# FY 2022 Results

16 March 2023

Strong and resilient delivery in FY 22; enlarged platform primed for growth and returns in FY 23 and beyond

# Helios Towers team today

**Manjit Dhillon**
Chief Financial Officer

**Tom Greenwood**
Chief Executive Officer

**Chris Baker-Sams**
Head of Strategic Finance and Investor Relations

# Agenda

1. Highlights
2. Financial Results
3. Q&A

# Highlights

# Highlights

## Strong, resilient financial delivery in FY 22, with well-invested platform primed for accelerated growth and returns in FY 23 and beyond

### 1 FY 22: STRONG FINANCIAL DELIVERY

- **+25%** YoY revenue growth *(+14% organic)*
- **+18%** YoY Adj. EBITDA growth *(+9% organic)*

### 2 FY 22: RECORD SITE AND TENANCY GROWTH

- **+3,993** (+42%) YoY site growth, including **record organic site adds (+751)**
- **+5,716** (+30%) YoY tenancy growth, including **+1,601 organic tenancy additions**

### 3 FY 23: ACCELERATED GROWTH TARGETED

- Adj. EBITDA guidance of **$350m - $365m** *(Mid-point: +26%/+13% organic)*
- Supported by **1,600 - 2,100** organic tenancy additions

### 4 FY 23: CAPEX FOCUSED ON ORGANIC GROWTH

- FY 23: Lower capex of **$170m - $210m** and focused on organic rollout
- FY 22: **$765m** capex deployed, including acquisitions in Oman and Malawi

## Underpinned by $4.7bn contracted revenue with robust CPI and power price protections

# Key phase of inorganic expansion complete and strong start in all new markets

| Market | Closing date | Local leadership | Sites | Tenancy ratio | LQA Adj. EBITDA |
|---|---|---|---|---|---|
| Senegal | ***Closed:*** Q2 2021 | **Karim Ndiaye** Managing Director, Senegal(1) | 1,347 (1,207) | 1.1x (1.0x) | $23m ($19m) +20% |
| Madagascar | ***Closed:*** Q4 2021 | **Ahmat Ousmane** Managing Director, Madagascar | 508 (490) | 1.2x (1.2x) | $6m ($5m) +28% |
| Malawi | ***Closed:*** Q1 2022 | **David Dzigba** Launch Director, Malawi | 765 (723) | 1.6x (1.5x) | $10m ($8m) +30% |
| Oman | ***Closed:*** Q4 2022 | **Ramsey Koola** Managing Director, Oman(1) | 2,519 | 1.2x | $34m |
| Gabon | *Potential acquisition ended* | | | | |

**Helios Towers is the leading independent TowerCo in new markets**

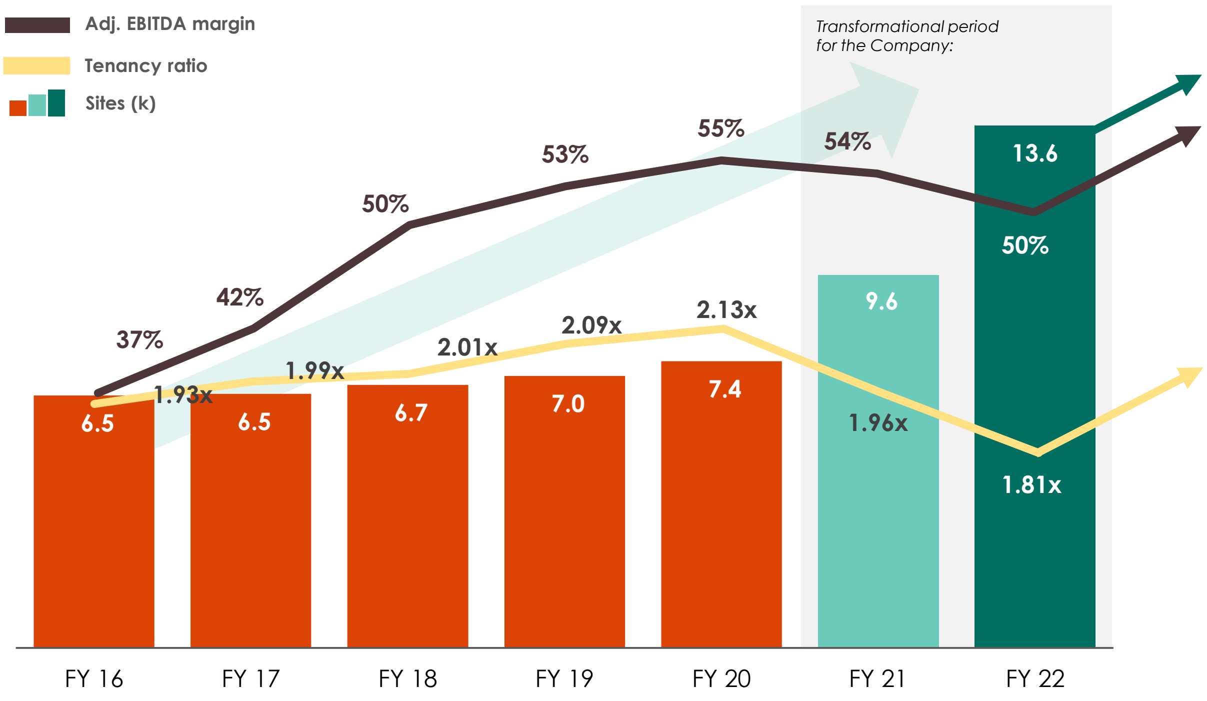
**Green numbers indicate acquired position(2)**
**Blended growth of acquired assets +24% since entry**

(1) Karim Ndiaye is also the Regional Director of Central and West Africa. Ramsey Koola is also the Regional Director of Middle East & East Africa.
(2) Adj. EBITDA acquired position reflects Day-1 announced run-rate.

# Enlarged platform primed for growth and returns

helios towers

## Recent investments have effectively doubled our platform and provided greater diversification




**# of markets:** 5 (FY 20), 7 (FY 21), 9 (FY 22)

## Attractive markets support leading organic growth

**+7-9% (1,600 – 2,100)** — annual tenancy additions, reflecting structural growth

=

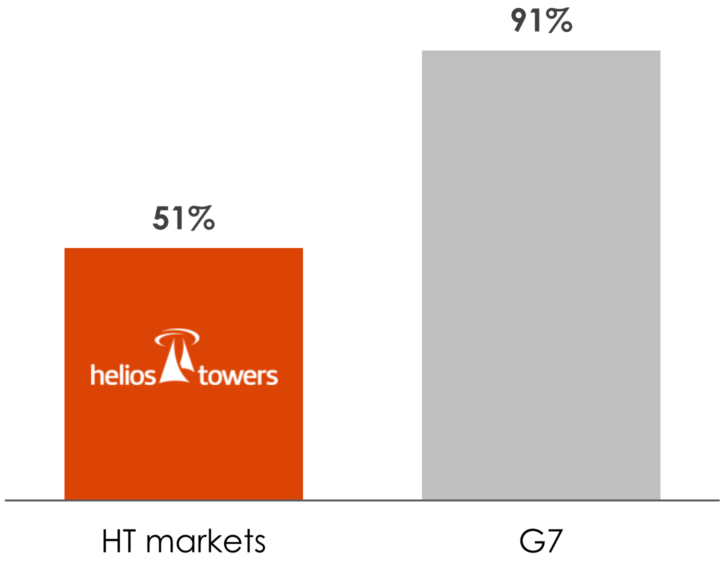
**FY 23 c.13% | FY 24–26 10-12% (CAGR)** — organic Adj. EBITDA growth targeted

**$4.7bn** — contracted revenues with blue-chip MNOs underpinning growth

# Unparalleled structural growth in HT markets

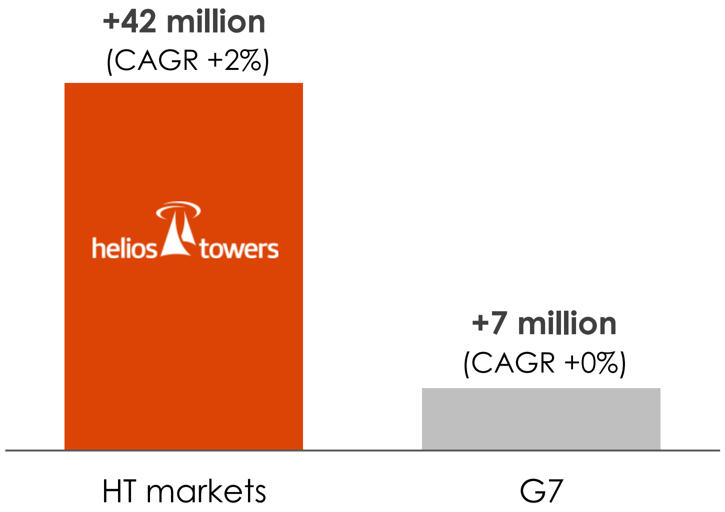
## Low mobile penetration[1]

