

Also, the execution of efficiency plans could require contention or reduction of staff. Even when in these circumstances the Group would target to eliminate redundancies, a worsened climate among its workforce could lead to losing or retaining key talent or impacting the business.

XX) The Group relies on third parties for key equipment and services, and their failure to properly maintain these assets could adversely affect the quality of its services

The Group relies on third-party suppliers to provide key equipment and services that are essential for the Group's operations. Some of these are only available from a limited number of third parties. For example, the Group relies on transmission capacity and other critical facilities that are owned by third parties. In addition, the Build-to-Suit programs are executed on the basis of agreements with third-party suppliers, and so the Group relies on third-parties to effectively execute its contractual obligations. The Group does not have operational or financial control over these partners, and it has no influence with respect to the manner in which these suppliers conduct their business. If these suppliers fail to provide equipment or services on a timely basis or in accordance with the agreed terms, the Group may be unable to provide services to its customers until an alternative supplier can be found. In addition, existing or new competitors in the markets where the Group operates may compete for services from the Parent Company's existing suppliers and such competitors may obtain more favourable terms than those the Group currently benefits from. Additionally, it is possible that current suppliers of services could become competitors, therefore competing as consumers of services they provide. Either of these occurrences could result in upward pricing pressure on these contracts and the Group may not be able to renew its contracts at all or at the same rate as in the past, and could lose market share. If any of these contracts are terminated or the Group is unable to renew them on favourable terms or negotiate agreements for replacement services with other providers at comparable terms, this could have a material adverse effect on the Group's business and capacity to fulfil their contractual obligations, prospects, results of operations, financial condition and cash flows.

Likewise, any commercial dispute with a supplier, the termination of a relationship, as well as insolvency, bankruptcy, end of or curtailing business, so forth, of any supplier, including such situations in which the supplier is forced to cease the provision of services to the Group for any reason or fails to provide the services or goods deemed necessary for the Group to carry out its activities, the Group may be exposed to additional costs and may not be able to comply in full with all the contracts with its customers. If this circumstance occurred, it could have a material adverse effect on the Group's business, prospects, results of operations, financial condition and cash flows.

Financial risks

XXI) Financial information risk

To mitigate risks relating to financial reporting and to ensure the reliability of such information, the Group has established an Internal Control over Financial Reporting System ("ICFRS"). The Group has a corporate risk control unit that is responsible for carrying out tests to verify compliance with the policies, manuals and procedures defined for the ICFRS, and for validating the effectiveness of controls in place to mitigate the risks related to these processes.

However, there can be no assurance that any policies and procedures established by the Group will be followed at all times or effectively detect and prevent all violations of the applicable laws and regulations in every jurisdiction in which one or more of the Group employees, consultants, agents, commercial partners, contractors, sub-contractors or joint venture partners are located. As a result, the Group could be subject to penalties and reputational damage if its employees, agents, suppliers

or business partners take actions in violation of the compliance systems as well as violate any anti-corruption or anti-bribery laws. Violations of such laws may also lead to other consequences such as the early termination of the financing contracts, which, together with the above, could materially and adversely affect the Group business, prospects, financial conditions, results of operations and/or cash flows.

The Group's Accounting Policies should only change if the change is required by an IFRS or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance or cash flows. All changes in Accounting Policies follow the guidance in IAS 8 or, if resulting from the initial application of an IFRS, in accordance with the specific transitional provisions, if any, in that IFRS. An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty—that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, the Group develops an accounting estimate to achieve the objective set out by the accounting policy. The Group may need to change an accounting estimate if changes occur in the circumstances on which the accounting estimate was based or as a result of new information, new developments or more experience. By its nature, a change in an accounting estimate does not relate to prior periods and is not the correction of an error, but could materially and adversely affect the Group business, prospects, financial conditions, results of operations and/or cash flows.

XXII) Expected contracted revenue (backlog)

Expected contracted revenues from the service agreements (backlog) represents management's estimate of the amount of contracted revenues that the Group expects will result in future revenue from certain existing contracts. This amount is based on a number of assumptions and estimates, including assumptions related to the performance of a number of the existing contracts at a particular date but does not include adjustments for inflation. One of the main assumptions for calculating backlog is the automatic renewal of contracts for services with the Group's anchor customers. Such contracts have renewable terms including, in some cases, 'all or nothing' clauses that only allow the renewal of the entire portfolio of the relevant project (not the renewal of a portion thereof) on terms that are generally pre-agreed and may result an increase or a decrease in price, within certain parameters. In addition, the Group calculates backlog assuming that acquisitions which are subject to the satisfaction of conditions precedent will be completed on the terms described in the applicable transaction agreements in their entirety. However, there is no assurance that any pending or future acquisitions will be completed or, if completed, that they will be completed on such same terms. For example, necessary regulatory or administrative authorisations or approvals, including antitrust approvals, may be refused or may only be granted by way of the provision of certain remedies, involving divestitures or otherwise, on onerous terms, which may limit the Group's ability to grow its portfolio of assets in a particular market or jurisdiction as expected or at all. As a result, the assumptions the Group uses to calculate backlog may prove to be incorrect, which in turn could have an adverse effect on the Group's backlog estimates.

While the first contract of the Towers Services subject to renewal was successfully renewed (the different Telefónica contracts were unified, harmonized and renewed for a total of up to 30 years) and one of the main contracts of the Broadcast business was also successfully renewed for a 5 years period (under the same fees but with no escalators), it should be noted that several contracts of the Towers business are expected to face renewals in the coming years, being KPN's at the Shere portfolio and Wind Tre S.p.A. ("Wind Tre") at the Galata portfolio amongst the most relevant contracts to be renewed first (as defined herein), please see section 1.1 of the accompanying Consolidated Interim Directors' Report. Please note that KPN contracts will reach the end of their initial term in 2026. In addition, contracts with major customers in the Broadcast segment will face a new cycle of renewals in 2025 (excepting the above-mentioned RTVE contract that was renewed in 2023 for a 5 years period). Also, certain contracts for services may be cancelled under certain circumstances by the customer at short notice without penalty.

The termination of the contracts ("churn") with major customers in both of the segments above may materially and adversely affect the Group's business, prospects, results of operations, financial condition and cash flows. It should also be noted that contracts in place with Telefónica and Wind Tre may be subject to changes in relation to the fees being applied at a time of a renewal, set within a predefined range taking into account the last annual fee (which reflects the cumulative inflation of the full initial term), that in the case of Telefonica ranges from -5% to +5% (applicable after the initial period and the first two extension periods have elapsed) and of -15% to +5% for Wind Tre.