*(2022)*



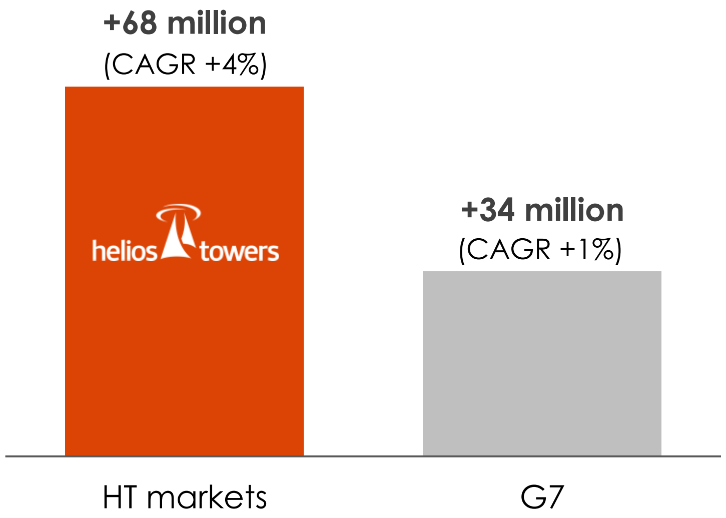

## Huge population growth[2]

*(2021-26)*




## Fastest growing mobile markets[1]

*(2021-26)*




**Structural growth drivers support 8% points of service CAGR (+25k) between 2021 - 2026[3]**

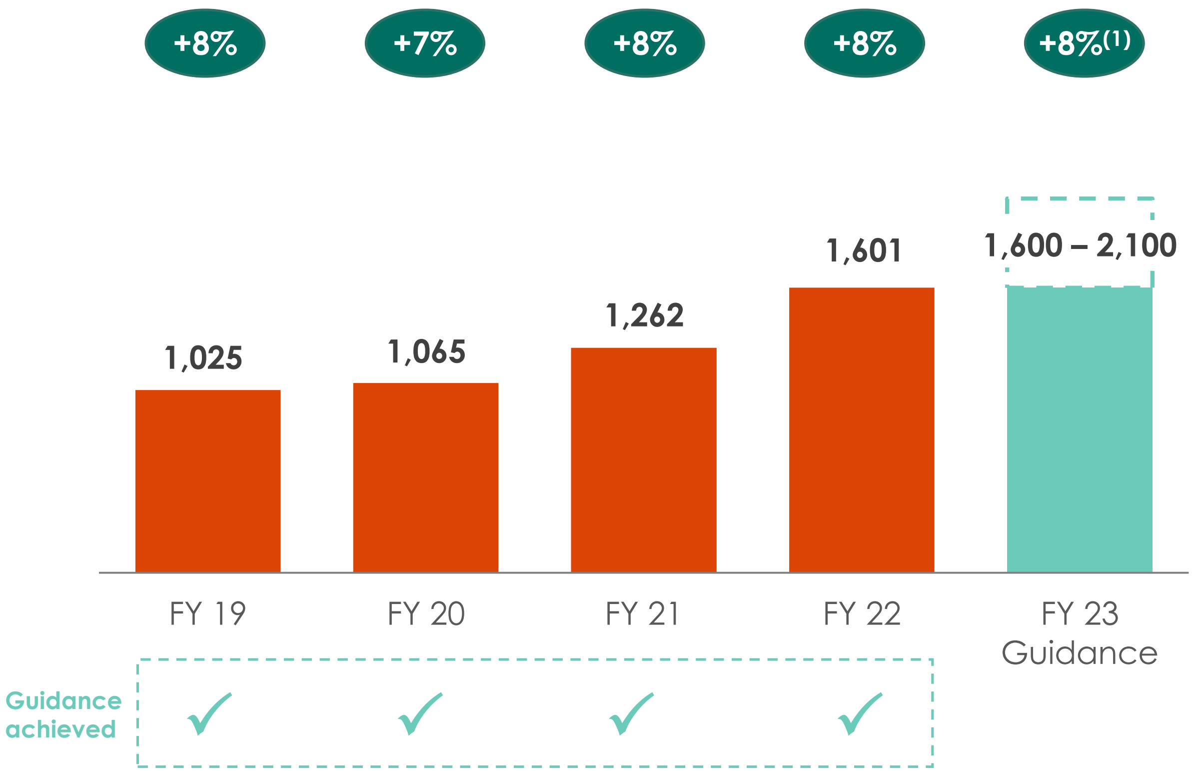
(1) GSMA database, accessed December 2022.
(2) UN Population Prospects, July 2022.
(3) Analysys Mason report, February 2022, reflects growth 2021 - 26

Note: "Our markets" include our nine markets including the transaction with Omantel in Oman, which closed in Dec 22 and the markets' mobile penetration reflects site weighted figure calculated on FY 22 sites. "G7" includes Canada, France, Germany, Italy, Japan, the United Kingdom and the United States and G7 mobile penetration figure reflects population weighted figure calculated on 2022 population estimates.

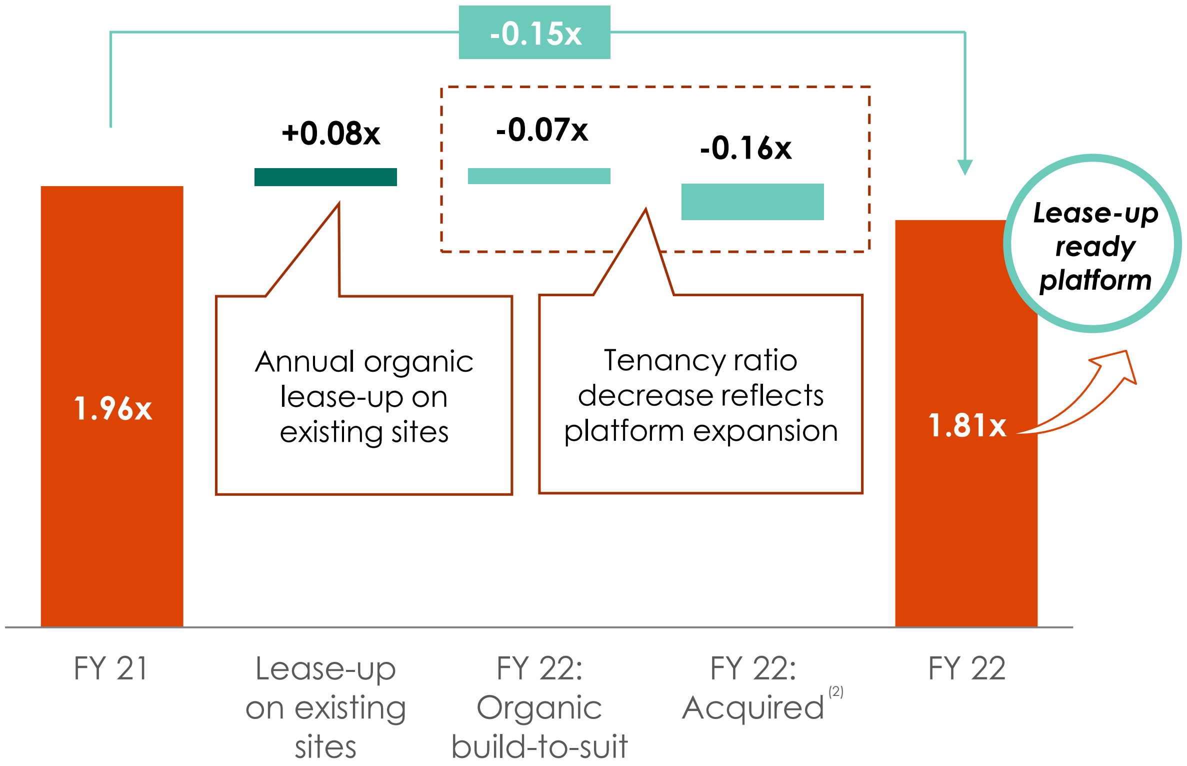
# Organic tenancy growth and lease-up driven by attractive market dynamics

## Consistently delivering high-single digit organic tenancy growth since IPO

*YoY organic tenancy growth*




## Substantial platform expansion masking strong underlying lease-up



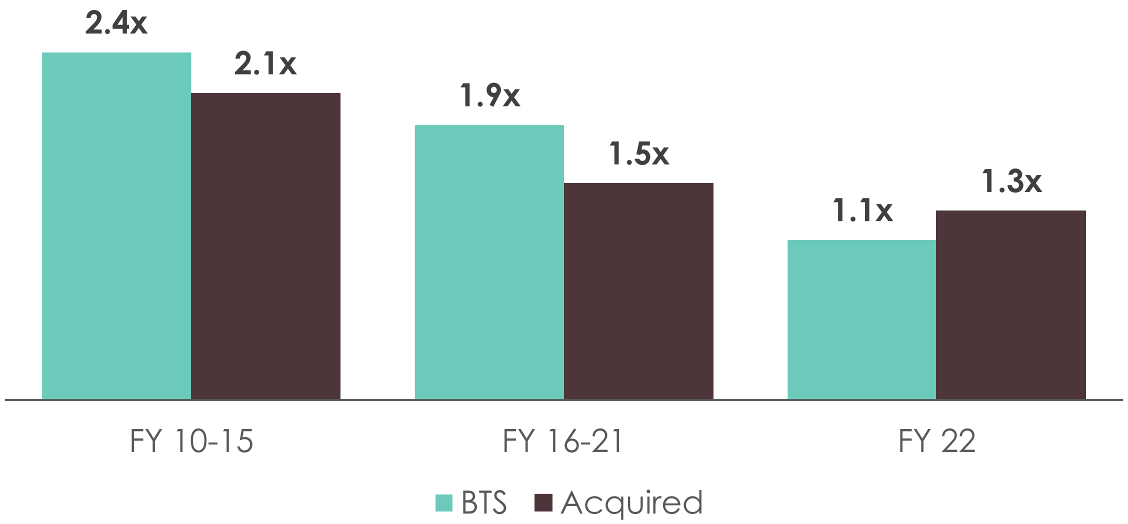

(1) YoY growth calculated using mid-point of 2023 guidance
(2) Reflects acquired tenancies in Oman and Malawi, partially offset by organic lease-up in Malawi

# Proven track record of driving lease-up

## Tenancy ratio by vintage

***Average tenancy ratio expansion per annum:***

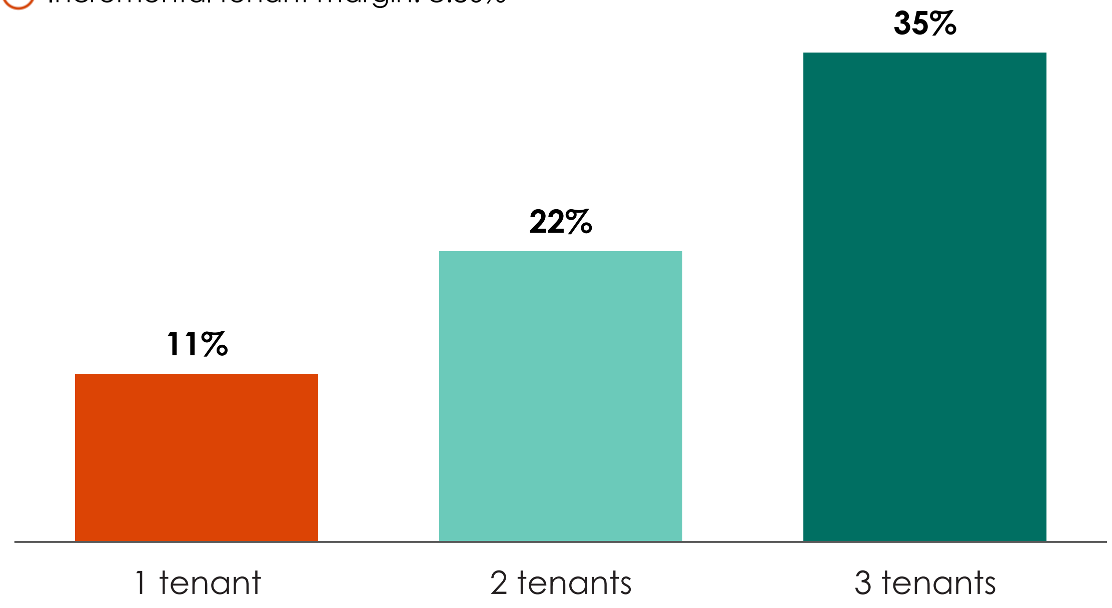
| | | | |
|---|---|---|---|
| BTS: | 0.2x | 0.3x | 0.2x |
| Acquired: | 0.1x | 0.1x | 0.1x |




## Highly attractive returns

***Illustrative incremental site ROIC for BTS[1]***

- Minimal incremental opex
- Minimal incremental capex
- Incremental tenant margin: c.80%




(1) For illustrative purposes only, and based on estimated pricing and costs for newly constructed BTS, weighted by Company estimated rollout. Site ROIC calculated as site Adjusted gross profit minus ground lease payments and non-discretionary capital expenditure divided by discretionary capital expenditure.

# Sustainable Business Strategy

helios towers

## Committed to the highest levels of reporting and transparency

MSCI ESG RATINGS AAA

### First rating of 'AAA' from MSCI

- Received an 'AAA' ESG rating, the highest possible score from MSCI
- Reflects strong governance of ESG risks

CDP

### Improved rating from CDP

- Awarded a B in December 2022, progressing from B- in our first response to the CDP climate questionnaire in 2021
- Reflects our approach and reporting in climate action

WDi Workforce Disclosure Initiative

### Improved WDI score

- Scored 87% for our WDI 2022 disclosure, improving our 2021 score (57%) and exceeding average for all companies (68%)
- Shortlisted for the 'Most improved' award and received a special mention for 'Workforce action' at the Workforce Transparency Awards

## Sustainable Business Strategy progressing; management compensation closely aligned

| Impact | KPI | Mgmt. comp(3) | FY 21 | FY 22 | FY 26 |
|---|---|---|---|---|---|
| **Reliable mobile coverage** | % power uptime | *Bonus* | 99.99% | 99.97% | 100.00% |
| **Governance** | % four ISO standards maintained | *Bonus* | 100% | 100% | 100% |
| **Gender diversity**(2) | % female staff | *LTIP* | 24% | 28% | 30% |
| **Enabling connectivity**(2) | Population coverage footprint | *LTIP* | 118m | 141m | 250m |
| **Climate action** (1) (2) | Carbon emissions per tenant | *LTIP* | -4% | 0% | -46% *by 2030* |
| **Developing talent** | % staff trained in Lean Six Sigma | *Enabler* | 31% | 42% | 70% |
| **Local teams** | % local staff | *Enabler* | 97% | 96% | 95-100% |

**30 seconds** downtime per tower per week

(1) Carbon emission per tenant target covers Scope 1 and 2 emissions against a 2020 baseline and covers the five markets where the Company was operational in 2020. FY 21 and FY 22 performance reflects change from 2020 baseline using latest available emission factors.

(2) In addition to Adj. EBITDA per share, ROIC and relative total shareholder return, an Impact scorecard performance metric is introduced to align incentives with the Company's Sustainable Business Strategy. The scorecard comprises three equally weighted performance targets, including environmental impact: emissions per tenant; diversity: % female staff; and digital inclusion: population coverage (% increase).

(3) 'LTIP' means Long Term Incentive Plan.

# Financial Results

# FY 2022: Delivered on guidance with strong organic tenancy and Adj. EBITDA growth

| | FY 2022 actual | FY 2022 guidance |
|---|---|---|
| Organic tenancy additions | ✓ +1,601 organic tenancies of which 47% new sites | +1,400 - 1,700 of which 60% sites |
| Lease rate per tenancy | ✓ +4%(1) | +3% - 5% YoY |
| Adj. EBITDA margin | ✓ 50.4% | 50% - 51% |
| Capex | ✓ $765m | $750m - $770m(2) |

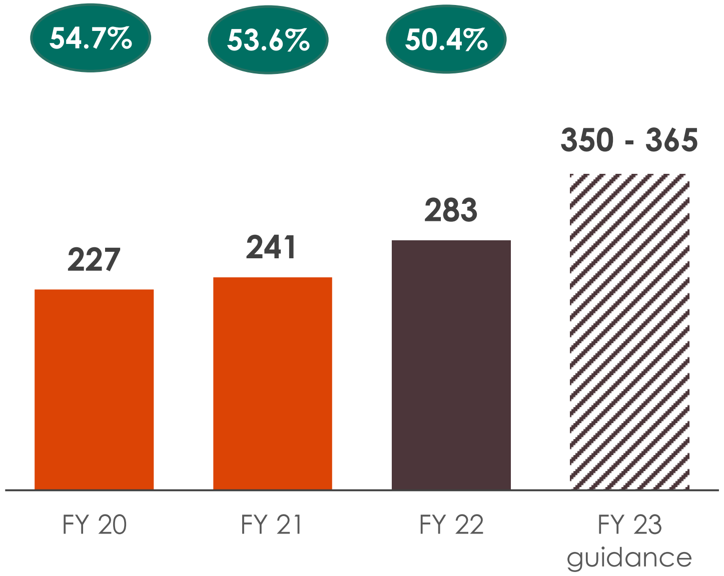
(1) Calculation excludes Malawi and Oman acquisitions, which closed in Q1 2022 and Q4 2022, respectively.
(2) Reflects FY 22 guidance at Q3 22 results of $830m - $850m, adjusted downward by $80m to reflect the amended gross consideration for acquisition of Omantel's portfolio.