Regarding the contracts in Polkomtel, it should be noted that the Polkomtel MSA is following a business model consisting in a long term revenue that ensures the profitability and return on investment (Capex) executed by Cellnex on behalf of the

client, encouraging investment in the expansion and modernization of client infrastructure and allowing better client quality services owing to new investments (Capex). This long term revenue model presents a tariff scheme that allow Cellnex to increase revenue in line with opex increases following the Polish CPI, resulting in potential risks of very high inflationary pressures on both Capex and Opex requirements that the Group might not be able to translate into the tariff scheme agreed, or other tariff concepts that could be subject to interpretation and potentially challenged by the customer. Additionally, the Group´s definition of backlog may not necessarily be the same as that used by other companies engaged in similar activities. As a result, the amount of the Group backlog may not be comparable to the backlog reported by such other companies. The realization of the Group backlog estimates is further affected by the performance under its contracts. The ability to execute the Group's backlog is dependent on its ability to meet the clients' operational needs, and if the Group was unable to meet such needs, the ability to execute its backlog could be adversely affected, which could materially affect the Group's business, prospects, financial condition, results of operations and cash flows. There can be no assurance that the revenue projected in the Group's backlog will be realized or, if realized, will result in profit. Contracts for services are occasionally modified by mutual consent. Because of potential changes in the scope or schedule of services the Group provides to its clients, the Group cannot predict with certainty when or if its backlog will be realized. Even where a project proceeds as scheduled, it is possible that the client may default and fail to pay amounts owed to the Group. Payment delays, payment defaults or contract cancellations could reduce the amount of backlog currently estimated, and consequently, could inhibit the conversion of that backlog into revenues, which would in turn materially affect the Group business, prospects, financial condition, results of operations and cash flows.

XXIII) Foreign currency risk

The euro serves as the Group's reporting currency, and fluctuations in the value of other currencies used to instrument borrowings and conduct transactions could impact future commercial transactions, recognized assets and liabilities, and net investments in foreign operations.

Furthermore, the Group operates and holds assets in the United Kingdom, Switzerland, Denmark, Sweden, and Poland, all of which are outside the Eurozone. Therefore, the Group faces foreign currency risks, specifically those associated with currency fluctuations between the euro and the pound sterling, Swiss franc, Danish krone, Swedish krona, and Polish zloty.

The Group's strategy for hedging foreign currency risk in investments in non-euro currencies does not necessarily attempt to fully hedge this risk and tends towards a balanced hedge. The Group is willing to evaluate various hedging strategies, which may involve not covering significant positions.

Depending on the market and the prior assessment of the hedge's effect, the Group might implement these strategies over a reasonable period. Derivatives or borrowings in local currency can instrument hedging arrangements, acting as a natural hedge.

Despite the fact that the majority of Group transactions are denominated in euros, the Group may experience negative consequences due to the volatility in the exchange rate between the euro and the aforementioned currencies, potentially impacting its overall performance, business results, operational outcomes, financial condition, and cash flows.

XXIV) Interest rate risk

The Group's current and non-current borrowings expose it to interest rate risk. Loans issued at floating rates expose the Group to cash flow interest rate risk, whereas fixed-rate borrowings expose the Group to fair value interest rate risk. Additionally, any increase in interest rates would increase Group finance costs relating to variable-rate indebtedness and increase the costs of refinancing existing indebtedness and issuing new debt.

The European Central Bank, due to the high inflationary environment, had raised interest rates, with a cumulative rise of 4.5 percentage points from July 2022 until September 2023. As a result, interest rate hikes had brought Cellnex bonds to the highest yields of all times. However, the European Central Bank (ECB) has recently cut interest rates by 25 basis points, bringing interest rates from 4.5% to 4.25%. Thus, the decrease in the interest rates reference as of June 2024, leading Cellnex's bonds to lower yields. During periods of high interest rates, the Group could also decide to enter into derivatives transactions to change fixed-rate contracts to variable-rate contracts in order to benefit from future interest rate lowering.

The Group can use derivative financial instruments to manage its financial risk, arising mainly from changes in interest rates. These derivative financial instruments are classified as cash flow hedges and recognized at fair value, both initially and subsequently. For unlisted derivative instruments, we determined the required valuations by analyzing discounted cash flows, primarily based on market conditions at the reporting date for unlisted derivative instruments (see Note 10 of the accompanying interim condensed consolidated financial statements). As of June 30, 2024, and December 31, 2023, there are financings granted from third parties covered by interest rate hedging mechanisms (see Note 10 of the accompanying interim condensed consolidated financial statements).

XXV) Credit risk

Each of the Group's main business activities (Towers, DAS, Small Cells and RAN as a Service, Fiber, Connectivity and Housing Services and Broadcast) obtains a significant portion of revenues from a limited number of customers, many of whom are long-term customers and have high-value contracts with the Group.

The MNOs, television and radio broadcasting operators, emergency and security forces, the public service sector, central, regional and local government authorities, and telecommunications operators are the main customers for the Group's Towers Services.

The Group is sensitive to changes in the creditworthiness and financial strength of its main customers due to the importance of these key customers to its overall revenues. Certain Group contracts with customers have a long-term nature, and their historically high renewal ratio helps mitigate this risk.

The Group depends on the continued financial strength of its customers, some of whom operate with substantial leverage but are not investment grade or do not have a credit rating. During periods of high interest rates and inflation, the Group's customers can experience difficulty making payments, which could impact the Group's working capital and thus affect its prospects.

Given the nature of the Group's business, it bears significant credit risk due to the substantial accounts receivable resulting from a limited customer base. To mitigate this credit risk, the Group has made contractual arrangements to transfer this risk to third parties via non-recourse factoring of trade receivables, in which case the Group would not retain any credit risk.

Cash and cash equivalents, derivative financial instruments, bank and financial institution deposits, and other debt, including unsettled receivables and committed transactions, all contribute to credit risk. To mitigate this credit risk, the Group conducts derivative and spot transactions primarily with banks with strong credit ratings, as determined by international rating agencies.

The Group periodically review each institution's solvency, as indicated in their credit ratings, to actively manage counterparty risk. If the Group loses significant customers, loses all or a portion of its expected service agreement revenues from certain customers, increases its level of exposure to credit risk, or fails to actively manage it, it could negatively impact its business, prospects, results of operations, financial condition, and cash flows.

Also, the right of the Group to claim for pending or future proceeds could be limited by local regulations associated to bankruptcy proceedings, and may also depend on the ability to prove contracted pending amounts associated to future services.

XXVI) Liquidity risk

The Group manages liquidity risk prudently, which entails 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 Group's businesses, its policy is to maintain flexibility in funding sources through the availability of committed credit facilities.

Due to this policy, the Group has available liquidity amounting to EUR 3.9 billion, considering cash and available credit lines, as of 30 June 2024, and has no immediate debt maturities. As a result, the Group believes that it has liquidity and access to medium- and long-term financing that allows it to ensure the necessary resources to meet its potential future investment commitments.

However, the Group may not be able to draw down 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 liquidity levels may materially and adversely affect the Group's business, prospects, results of operations, financial conditions, and/or cash flows, and, in extreme cases, threaten the Group's future as a going concern and lead to insolvency.

XXVII) Inflation risk

After a long period of historically low inflation, inflation significantly increased around the world during 2022 and the first half of 2023, with food, energy, and oil prices hitting record highs. A significant portion of the Group's operating costs could rise as a result of higher inflation and the European Central Bank's monetary policies.

In this sense, contracts without inflationary caps may not be sustainable over time for our customers. This could lead to renegotiation requests, an increase in bad debt, legal disputes, and a worsened relationship between the Group and its customers, potentially resulting in lost future opportunities.