# Robust financial performance and outlook

## Continued Adj. EBITDA and PFCF growth, with platform ready to drive returns upwards

### Adj. EBITDA
**(US$m)**

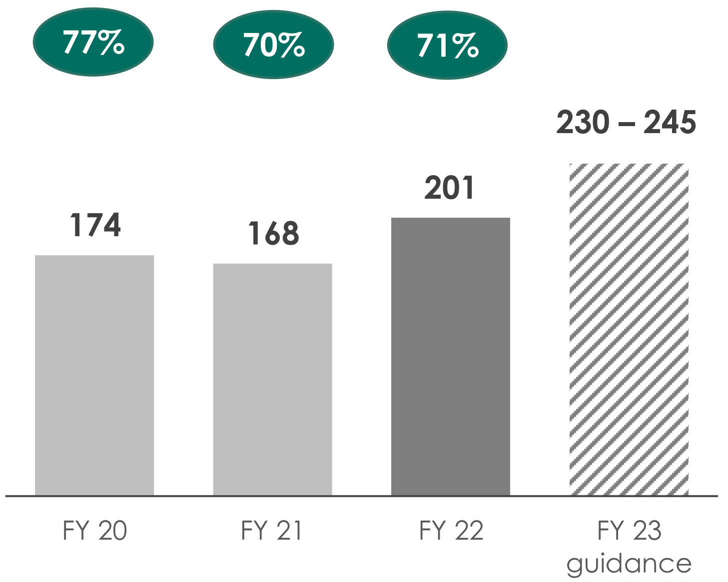
*Adj. EBITDA Margin*




- Adj. EBITDA expansion +18% from FY 21 driven by record tenancy growth

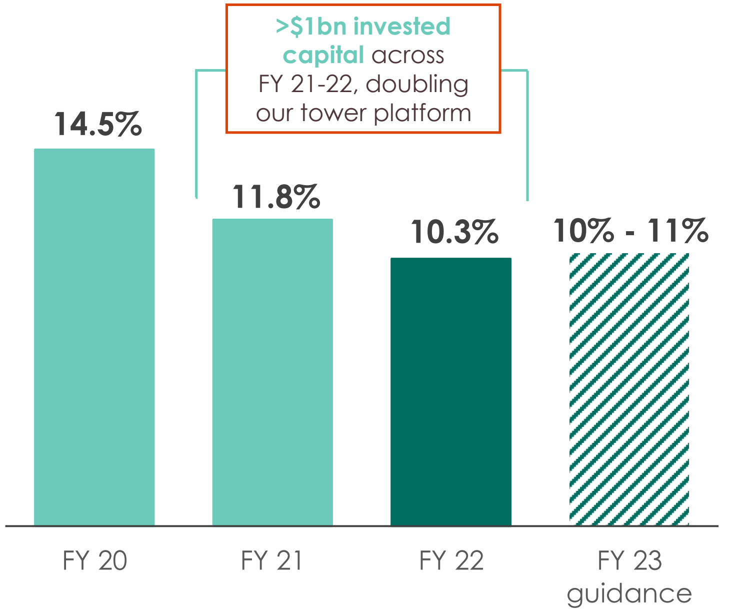
### Portfolio free cash flow
**(US$m)**

*Cash conversion(1)*




- FY 22 PFCF +20% from FY 21 driven by Adj. EBITDA growth and higher cash conversion, reflecting lower non-discretionary capex

### Return on invested capital(2)
**(%)**

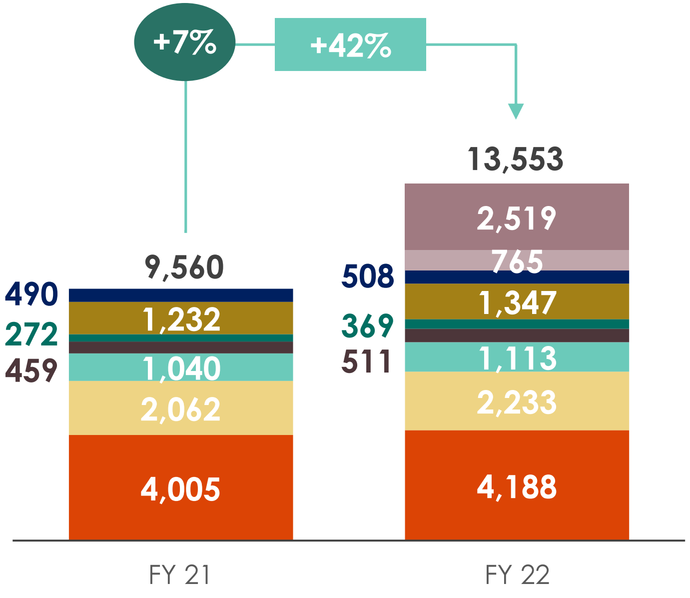



- ROIC decreased -1.5ppt driven by record investment in FY 22, including acquisitions in Oman and Malawi

(1) Cash conversion calculated as portfolio free cash flow divided by Adj. EBITDA for the period.
(2) Return on invested capital ('ROIC') is defined as annualised portfolio free cash flow divided by invested capital. Invested capital is defined as gross property, plant and equipment and gross intangible assets, less accumulated maintenance and corporate capital expenditure, adjusted for IFRS 3 accounting adjustments and deferred consideration for future sites.

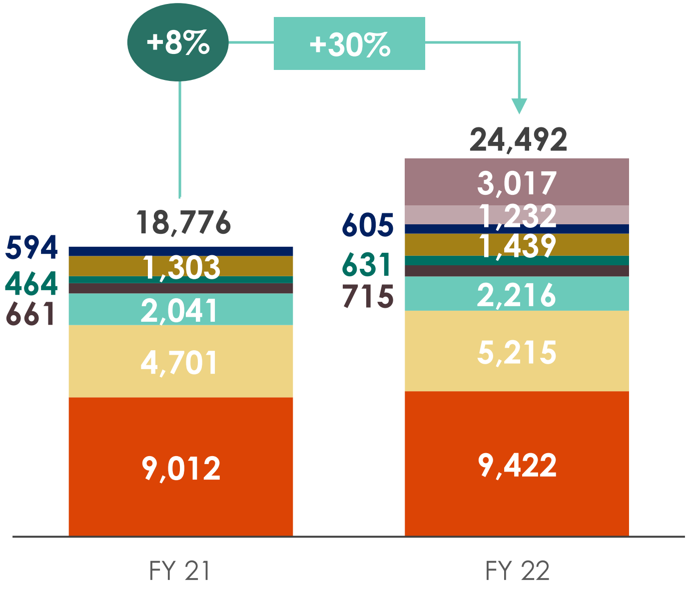
# FY 2022: Record site and tenancy growth

## Sites



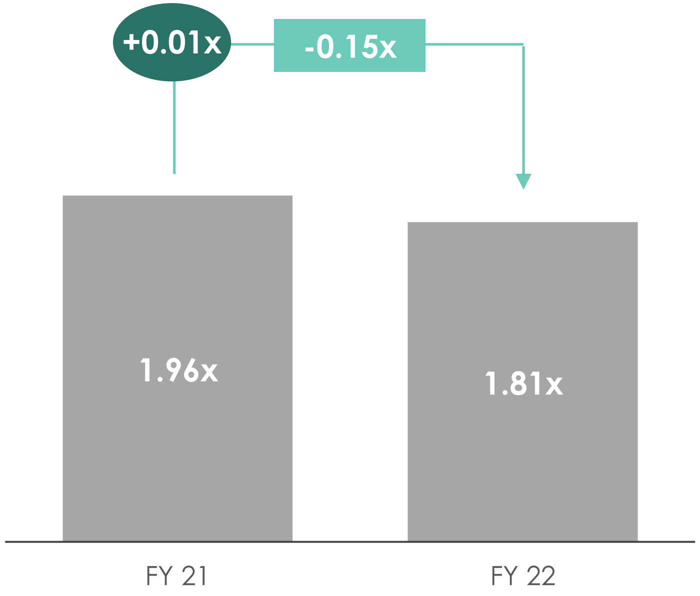

- Site additions +3,993 YoY
  - Record organic site additions of +751 reflecting growth across all markets
  - +3,242 acquired sites across Malawi and Oman

## Tenancies




- Tenancy additions +5,716 YoY
  - +1,601 organic additions; second best ever year of organic tenancy growth
  - +4,115 acquired tenancies across Malawi and Oman

## Tenancy ratio



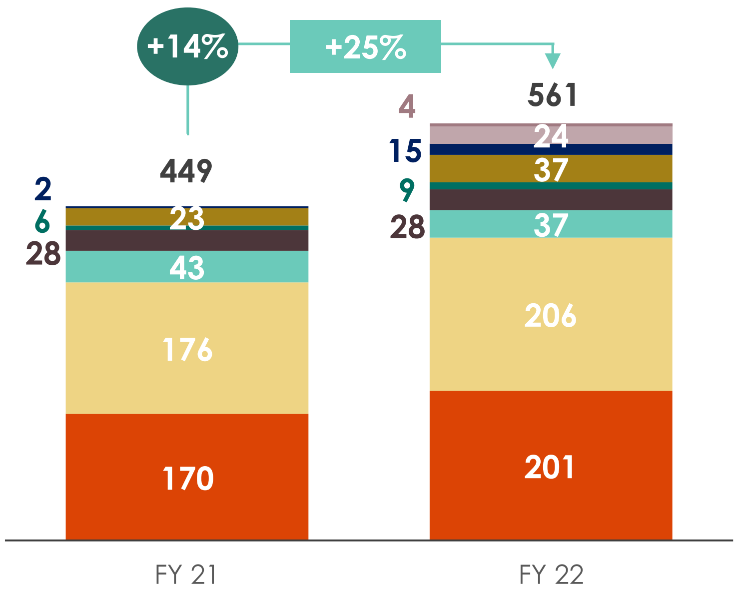

- Tenancy ratio –0.15x
  - Driven by new market acquisitions in Malawi and Oman, with a tenancy ratio of 1.3x, which we target to lease-up over the medium term

Organic growth[(1)] Tanzania DRC Ghana Congo Brazzaville South Africa Senegal Madagascar Malawi Oman

(1) YoY% organic growth calculated as organic additions divided by FY 21 site / tenancy position, updated for day-1 acquired Malawi sites / tenancies. Organic tenancy ratio calculation excludes Malawi and Oman acquisitions.

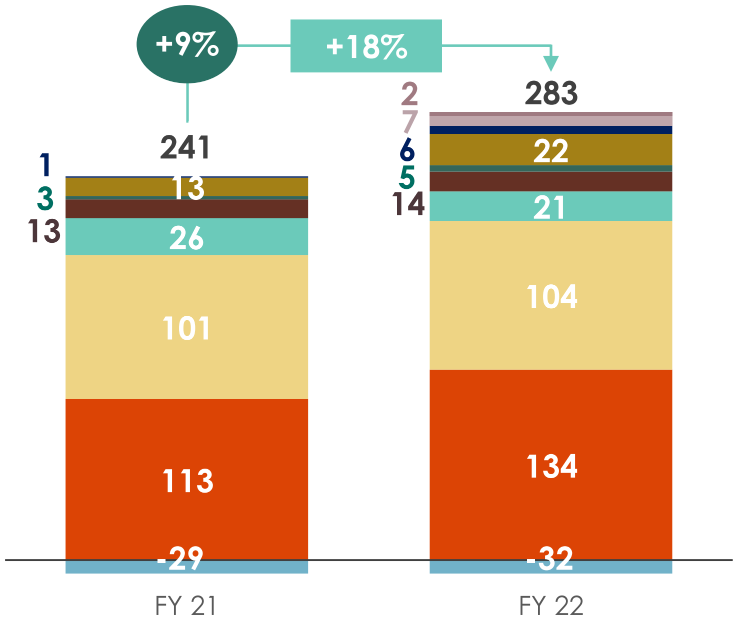
# FY 2022: Continued Adj. EBITDA expansion driven by tenancy growth

## Revenue (US$m)



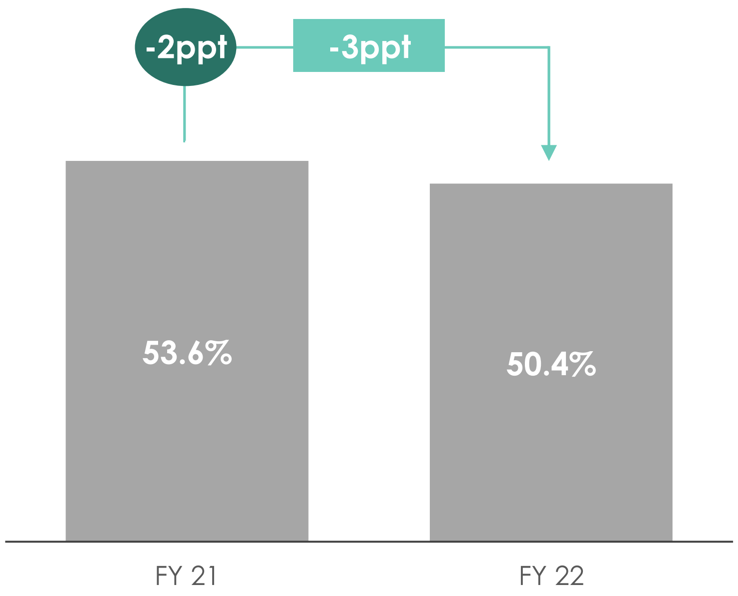

- Organic revenue growth driven by tenancy additions across all markets, and CPI and power escalations

## Adj. EBITDA (US$m)




- Adj. EBITDA growth driven by organic and inorganic tenancy additions, with CPI and power escalations largely offsetting opex impacts

## Adj. EBITDA margin (%)



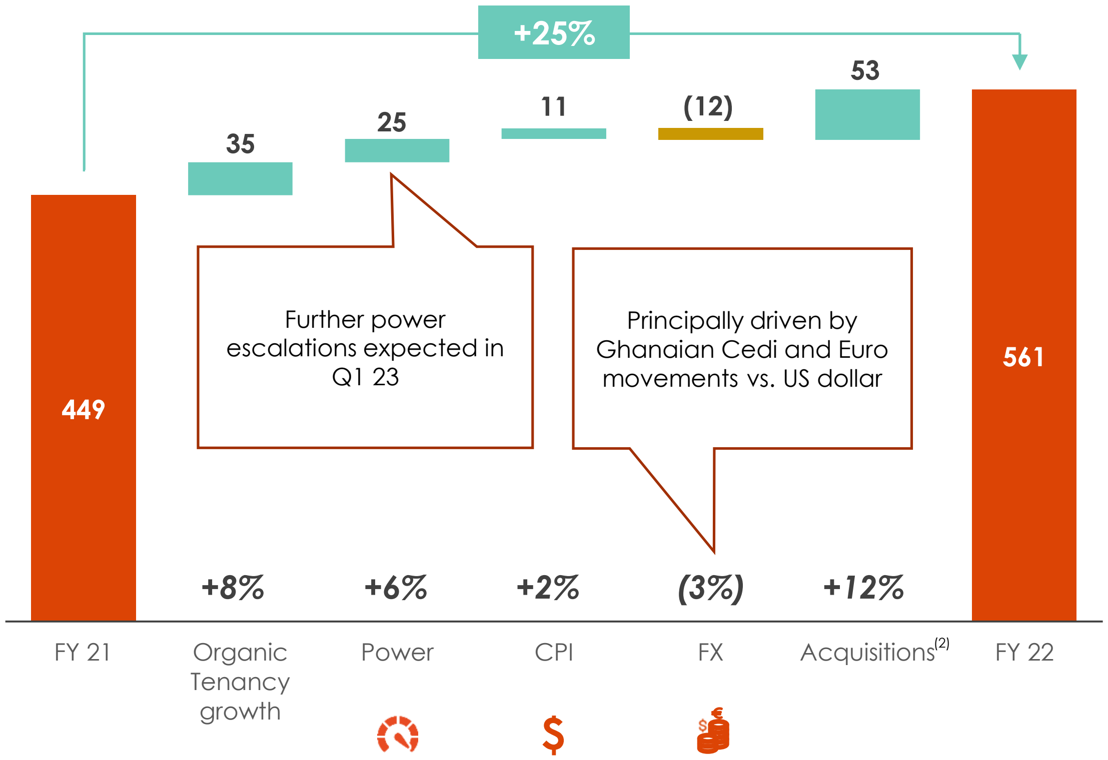

- Decrease driven by acquisitions and higher power costs that increase revenues and operating expenses comparably

Organic growth[1] Tanzania DRC Ghana Congo Brazzaville South Africa Senegal Madagascar Malawi Oman Holdco

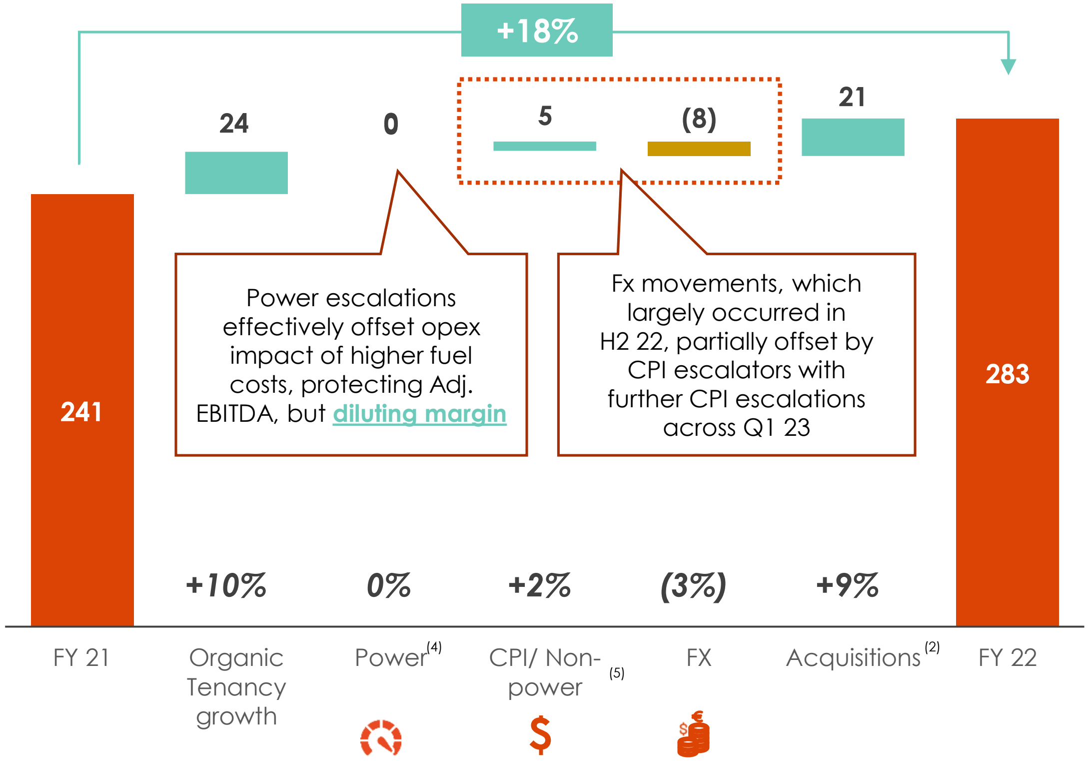
(1) Organic growth excludes revenues and Adj. EBITDA contributed from the acquired portfolios in Senegal, Madagascar, Malawi and Oman in Q2 2021, Q4 2021, Q1 2022 and Q4 2022, respectively.