Furthermore, the Group might not be able to benefit from the operating leverage of its business in normal times because of the high level of inflation. This is because operating income, operating expenses (Opex), and net payment of lease liabilities (leases) do not match up, leaving the Group vulnerable to inflation. The Group's operating income, which certain of its contracts with anchor customers or fixed-term escalators limit, leads to this discrepancy.

However, Opex and leases are usually not limited, which means that the Group does not have full control over them and could see margins shrink and liquidity worsen. Any of the events above could in turn materially affect the Group's business, prospects, financial condition, results of operations, and cash flows.

Cellnex can prepare for price increases and ensure that the client absorbs them via inflation-linked contracts. Having said all that, it must be noted that some of the Group's clients have inflation-linked contracts that are capped. The later refers to contracts that, despite being inflation-linked, have set amounts that restrict the impact of rising prices on the client, thereby requiring Cellnex to bear all losses in the event that rising prices surpass the established limits. In a similar vein, clients with fixed escalator contracts set specific rates in specified ranges that restrict the potential inflationary impact on the Group's clientele.

This mismatch arises due to the relationship between the Group's operating income and inflation, which is capped in the specified types of contracts. While Opex and leases are typically uncapped, anchor customers, who have fixed-term escalators, require strong Opex and lease control that is not always under the control of the Group. The latter could potentially lead to margin erosion and a worsening liquidity position.

In conclusion, caps do not totally adjust payments in response to rising prices (inflation). Thus, it is important to highlight the macroeconomic factors that could considerably harm the group's prospects in the following period if inflation volatility worsens over time.

XXVIII) Risk related to Group indebtedness

The Group's current indebtedness has significantly increased in the past years as it has expanded its business, and future indebtedness could have significant negative consequences for its business, prospects, results of operations, financial condition, corporate rating, and cash flows.

There can be no assurance that the Group will generate sufficient cash flows from operations to service its present or future indebtedness, nor that future borrowing will be available in an amount sufficient to enable the Group to pay its indebtedness or fund other liquidity needs.

General economic, financial, competitive, legislative, legal, and regulatory factors, along with the other factors we've already discussed, also influence the Group's future performance and its ability to generate sufficient cash flows from operations to pay off its debts, fund capital and development projects, or seize potential opportunities.

Many of these factors are out of the Group's control. In particular, if the Group doesn't get enough cash from operations and other sources of capital in the future to pay its debts as they come due, it may have to (i) issue equity capital or other

securities or restructure or refinance all or part of its debt; (ii) agree to financial covenants in its financing contracts, such as limits on the ability to incur additional debt, restrictions in the amount and nature of the Group's investments or the obligation to pledge certain Group's assets, it can make; or (iii) sell some of its core assets, possibly not on the best terms, to meet its obligations. There can be no assurance that the Group will be able to accomplish any of these measures in a timely manner or on commercially reasonable terms, if at all.

Furthermore, if the Group financing triggers any change of control clause, the Group might have to repay its outstanding debt early. Any of these aspects could impact 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 the Group has to use an excessive portion of its operating cash flows to pay off its debt, it will have to cut back on or delay its business activities, as well as the amount of cash flows it has for other needs or purposes, such as paying dividends or making capital investments. This could, in turn, force the Group to forego certain business opportunities or acquisitions, putting it at a competitive disadvantage to less leveraged competitors and competitors that may have better access to capital resources.

Regarding the Group's key priorities highlighted in the past Capital Markets Day, it is fundamental to anticipate the hazards the Group may face during its future operations. The Group announced a new capital allocation framework with deleverage and investment grade status by two credit rating agencies as key priorities, hence subordinating alternative uses of cash flow generation. Achieving investment grade status by Fitch and S&P Global in 2024 are two critical milestones the Group has already reached. Maintaining the two investment grade statuses now represents a pivotal objective to ensure the proper financial performance of the company. The long-term goal is to target a Net Debt/EBITDA IFRS 16 ratio of 5.0–6.0 by 2025–2026. If the Group fails to deliver, it could severely damage its credibility, compel it to forgo certain business opportunities and shareholder remuneration, or force it to sell assets, potentially resulting in a negative perception of a distressed seller. Thus, not reducing effectively the leverage of the Group would endanger the investment grade of the company, impacting considerably negatively on the solvency and viability of the Group's financial structure.

It is important to consider the fact that BTS programs could be subject to acceleration demands from the Group's customers, seriously conflicting with the commitment to deleverage. Furthermore, the Group might face escalating customer demands for more engineering services, potentially leading to a rise in expansion or maintenance capital expenditures. Therefore, starting in 2023, the Group will report engineering services capital expenditures as either expansion capital expenditures, which could potentially exceed a 10% guided intensity over operating income, or maintenance capital expenditures, contingent on their nature and magnitude.

Moreover, achieving 2025 targets could rely on more intensive capital expenditure activities, which would imply either delaying the Group's deleverage ambition or a failure to deliver on the 2025 targets set. The Group's current and non-current borrowings expose it to interest rate risk. Borrowings issued at floating rates expose the Group to cash flow interest rate risk. Any increase in interest rates would increase the Group's finance costs relating to its variable-rate indebtedness and increase the costs of refinancing its existing indebtedness and issuing new debt, which could adversely affect the Group's business, prospects, results of operations, financial condition, and cash flows.

To mitigate this risk, the Group maintains 80% of its debt at a fixed rate (considering Gross Financial Debt excluding Lease Liabilities). Thus, between 30 June 2024 and 31 December 2023, a change in interest rates would not have a significant impact on the consolidated financial statements. Cellnex's indebtedness and the risk of refinancing debt on worse terms could prevent it from maintaining investment grade status by two credit rating agencies.

If Cellnex Telecom fails to implement its intended measures effectively, several significant hazards and repercussions could arise, severely impacting the company's business, prospects, results of operations, financial condition, and cash flows.

Firstly, the inability to properly deleverage the company could have dire consequences. Cellnex has set a long-term target leverage of 5.0–6.0x Net Debt/EBITDA IFRS 16 by 2025–2026, which is crucial for keeping financial stability and maintaining investment grade status by S&P Global and Fitch. Failure to meet this deleverage target could compel the company to forgo certain business opportunities, shareholder remuneration, or force it to sell assets, potentially resulting in a negative perception of a distressed seller. This could severely damage Cellnex's credibility and market reputation, making it more challenging to attract future investments and partnerships.

Moreover, the potential loss of investment grade status would exacerbate the company's financial challenges. Investment grade status is vital for ensuring consistent access to debt capital markets at favorable terms. If Cellnex fails to maintain this status, it could face higher borrowing costs, increased finance costs relating to its variable-rate indebtedness, and more expensive refinancing of existing debt. This would adversely affect the company's business, prospects, results of operations, financial condition, and cash flows. The downgrade in credit ratings could also make obtaining new financing more difficult and expensive, further straining the company's financial resources.

Unexpected macroeconomic scenarios present additional risks. The global economic environment is subject to volatility, and factors such as high inflation, fluctuating interest rates, and geopolitical tensions can significantly impact Cellnex's operations. For example, the European Central Bank's interest rate policy, due to high inflation, could lead to higher interest rates over longer periods, increasing Cellnex's financing costs. Although the ECB recently cut interest rates, any future increases could again raise the company's financial costs. Furthermore, inflationary pressures could result in increased operating costs that customers might not fully absorb, thereby reducing profit margins.

Another key point is that macroeconomic instability could affect the financial strength of Cellnex's key customers, many of whom operate with substantial leverage. During periods of high interest rates and inflation, these customers might struggle to make payments, impacting Cellnex's working capital and overall financial health.

In conclusion, failing to implement the intended measures effectively could prevent Cellnex from achieving its deleverage targets, maintaining investment grade status, and navigating unexpected macroeconomic scenarios. These failures would likely result in increased financial costs, reduced operational flexibility, and a weakened competitive position, ultimately threatening the company's long-term viability and growth prospects.

XXIX) The Parent Company cannot guarantee that it will be able to implement its Shareholders' Remuneration Policy or to pay dividends (and even if it were able to, that it would do so)

If there are any distributable profits, declaration of a dividend requires a resolution of the General Shareholders’ Meeting upon the recommendation of the Board of Directors. In the implementation of the Parent Company’s Shareholder's Remuneration Policy (as defined herein), Cellnex is focused on distributing an annual dividend in an amount increased by 10% with respect to the dividend distributed the year before. However, the Parent Company’s ability to distribute dividends in an amount increased by 10% with respect to the dividend distributed the year before, depends on a number of circumstances and factors including, but not limited to, the amount of net profit attributable to the Parent Company in any financial year, any limitations to the distribution of dividends included in the Group’s financing agreements and the Group’s growth strategy. In the future, the Parent Company may not have cash available to pay dividends in an amount increased by 10% with respect to the dividend distributed the year before or have the reserves legally required for the Parent Company to be able to do so. Even if the Parent Company does have adequate cash and reserves, the Parent Company’s shareholders and Board of Directors may choose not to distribute dividends in an amount increased by 10% with respect to the dividend distributed the year before. In addition, the Parent Company’s ability to distribute dividends at all, depends on the same circumstances and factors and even if the Parent Company does have adequate cash and reserves, the Parent Company’s shareholders and Board of Directors may choose not to distribute dividends at all.

Consequently, the Group cannot assure that it will pay a dividend in the future in compliance with the Parent Company’s Shareholder's Remuneration Policy, or that it will pay any dividend.

Compliance risks

XXX) Fraud and compliance risks

The Group’s operations are also subject to anti-bribery and anti-corruption laws and regulations and affect where and how its business may be conducted. The Group has established certain systems to monitor compliance with applicable laws and regulations and provides training to its employees to facilitate compliance with such laws and regulations.

The Cellnex group has a code of conduct (the “Ethics’ Code”) approved by the Board of Directors. The corporation prepares an Ethics’ Code Framework which is then adapted in each country. This Ethics’ Code is communicated to all employees.

The Group has created a corporate compliance function to improve compliance with the Group's Ethics' Code, implemented through specific regulations for each country and the establishment of whistle-blowing channels and the supervision of oversight and control measures to prevent criminal acts. The main values and principles included in the Ethics' Code are: integrity, honesty, transparency, loyalty, commitment to and defense of Group interests, and responsibility in all actions. The Ethics' Code includes among its fundamental principles the commitment to strictly comply with the obligation of the Group to offer reliable financial information prepared in accordance with applicable regulations, and the responsibility of its employees and management to ensure this is so, by correctly carrying out of their functions and by notifying the governing bodies of any circumstance which might affect that undertaking.

XXXI) Risk associated with significant agreements signed by the Group that could be modified due to change of control clauses

Certain material contracts entered into by the Group, including the Group's material debt agreements and most of the Group's agreements with anchor customers, could be modified or terminated if a change of control clause is triggered. A change of control clause may be triggered if a third-party, either alone or in conjunction with others, obtains "significant influence" and/or "control" (which is generally defined as having (i) more than 50% of shares with voting rights (except in a few exceptional cases where this threshold is defined as having 29% or more of shares with voting rights) or (ii) the right to appoint or dismiss the majority of the members of the board of directors of the relevant Group company). A change of control clause may be triggered at the level of Cellnex or only at the level of the relevant subsidiary that has entered into the relevant contract. In certain contracts, the definition of control, and therefore of a change of control, makes specific reference to the applicable law in the relevant jurisdiction.

With regards to the material contracts entered into by Group companies with anchor customers, the triggering of a change of control provision is generally limited to events where the acquiring company is a competitor of the anchor customer. In such circumstances, the anchor customer may be granted an option to buy back assets (generally the infrastructures where they are being serviced). Such buy back option may also be granted in the event that a competitor of the anchor customer acquires a significant portion of the shares or obtains voting or governance rights which can be exercised in a way that can negatively affect the anchor customer's interests. For example, in the context of the Polkomtel Acquisition, the Group entered into a buyback agreement with Polkomtel (as defined herein) by virtue of which Polkomtel (or its nominee) will be granted the right to require Cellnex Poland or Cellnex to sell and transfer back the shares of Polkomtel Infrastruktura (sold pursuant to the Polkomtel SPA, as defined herein) to Polkomtel (or its nominee in the event (i) shares in Polkomtel Infrastruktura are issued or sold to a Restricted Entity (as such term is defined in the Polkomtel Buyback Agreement), (ii) there is a change of control, without the prior written consent of Polkomtel, by means of which a Restricted Entity gains majority ownership or control over Polkomtel Infrastruktura or any of its holding companies (other than Cellnex), (iii) there is a change of control, without the prior written consent of Polkomtel, by means of which a Restricted Entity gains ownership of more than 30% of Cellnex or gains control over Cellnex, or (iv) in certain circumstances, if a critical failure under the Polkomtel MSA occurs. In the event any of the triggering events (i) to (ii) occurs, Polkomtel may opt to exercise its right pursuant to the Polkomtel Buyback Agreement within three months or, alternatively, to have the fees of the Polkomtel MSA reduced by 50%.

On the other hand, the bonds issued under the EMTN Programme, and the Guaranteed EMTN Programme, other debt securities issued by the Group, the Convertible Bonds, (see note 14 of the accompanying Interim Condensed Consolidated Financial Statements) and the bank financing contracts of the Group include certain change of control clauses that could trigger an early repayment under the respective debt arrangement.

Finally, asset buy back options can also be exercised in case of an explicit breach by a Group company of the contractual obligations under services level agreements with its customers ("SLAs"). In addition, the Group may enter into contracts related to joint future investments that have a buy back clause whereby the customer has the right to acquire the related assets during defined periods. While the Group's management currently believes that the likelihood of exercising such option is not high, given it would require the relevant customer to make a significant payment to the Group, the Group can provide no assurance that any such options will not be exercised.

If a change of control clause included in any of the Group's material contracts is triggered, or if a company of the Group fails to comply with its contractual obligations under an SLA or a joint investment agreement, it may materially and adversely affect the Group's business, prospects, results of operations, financial condition and cash flows.

1.5. Use of financial instruments

During the six-month period ended on 30 June 2024 the Group followed the Financial Policies for the use of financial instruments described in Note 3 of the 2023 Consolidated Financial Statements.