# Robust business model protects Adj. EBITDA through macro volatility

## FY 22 YoY revenue walkthrough[1,3] (US$m)




## FY 22 YoY Adj. EBITDA walkthrough[1] (US$m)




(1) Figures may not sum due to rounding.
(2) Reflects contributions from Senegal, Madagascar and Malawi and Oman, and corporate investments to support expansion.
(3) HT revenue impact for CPI and power reflect increase in 2022 revenues from respective escalations effected since January 2022, divided by 2021 revenue of $449.1m. HT revenue impact from FX reflects the YoY Fx translation impact from local currency and Euro-pegged revenues into US dollars.
(4) Calculated as escalations from power-linked revenues less year-on-year changes in power opex assuming FY 21 power opex per site using HT's FY 22 average site count (excluding Senegal, Madagascar, Malawi and Oman).
(5) Calculated as escalations from CPI-linked revenues less year-on-year changes in non-power opex and SG&A assuming FY 21 non-power opex per site using HT's FY 22 average site count (excluding Senegal, Madagascar, Malawi and Oman).

# Adj. EBITDA protected through power price volatility

helios towers

## Without power escalation protections

*Illustrative example*

| US$m (unless otherwise stated) | Before power increase | Power increase | After power increase |
|---|---|---|---|
| Revenues | 50 | - | 50 |
| OpEx | (30) | (10) | (40) |
| Adj. EBITDA | 20 | (10) | 10 |
| Adj. EBITDA margin | 40.0% | -20ppt | 20.0% |

Adj. EBITDA reduction without power price escalations

## With Helios Towers power escalation protections

*Illustrative example*

| US$m (unless otherwise stated) | Before power increase | Power increase | After power increase |
|---|---|---|---|
| Revenues | 50 | 10 | 60 |
| OpEx | (30) | (10) | (40) |
| Adj. EBITDA | 20 | - | 20 |
| Adj. EBITDA margin | 40.0% | -7ppt | 33.3% |

*HT FY 2022*

helios towers

| US$m (unless otherwise stated) | FY 22 (adjusted for YoY power increases) | Power increases | FY 22 (reported) |
|---|---|---|---|
| Revenues | 536 | 25 | 561 |
| OpEx/SG&A | (253) | (25) | (278) |
| Adj. EBITDA | 283 | 0[(1)] | 283 |
| Adj. EBITDA margin | 52.8% | -2ppt | 50.4% |

Adj. EBITDA protected with power price escalations

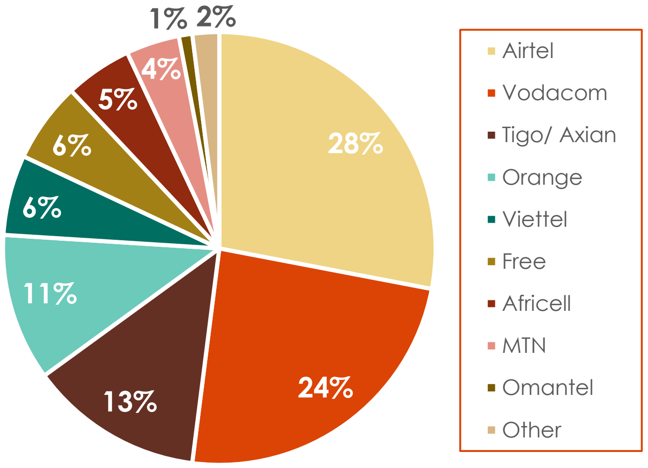
**Adj. EBITDA *margins* may move due to volatile fuel price movements; However, importantly Adj. EBITDA is well-protected**

(1) Calculated as escalations from power-linked revenues less year-on-year changes in power opex assuming FY 21 power opex per site using HT's FY 22 average site count (excluding Senegal, Madagascar, Malawi and Oman).

# Diversified business underpinned by long-term contracts with blue-chip MNOs

## Diverse, quality customer base

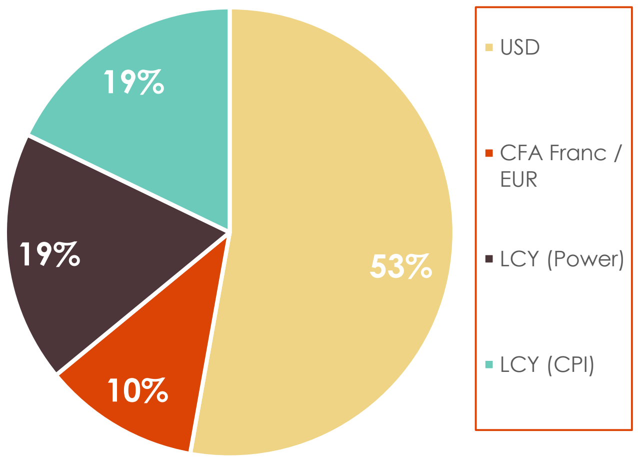
*FY 22 revenue breakdown by customer*




- Strong customer base with **98%** revenues from large, blue-chip MNOs
- Revenues underpinned by long-term contracts, with **$4.7bn** future contracted revenue at FY 22 (FY 21: $3.9bn), with an average remaining life of **7.6 years**

## Robust hard-currency earnings

*FY 22 revenue breakdown by FX*

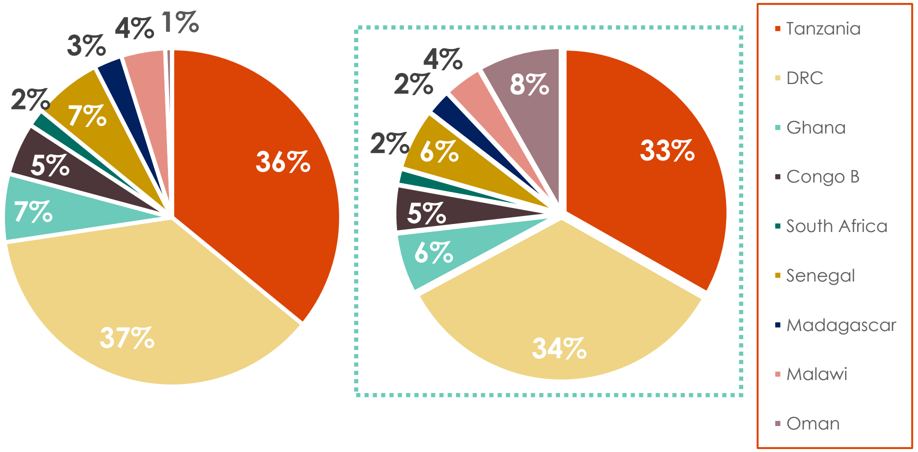



- **63%** revenues in hard-currency (67% pro forma acquisitions[1])
- **68%** Adj. EBITDA in hard-currency (72% pro forma acquisitions[1])
- **Local currency earnings protected through inflation escalators**

## Geographically diverse revenues

*FY 22 actual*

*FY 22 pro forma acquisitions*




- Most diversified towerco across Africa and the Middle East, following acquisitions in Malawi and Oman
- Pro forma pending acquisitions, no single market accounts for more than **34%** revenues[1]

Note: Percentage values may not sum to 100% due to rounding.
(1) Pro forma estimates include pro-rata benefit of the Malawi acquisition, annualised estimated day-1 revenues/ Adj. EBITDA from Oman. This does not include revenues from committed BTS or potential future colocation growth. These figures should not be treated as profit forecast, nor are they audited.

# FY 2023 capex is tightly controlled and focused on organic investments to drive returns

helios towers

## Capex breakdown

| US$m, unless otherwise stated | FY 21 | FY 22 | FY 23 Guidance |
|---|---|---|---|
| Acquisitions | 238 | 557 | |
| + Growth | 118 | 171 | 130 – 170 |
| + Upgrade | 18 | 16 | |
| **Discretionary[1]** | **373** | **745** | |
| + Non-discretionary (Cost per site per year) | 22 ($3k) | 20 ($2k) | c.40 ($3k) |
| **Total capex[1]** | **395** | **765** | **170 – 210** |

## Commentary

### FY 22

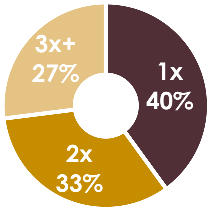
- **FY 22 capex of $765m**, a record level of investment, including **acquisition capex of $557m**, principally related to the acquisitions in Malawi and Oman
- **Organic capex of $208m**, slightly above the high-end of guidance largely due to capex in Oman in late 2022

### FY 23

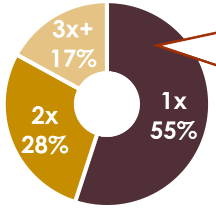
- Capex guidance of **$170m - $210m**
- **$130m - $170m** discretionary capex and non-discretionary capex of **c.$40m**, with site, colocation and non-discretionary unit economics broadly in-line with guidance provided at our Capital Markets Day[2]

### Investment in platform expansion supports lease-up:

*Established markets[3] tenancy split:*




*Overall portfolio tenancy split:*




Addition of four new portfolios with average tenancy ratio of 1.2x (2021-22)

(1) Values may not sum up due to rounding.
(2) 2022 guidance on growth capex: c.$125k per new site and c.$10k per new colocation; non-discretionary capex: c.$3k per site; all increasing with US inflation thereafter.
(3) Established markets refer to markets that Helios Towers has entered and were operational since 2020, including Tanzania, DRC, Ghana, Congo Brazzaville and South Africa.