1.6. R&D+i activities

Cellnex is committed to investing in Research, Development and Innovation ("R&D+i") that is closely linked to its strategy, and in doing so contribute to its objective of being a company that generates value for society, customers and shareholders, through innovative, efficient, neutral and high-quality management in delivering service and contributing technological solutions. This commitment to R&D+i represents one of the main challenges for the Group in the current context of digital and communication technology evolution.

To deliver towards this commitment, the Group promotes three streams of activities: new and emerging product formulation, innovation projects, and technology scouting activities. These activities are underpinned by a cross-cutting approach with multidisciplinary teams and enhanced cooperation with internal and external stakeholders:

- New and emerging product formulation: definition and development of products and commercial opportunities that are in a more advanced stage of the innovation process and with mid to long-term commercialization potential for the Group. These are classified in three areas: Active Infra (ORAN or mmW), V2X and Broadcast. Please note the following examples:

    - On Active Infra, Paris La Défense selected Cellnex as partner for a neutral host 5G mmWave (26Ghz) implementation at the heart of this emblematic district. The development has a twofold aim: firstly, to test the feasibility of a neutral host model in high frequency, allowing the sharing of antennas and infrastructures; and secondly, to experiment with new private network use cases, leveraging very-high-speed 26 GHz (the so-called "millimeter" band) deployed in the business district. Additionally, Cellnex is assessing an innovative vRAN solution for Small Cells in Paris Saint-Denis, paving the way to costs sustainable radio rollouts thanks to virtualization.

    - Cellnex will contribute to the deployment of 5G infrastructure in cross-border European corridors, including the launch of a neutral host vehicle to infrastructure (V2I) communications network and edge computing nodes for safety and non-safety services, in two transport corridors, between Spain and France (Barcelona to Montpellier and Toulouse) and between Czech Republic and Poland (Ostrava-Svinov to Częstochowa).

    - Broadcasting: DTT evolution from SD to HD and UHD in Spain: All DTT channels in Spain are available in HD since February 2024 finishing the SD transmissions. Since the Worldcup 2022 RTVE was broadcasting a UHD in a test transmission channel, thanks to this migration from SD to UHD, RTVE has stopped the simulcast SD-HD and has taken the opportunity to initiate regular UHD transmissions in their available spectrum. Thanks to this channel Spanish DTT viewer will have free to air access to the Paris Olympics 2024 transmissions in UDH. https://www.rtve.es/rtve/20240207/rtve-comienza-a-emitir-1-tdt-ultra-alta-definicion-uhd-toda-espana/15960435.shtml

    - DAB+ relaunch in Spain: Spanish public broadcaster RNE is deploying, in collaboration with Cellnex, a DAB+ network covering main cities in Spain. This network is currently a test transmission to promote the DAB+ technology covering Barcelona, Bilbao, Madrid, Murcia, Pamplona, Santiago, Sevilla, Tenerife and Valencia, more cities will be added to this network in the second half of 2024. (https://www.rtve.es/rtve/20240213/radio-nacional-espana-inicia-emisiones-dab/15968597.shtml)

- Innovation projects: scoping and delivering projects in collaboration with consortiums of entities from the public and private sector. These are typically three-year term projects that are in their initial experimental phase and partially subsidized by the public sector. The most relevant fall into three areas: 5G, V2X (Vehicle to Everything) Communications and Security.

  - 5G Infrastructure: consists of leveraging the most innovative 5G infrastructure to support the Mobile Operators´ 5G deployments. Within Cellnex´s RAN as a Service strategy, for developing assets adjacent to towers: Open RAN, Mobile Edge Computing and 5GSA Core technologies to enable a wide range of disruptive use cases.

  - Resilient network for cross-border connectivity: the Group coordinates the implementation of connected corridors in the European Union´s borders to enable the seamless transition of autonomous cars between countries and the automated implementation of traffic strategies and recommendations, increasing travels safety and sustainability. In the corridor between Perpignan (France) and Figueres (Spain) Cellnex has already deployed and tested the reference architecture to be used in the corridors including the coexistence between 5G and other complementary technologies such as edge computing and satellite communications, while adding orchestration to allow seamless services transition across international borders. Cellnex is additionally supporting enhanced communication services for railways in this same corridors, boosting user's experience when travelling by train

  - Security: the Group has several initiatives such as CYBERSEC to provide additional protection and resilience against cyber-attacks to connected environments through research in emerging technologies in attack detection, attack simulation, communication systems (5G, NB-IoT, IIoT, OT, ICS) and Artificial Intelligence. In another initiative, AI Mars, Cellnex provides real-time information to Public and Private Security Forces (including shopping centers, or sports facilities) to manage and prevent attacks, disturbances and other incidents when high concentration of people occurs.

  - Cellnex is providing a Connectivity Platform as a Service with the best-of-breed connectivity solutions to research institutions, startups and companies aiming to experiment with cutting-edge 5G connectivity, Service Orchestration and Mobility Solutions. This platform is currently hosting research projects like Artus, Success6G, Cloud Skin or Free6G.

  - Mobility labs: Cellnex coordinates the establishment of both closed and open mobility labs in Spain. These labs serve as platforms for experimenting and testing various use cases related to Connected Automated Mobility (CCAM) services under real-world conditions. This project goes beyond the individual vehicle and primarily focuses on the verification and validation processes associated with MCISIC (Connected, Intelligent, Secure, Inclusive, and Collaborative Mobility). Its main objective is to investigate the new technologies and functionalities that future electric and connected vehicles will incorporate. Additionally, it aims to ideate new environments, procedures, and testing protocols necessary to realize this new MCISIC.

  - Quantum Communications: Quantum communications promise to be the next step in maintaining data security for digital communications. Quantum Key Distribution (QKD) is a technology that enables secure distribution of cryptographic keys between remote locations. Cellnex is actively pursuing various initiatives to establish a Quantum Network in the metropolitan area of Barcelona.

- Technology scouting activities: together with these areas, the Group is driving open innovation, in order to explore external capabilities to be introduced into new potential products either from start-ups or other relevant corporations. At the same time, it aims to share knowledge, making innovation accessible to other internal areas, such as business or operations.

  - In this regard, the Group is participating in "Alaian", where seven major global telecommunications companies have come together in a unique alliance with the mission of reinventing the industry by discovering the most disruptive startups and the potential to provide access to a network of 700 million customers. Among these telcos are included Telefonica, Orange, NOS, KPN, MTN, STC and Omantel.

  - Furthermore, the Group is a relevant technological player at the global level, being part of the board and cooperating with several research centers and universities, such as Eurecat, i2Cat, Gradiant, Tecnalia. University of Bristol and many others.

The Group has an efficient and consolidated innovation model based on streamlined integration processes, as well as on standardizing the development of innovative activity. This model fosters a culture of innovation throughout the Group that encourages everyone to continue working in line with the vision of cross-cutting integration of innovation, and working with multidisciplinary teams, both within and outside the Group.

1.7. Environment and climate change

Cellnex's key objective is to generate sustained value in the short, medium and long term, through responsible management of the business, incorporating the interests and expectations of the Company's stakeholders. References to countries in this section correspond to the operations of the Group in the relevant geography.

The increasing regulation in Europe in the field of sustainability, the greater awareness of those aspects beyond the purely economic ones, as well as the challenges faced by organizations such as Cellnex (greater transparency, shareholder involvement, climate change, risks in the value chain, circular economy, SDGs, etc.) have made the Company to reinforce its commitment to Environmental, Social and Governance ("ESG") issues in recent years.

The Cellnex ESG Master Plan 2021-2025 constitutes the reference framework and the tool for management the strategic objectives, monitoring indicators and the actions and programs under way for each of the axes of the ESG Master Plan. In this sense, Cellnex has an Environment and Climate change Policy for the entire Group (updated in June 2023) in line with the United Nations Sustainable Development Goals (the "SDGs") and has implemented an Integrated Management System Model that incorporates the Quality, Environment and Health and Safety Management Systems. The Environment and Climate change Policy defines the guidelines to pay maximum attention to environmental protection and conservation, and 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.

With the aim to raise the level of the company's responsibility in the field of environmental sustainability, Cellnex defined an Strategic Sustainability Plan in 2019. During 2022, in order to reinforce the Group's ESG strategy, the Strategic Plan was updated considering the current lines of work, and updating them in response to the new regulatory requirements and the results of the double materiality analysis. Therefore, the new Environment and Climate Change Strategy (2023-2025) gives continuity to the actions of the Strategic Plan 2019-2021. The commitments and strategic lines have been reformulated based on the double-materiality analysis, progress of recent years, and ESG Master Plan ambitions.

The Environment and Climate Change Strategy (2023-2025) main commitments are: (i) Achieve excellence and be a benchmark in integral environmental management within the telecommunications sector, establishing a solid commitment throughout our value chain; (ii) To be a leading group in the fight against climate change by achieving carbon neutrality, improving the resilience of our infrastructures and promoting a circular economy in line with our activity; (iii) Improve our environmental impact, integrating our infrastructure into the environment and establishing collaborative alliances with stakeholders.

As part of the Group's daily activities the Environment and Climate Change Strategy (2023-2025) is structured within 8 strategic lines linked to the SDGs: Integrated Environmental Management, Climate change, Energy Management, Circular economy, Water management, Biodiversity and land use, Environmental impacts of infrastructures and Training, awareness and collaboration with the community. Aligned with Cellnex's ambitions, the main developments are as follows:

- Establishment of net-zero by 2050 and carbon neutral by 2035 commitments and development of a roadmap of actions to achieve net-zero goals
- Maintained in the "A List" of CDP for the fifth consecutive year
- Assessment of climate risks and opportunities and definition of an adaptation plan
- Increase in self-generated renewable energy
- Evaluation of the impact on biodiversity with a focus on natural capital and TNFD
- Promotion of circular economy and identification of opportunities for setting eco-strategies from a life cycle perspective.

Cellnex is aware of the importance of its energy performance and the renewable origin of the energy necessary for its operations. In this sense, indirect emissions from electricity consumption are a significant contributor to Cellnex's carbon footprint. To boost this awareness, the Energy Transition Plan issued in 2021 and further developed in 2022 established the guidelines to promote an efficient use of energy through the implementation of energy saving and efficiency measures in work processes and conduct, and by controlling and monitoring consumption in the most significant uses. All of this is based on compliance with applicable legal and regulatory standards at international, European, state, regional and local level, as well as the willingness to adapt to future standards and the requirements of customers and society.

In 2022 Cellnex continued developing the overall strategy of intensifying the key activities and outlined corporate commitments to pave the path to net-zero operations. In addition, a budget plan was allocated to investment and development for the four pillars of the Energy Transition Plan: Energy 4.0, Green energy sourcing, Energy efficiency and Self generation.

Cellnex has defined precise and ambitious science-based targets (SBT) for reducing its emissions aligned with the 1.5ºC scenario. Additionally it has committed to achieve carbon neutrality by 2035 and net-zero by 2050. Within this framework the Energy Transition Plan and the Environment and Climate Change Strategy are the key levers to achieve Cellnex's carbon footprint reduction goals. Thanks to the actions defined, at the end of 2023 Cellnex maintained its renewable electricity consumption target with 77% of consumption from renewable sources (40.5% in 2021 and 77% in 2022). Moreover, Cellnex will actively promote and closely work with its customers to ensure that 100% of the Group's electricity consumption, based on its actual perimeter, will be green by 2025, and in not more than 3 years for any new acquisition.

Cellnex measures and obtains independent third-party verification of its carbon footprint, to ascertain the Group's impact on climate change and to set a baseline for managing and reducing its emissions. Since 2015, the carbon footprint has been calculated yearly at the Group level. Each year, the companies acquired by Cellnex have been incorporated into the carbon footprint calculation. The operational scope is based on the ISO 14064-1:2018 as well as the Greenhouse Gas Protocol (GHG Protocol) criteria with 2020 as the base year of comparison for all its companies including the three scopes. This is the basis on which the emission reduction targets have been defined to keep the increase in global temperature below 1.5 °C, as marked by the Science Based Target initiative ("SBTi") to which Cellnex has joined. These relevant categories have also been included in the carbon footprint calculation, that has been verified following the ISO 14064-1:2018 Standard.

As part of its efforts to manage and mitigate GHG emissions, since 2015 Cellnex offsets scope 1 emissions to achieve neutrality in all the countries. In 2023 Cellnex offset 3,017 tCO_2e by acquiring 3,017 CER (certified emission reduction) credits in the Wind energy in India Tamil Nadu project, which was awarded the prestigious Gold Standard certification.

Once again Cellnex also took part in the CDP Climate Change, one of the most highly recognized organizations for its work on climate change, which seeks to assess the quality of – and systems for reporting – the information provided by private companies or by the public sector. In 2023 Cellnex obtained an "A" for the fifth consecutive year, which means that it continues to be a Leadership Brand. Being included in the "A List" is the highest acknowledgement allocated by CDP. Cellnex also received an "A" in the CDP Supply Chain, consolidating as CDP Supplier Engagement Leader.

Cellnex considers that in the context of its operations it complies with applicable environmental protection laws and the Company has procedures designed to encourage and ensure such compliance. For the years ended 31 December 2023, 2022, 2021, 2020, 2019 and 2018, the Group 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.

1.8. Employees

The Group's team is distributed geographically, as of the date of this Consolidated Interim Directors' Report, in Spain, Italy, France, the Netherlands, the United Kingdom, Switzerland, Ireland, Portugal, Austria, Denmark, Sweden and Poland. This multidisciplinary team is key to a successful business, which enables the Group to be one of the main telecommunications infrastructure operators in Europe.

The Group's workforce has 69% of men and 31% of women as of 30 June 2024, which is slightly better than the current situation of the sector. The Cellnex leadership commitment is very high to act for Equity, diversity and inclusion.

- The Company worked hardly to reduce the gender pay gap, by fostering women career advancement, securing pay for performance approach, assessing pay equity across levels and gender and applying correction whenever and wherever needed.

- The Equity, Diversity and Inclusion strategy ("EDI") which is aligned with Cellnex ESG Master Plan and commitment is embedded in our people policies and management targets.

Regarding EDI, in general terms. during last quarter of 2023 the Group worked on the Integrated Annual Report and the ESG master plan update for 2023 and strengthen the commitments for the 2023 to 2025 period Cellnex actions and initiatives for 2023 has been reported in alignment with the strategy.