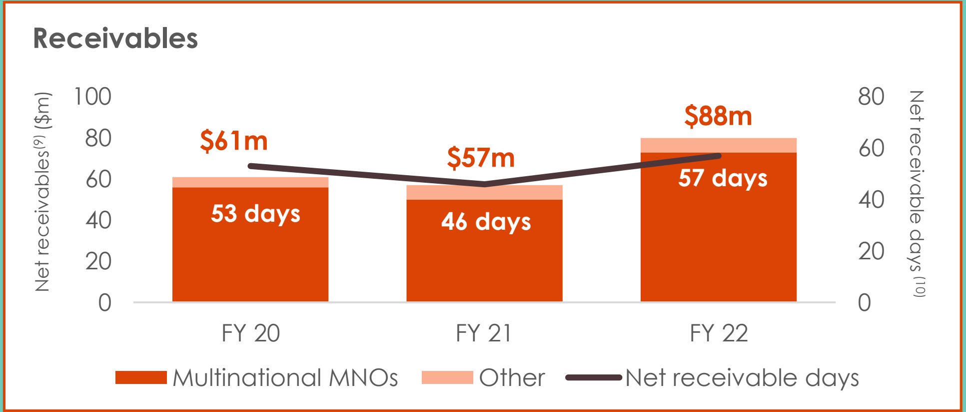
# Strong portfolio free cash flow reinvested to support growth

## Management cash flow

| ($m) | FY 20 | FY 21 | FY 22 |
|---|---|---|---|
| **Adj. EBITDA** | **227** | **241** | **283** |
| Non-discretionary capex | (17) | (22) | (20) |
| Payment of lease liabilities[1] | (26) | (31) | (41) |
| Corporate taxes paid | (10) | (19) | (20) |
| **Portfolio free cash flow[2]** | **174** | **168** | **201** |
| *Cash conversion %[3]* | *77%* | *70%* | *71%* |
| Net payment of interest[4] | (93) | (93) | (98) |
| **Levered portfolio free cash flow** | **82** | **75** | **104** |
| Discretionary capex[5] | (80) | (373) | (745) |
| *Acquisition* | *(16)* | *(238)* | *(557)* |
| *Growth* | *(49)* | *(118)* | *(171)* |
| *Upgrade* | *(16)* | *(18)* | *(16)* |
| **Adjusted free cash flow** | **2** | **(298)** | **(641)** |
| Net change working capital[6] | (22) | (12) | (87) |
| Cash paid for exceptional and one-off items and proceeds on disposal of assets[7] | (51) | (75) | 7 |
| **Free cash flow** | **(71)** | **(385)** | **(721)** |
| Transactions with non-controlling interests | - | - | (12) |
| Net cash flow from financing activities[8] | 278 | 487 | 327 |
| **Net cash flow** | **208** | **102** | **(405)** |
| Cash brought forward | 221 | 429 | 529 |
| FX | 0 | (2) | (4) |
| **Cash carried forward** | **429** | **529** | **120** |

## Commentary

- **FY 22 portfolio free cash flow of $201m, increasing 20% YoY**
- **Working capital outflow driven by investment for future growth and performance, in addition to timing of customer payments**
- **Investment supporting over 400 tenancies to be delivered in Q1 23, substantially above typical seasonality**




(1) Payment of lease liabilities includes interest and principal repayments of lease liabilities.
(2) Refer to reconciliation of cash generated from operating activities to portfolio free cash flow in the Alternative Performance Measures section of our FY 22 RNS announcement.
(3) Cash conversion % is calculated as portfolio free cash flow divided by Adj. EBITDA.
(4) Net payment of interest corresponds to the net of 'Interest paid' (including withholding tax) and 'Interest received' in the Consolidated Statement of Cash Flow, excluding interest payments on lease liabilities.
(5) Discretionary capital additions includes acquisition, growth and upgrade capital additions.
(6) Working capital means the current assets less the current liabilities for the Group. Net change in working capital corresponds to movements in working capital, excluding cash paid for exceptional and one-off items and proceeds on disposal of assets and including movements in capital expenditure related working capital.
(7) Cash paid for exceptional and one-off items and disposal of assets includes projects costs, deal costs, deposits in relation to acquisitions, and proceeds on disposal of assets.
(8) Net cash flow from financing activities includes gross proceeds from issue of equity share capital, share issue costs, loan drawdowns, loan issue costs, repayment of loan and capital contributions in the Consolidated Statement of Cash Flows.
(9) Net receivables equal total trade receivables (including related parties) and accrued revenue, less amounts billed not yet due.
(10) Net receivables days is calculated as net receivables divided by revenue in the reporting period, multiplied by the number of days in the period.

helios towers

# Net leverage increase driven by Oman acquisition; clear pathway to de-levering

## Debt KPIs

| ($m) | FY 21 | FY 22 |
|---|---|---|
| **Cash & cash equivalents** | **529** | **120** |
| Bond (Dec-25) | 975 | 975 |
| Convertible bond[1] (Mar-27) | 247 | 247 |
| Group facilities | - | 25 |
| Local facilities | 73 | 325 |
| Lease obligations + other[2] | 182 | 226 |
| Gross debt | 1,477 | 1,798 |
| Net debt[3] | 949 | 1,678 |
| Annualised Adj. EBITDA[4] | 264 | 329 |
| **Gross leverage[5]** | **5.6x** | **5.5x** |
| **Net leverage[6]** | **3.6x** | **5.1x** |

-0.1x / +1.5x

## Commentary

- **Net leverage increased by +1.5x YoY to 5.1x, due to closing of Malawi and Oman acquisitions during the year**
- **Excluding Oman[7], net leverage was 4.1x, around the mid-point of our target range of 3.5x - 4.5x**
- **Ample liquidity with $120m cash on balance sheet and c.$375m undrawn debt facilities across the Group; c.$495m in available funds**

**4** years weighted average life remaining[8]

**83%** of drawn debt at fixed rate[8]

(1) The convertible bond is accounted for as a compound instrument. On initial recognition of the $250m March issue this created a $205m liability and an equity component of $45m before transaction costs. At Q4 2022 and including the $50m bond tap, this represents a $247m liability and an equity component of $53m before transaction costs and excluding accrued interest.
(2) 'Other' relates to unamortised loan issue costs, accrued bond and loan interest, derivative liability and shareholder loans.
(3) Net debt is calculated as gross debt less cash and cash equivalents.
(4) Annualisation is calculated as the most recent fiscal quarter multiplied by four, adjusted to annualise the impact of acquisitions completed during the period.
(5) Calculated as gross debt divided by Annualised Adj. EBITDA for the quarter.
(6) Calculated as net debt divided by Annualised Adj. EBITDA for the quarter.
(7) Reported net debt has been adjusted for drawn local debt facilities, Group funds deployed to partially finance the transaction, minority shareholder loans and cash held locally as at Dec 22. Annualised Adj. EBITDA reflects reported annualised Adj. EBITDA minus $34m related to Oman day-1 run-rate.
(8) Fixed rate % and weighted average remaining life based on current drawn debt.

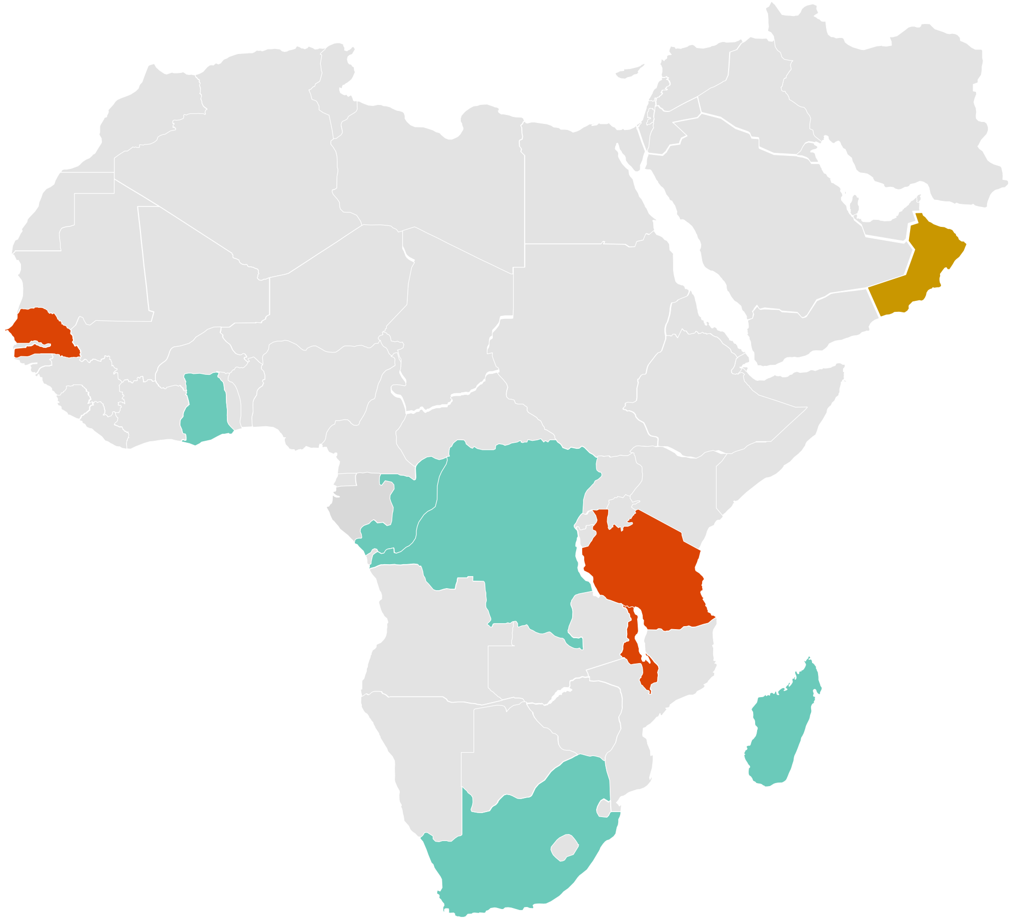
# FY 2023: Focused on execution with organic tenancy additions and Adj. EBITDA growth expected to accelerate

| | FY 2022 actual | FY 2023 guidance | YoY Growth |
|---|---|---|---|
| Organic tenancy additions | +1,601 organic tenancies<br>of which 47% new sites | +1,600 - 2,100<br>of which 40% sites | +7% - 9% |
| Adj. EBITDA | $283m | $350m - $365m | +24% - 29% |
| PFCF | $201m | $230m - $245m | +14% - 22% |
| Capex | $765m | $170m - $210m<br>of which $40m non-discretionary | (73%) - (78%) |