Our EDI strategy is driven by four strategic enablers (Outside in, Awareness, Growth and leadership) and has five diversity axes (Gender, Cultural, Generational, Affective and Ability) as core elements.

During the first half of 2024, Cellnex continue roll outing the EDI strategy across countries and has setup goals and priorities for each of the 4 drivers. In addition, during this period, Cellnex made significant strides in implementing the 2024 Plan. Our initiatives are aligned with our strategic priorities and the ESG Master Plan. Please find below the key achievements across our four main drivers: Outside-In, Awareness, Growth, and Leadership:

- Outside-In:

  Fostering Cellnex's visibility in diversity and inclusion ("D&I") external ecosystems is crucial for enhancing our reputation and influence. By maintaining and obtaining external recognitions and certifications, such as those from S&P and UN Target Gender Equity, we validate our commitment to D&I principles. Increasing our external exposure allows us to showcase our existing diversity, thereby inspiring other organizations and stakeholders to adopt similar practices.

  During 2024, we actively participated in several external events, showcasing our dedication to these principles. Notably, two new countries joined our participation in the Target Gender Equality (TGE) initiative compared to 2023. These efforts not only enhance our reputation but also strengthen our external recognition and certifications, such as S&P and UN Target Gender Equity, solidifying our position as a leader in D&I.

- Awareness:

  We continue to raise awareness through regular workshops and campaigns focusing on various diversity axes, including gender, Ability, culture, generation, and LGBTIQ+. These initiatives ensure that all employees understand and embrace diversity, fostering a more inclusive culture. By placing special focus on raising awareness about gender, generation and ability, we address specific needs and promote inclusivity. Aligning these efforts with our purpose and values reinforces our organizational identity and deepens our commitment to D&I.

  March 2024 marked a significant campaign to celebrate International Women's Day, with activities that included a global round table attracting over 100 participants, the first self-defense course for 35 women in Italy, a women speed mentoring session in the UK, and LinkedIn campaign in France aimed at fighting stereotypes. Additionally, all women across various locations received a small present, reinforcing our appreciation and support. In May 2024, we celebrated EU Diversity Month with a global webinar on diversity essentials and bias, further embedding these values within our organizational culture and aligning with our priorities of raising awareness on diversity axes, including gender, disability, culture, generation, and LGBTIQ+.

- Growth:

  The Women UP program promotes awareness, empowerment, leadership, and development for women at all levels within Cellnex. Strengthening our Future Leaders program is essential for building a robust leadership pipeline and preparing diverse talent for future leadership roles. Continuing cross-country collaboration through initiatives like Connecting Circles and "I am remarkable" by Google supports a unified and inclusive corporate culture, enabling us to leverage diverse perspectives and experiences.

During the first half of 2024, we defined the Women UP framework, an acceleration development program for women. The implementation began in Q2 with the launch of the Global Mentoring Edition, aiming to empower and develop female talent across the organization. We also conducted four #IamRemarkable workshops, encouraging women to recognize and celebrate their achievements, we invited 10 to 15 colleagues in each. These initiatives reflect our commitment to supporting the professional growth of women and building a robust leadership pipeline for the future.

During annual merit increase process we monitored gender pay equity very closely which landed in a significant improvement securing no significant gender pay gap globally.

- Leadership:

  Senior Management's commitment to Equity, diversity, and Inclusion is demonstrated through the ED&I Statement and the United Nation – Global Compact "Women Empowerment Principals" CEO signature. Setting ED&I targets at both global and country levels ensures accountability and progress towards our goals. By maintaining or surpassing 2023 levels of employee feedback on D&I scores, as measured through employee surveys, we will demonstrate our ongoing dedication to creating a truly inclusive workplace

  In February 2024, considering the Cellnex's Executive Committee renovation, all members signed and reaffirmed their commitment to EDI by signing an updated EDI statement, demonstrating leadership's dedication to these values. This public endorsement is crucial for driving change and maintaining momentum within the organization. Setting and achieving EDI targets at both global and country levels ensures we remain accountable and continue to progress in creating an inclusive workplace.

These achievements during the first half of 2024 highlight Cellnex's ongoing dedication to fostering an inclusive and equitable workplace, reflecting our strategic priorities and commitment to the ESG Masterplan.

2. OTHER INFORMATION

2.1. Shareholder Remuneration

The approved shareholders' remuneration policy aims to maintain an appropriate balance between shareholder remuneration, the parent company's profit generation and the parent 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 parent company distributes dividends against either net profit or distributable reserves attributable to the Group for the respective financial year. The determination of the distribution of dividends is carried out based on the individual statutory financial statements of Cellnex Telecom, S.A., and within the framework of the legislation in force in Spain.

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 was equivalent to that of 2021, increased by 10% (to EUR 35.4 million).

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.

In addition, the Annual Shareholding's Meeting approved to revoke the delegation of powers granted by the General Shareholders' Meeting held on 21 July 2020, approving the payment of a dividend charged to the share premium reserve, to the extent that said authority was not exercised.

During the first half of 2024, 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 dividend charged to the share premium reserve amounting to EUR 11,825 thousand, which represents 0.01676 euros for each existing and outstanding share with the right to receive such dividend.

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

2.2. Business outlook

Short term financial outlook

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

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

Medium term financial outlook

New guidance disclosed for 2027:

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

[1] Assuming current perimeter. [2] Revenues ex pass-through is an APM detailed in section 1.3 in the Interim Directors' Report.

The 2024, 2025 and 2027 Targets are based on several assumptions. All of the assumptions relate to factors which are outside the full control of the Board of Directors.

2.3. Market figures: 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.+75% is a recommendation to buy.

As at 30 June 2024, the share capital of Cellnex Group stood at 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 (see Note 13.a to the accompanying condensed consolidated financial statements).

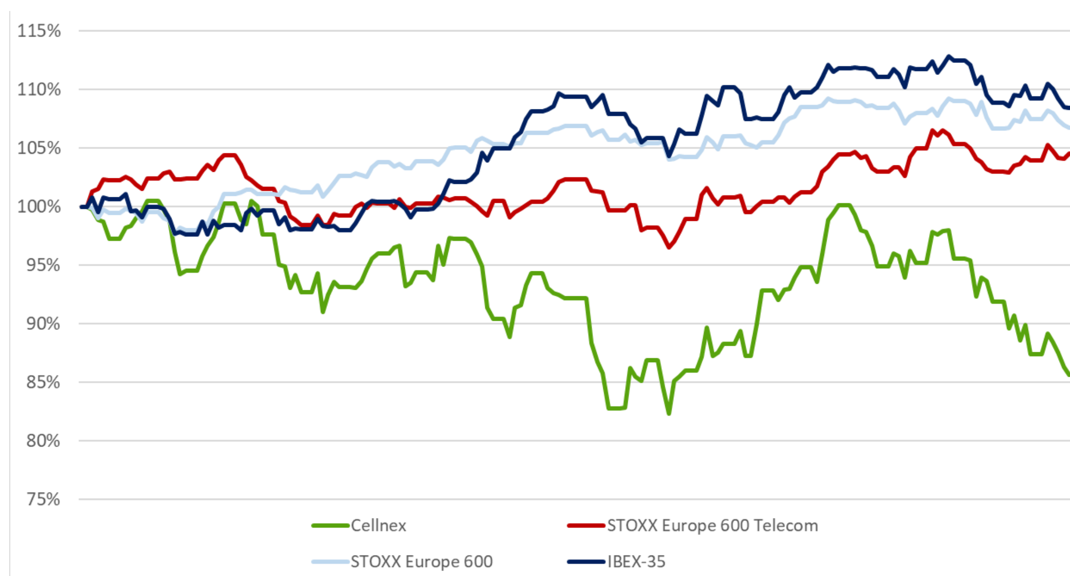
Cellnex's share price decreased by 15% during the first half of 2024, closing at EUR 30.37 per share. The average volume traded has been approximately 1,413 thousand shares a day. The IBEX 35, STOXX Europe 600 and the STOXX Europe 600 Telecom were up by 8%, 7% and 4% over the same period.

Cellnex's market capitalisation stood at EUR 21,456 million at the period ended on 30 June 2024, almost 8 times the one at start of trading on 7 May 2015, compared with a 2% drop in the IBEX 35 over the same period[28].

The performance of Cellnex shares during the first half of 2024, compared to the evolution of IBEX 35, STOXX Europe 600 and STOXX Europe 600 Telecom, is as follows:

	30 June 2024	31 December 2023
Number of shares	706,475,375	706,475,375
Stock market capitalisation at period/year end (millions of euros)	21,456	25,193
Share price at close (EUR/share)	30.37	35.66
Maximum share price for the period (EUR/share)	35.80	38.97
Date	12/01/2024	16/02/2023
Minimum share price for the period (EUR/share)	29.60	26.02
Date	16/04/2024	23/10/2023
Average share price for the period (EUR/share)	33.13	34.77
Average daily volume (shares)	1,412,853	1,274,360

[28] Please note the calculations about the share price performance consider adjustments as per dividends paid.



2.4. Treasury shares

In accordance with the authorisation approved by the Board of Directors, at 30 June 2024 the Group held 931,075 treasury shares (0.132% of its share capital). The use to be made of the treasury shares has yet to be decided and will depend on any decisions adopted by the Group's governing bodies.

During the first half of 2024, the treasury shares transactions carried out, are disclosed in Note 13.a to the accompanying interim condensed consolidated financial statements.

2.5. Post balance sheet events

Payment of the substitute tax in Italy

As detailed in Note 17.b (section "The Merger Transactions"), the first instalment payment of the substitute tax in Italy amounting to EUR 91.5 million has been completed by the end of July 2024. Thus, the corresponding accounting impacts have not been registered in the accompanying Interim Condensed Consolidated Financial Statements for the period ended on 30 June 2024.

Cellnex Netherlands EUR Facility Refinancing

On 31 July 2024, Cellnex Netherlands B.V., as borrower, and Cellnex Netherlands B.V., Cignal Infrastructure Netherlands B.V., Towerlink Netherlands B.V., Shere Masten B.V. and Alticom B.V, as guarantors, amended the existing EUR 280 million syndicated facility extending the maturity to 2029 and significantly reducing the interest rate expense for the coming years.

2.6. Other public documents

At the date of issue of the accompanying Consolidated Interim Directors' Report for the six-month period ended on 30 June 2024, information of a public nature is available, which should be read in conjunction with it, and which is detailed below on a non-exhaustive illustrative basis. Such information is not incorporated by reference into this Consolidated Interim Directors' Report.

- Prospectus Offer of Sale and Admission to Negotiate Shares of Cellnex Telecom, S.A.U (https://www.cellnex.com/app/uploads/2021/11/Oferta-Venta-y-Admision-a-Negociacion-Acciones-de-Cellnex-Telecom-23-de-abril-de-2015.pdf)

- Supplement to the informative prospectus for the sale and admission to trading of shares of Cellnex Telecom, S.A.U. (https://www.cellnex.com/app/uploads/2021/11/Suplemento.pdf).
- Prospectus March 2019 Capital Increase (https://www.cellnex.com/app/uploads/2021/11/Prospectus-Capital-Increase.pdf)
- Prospectus October 2019 Capital Increase (https://www.cellnex.com/app/uploads/2021/11/Prospectus-Capital-Increase.pdf)
- Prospectus July 2020 Capital Increase (https://www.cellnex.com/app/uploads/2021/11/Prospectus-Capital-Increase.pdf)
- Prospectus March 2021 Capital Increase (https://www.cellnex.com/app/uploads/2021/11/20210330-Cellnex-Offering-Memorandum.pdf)
- Debt Programs (https://www.cellnex.com/investor-relations/fixed-income/#shareholders-investors-debt-programs)
- Universal Registration Document (https://www.cellnex.com/app/uploads/2017/11/Folleto.pdf).
- Euro Medium Term Note Program (EMTN) Base Prospectus (https://www.cellnex.com/app/uploads/2015/12/Base-Prospectus_9a658ab1-a8aa-40f6-a58a-135203155a1e.pdf).
- Euro-Commercial Paper Programme (https://www.cellnex.com/app/uploads/2018/06/Cellnex-ECP-Programme_Information-Memorandum_FINAL.pdf).
- Report of the Board of Directors on Convertible Bonds (https://www.cellnex.com/app/uploads/2018/01/Informe-Consejo-de-Administraci%C3%B3n-Bonos-Convertibles.pdf).
- Auditor's Report on Convertible Bonds (https://www.cellnex.com/app/uploads/2018/01/Informe-Auditor-Bonos-Convertibles.pdf).
- Ratings Rating Agencies (https://www.cellnex.com/investor-relations/fixed-income/#shareholders-investors-debt-programs).
- Corporate Policies (https://www.cellnex.com/investor-relations/corporate-governance/#shareholders-investors-corporate-policies).
- Press releases (https://www.cellnex.com/mediacenter/).
- Inside Information (https://www.cellnex.com/investor-relations/cnmv-notifications/).
- Quarterly Results (https://www.cellnex.com/sections/shareholders-investors-financial-quarterly-table/).
- ESG (https://www.cellnex.com/sustainability/)
- Annual/half-yearly reports (https://www.cellnex.com/investor-relations/financial-information/#shareholders-investors-financial-reports).
- Corporate Bylaws of Cellnex Telecom S.A. (https://www.cellnex.com/app/uploads/2022/05/20220428-Estatutos-sociales-refundidos-ENG.pdf)
- Comisión Nacional del Mercado de Valores ("CNMV") website (https://www.cnmv.es/portal/home.aspx).
- Cellnex Telecom website (https://www.cellnex.com/)
- Research released by the sell-side community covering the stock are highly recommended. Please find Analysts relation at: https://www.cellnextelecom.com/en/recomendaciones-analistas/

– The Hutchison shareholder Circular (https://www1.hkexnews.hk/listedco/listconews/sehk/2020/1201/2020120101741.pdf)

2.7. Explanation added for translation to English

These financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Group in Spain (see Note 2.a of the accompanying interim condensed consolidated financial statements). Certain accounting practices applied by the Group that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

Madrid, 31 July, 2024