# Segmentation update

## Following key phase of expansion and investment in regional structures, the company will align its reporting segments effective from Q1 2023

| FY 2022 | Sites (#) | Tenancies (#) | Adj. EBITDA (US$m) |
|---|---|---|---|
| **East and West Africa** | 6,300 | 12,093 | 163 |
| *Tanzania, Senegal, Malawi* | | | |
| **Central and Southern Africa** | 4,734 | 9,382 | 149 |
| *DRC, Ghana, Madagascar, Congo B, South Africa* | | | |
| **Middle East and North Africa** | 2,519 | 3,017 | 34* |
| *Oman* | | | |



*Reflects estimated Adj. EBITDA contribution from assets acquisition in Oman.

# Key takeaways and outlook for 2023

1. **Key phase of inorganic expansion complete, with record sites and tenancies delivered in FY 22**

2. **Demonstrable resilience through macro volatility: structural growth and robust business model**

3. **Record organic tenancies, accelerated Adj. EBITDA growth and lower capex targeted in FY 23**

# Thank you

Jërëjëf

Zikomo

Matondo

Matondi

Asante

Merci

Shukran شكراً

Misaotra

Medaase

Siyabonga

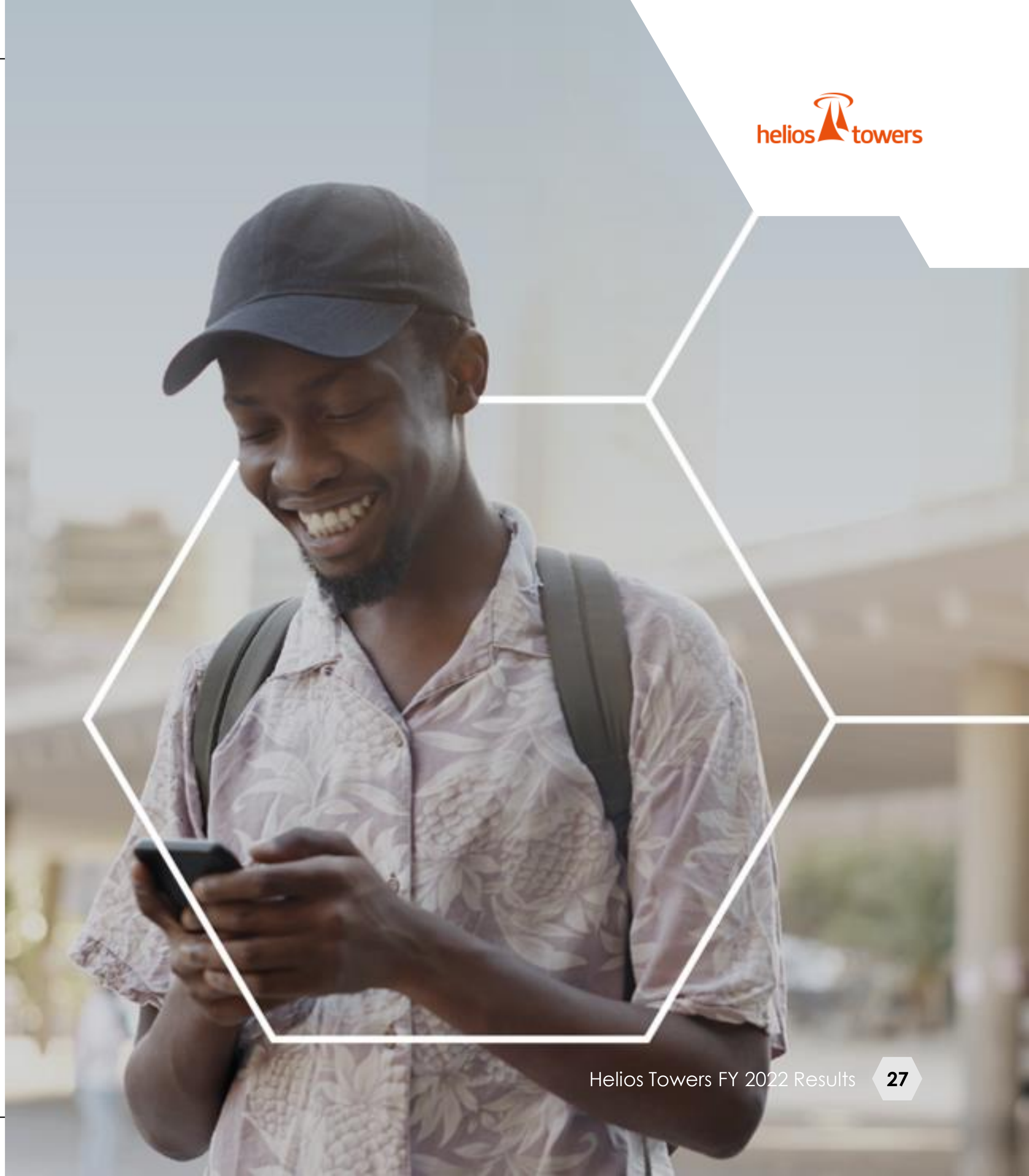
# Investor relations

## IR Contact

**Chris Baker-Sams**
Head of Strategic Finance
and Investor Relations
investorrelations@heliostowers.com

## Upcoming IR events

| Date | Event |
|---|---|
| 16-Mar | Citi TMT Conference |
| 21-Mar | Berenberg UK Corporate Conference |
| 29/30-Mar | Jefferies Pan-European Mid-Cap Conference |



# Appendix

# Market overview

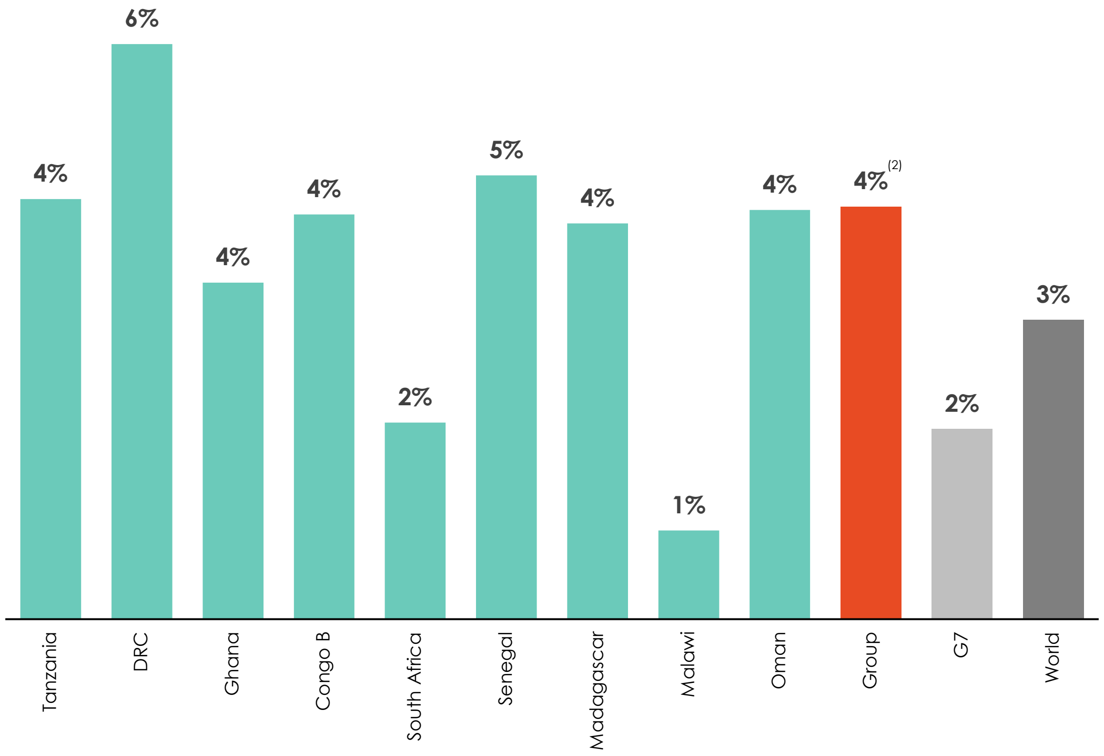
| | Sites | Tenancy ratio | # MNOs(1) | Mobile Penetration(2) | Towers held by MNOs(3) | PoS Growth CAGR(4) (2021 – 2026) | Credit ratings(5) | Credit ratings momentum(6) |
|---|---|---|---|---|---|---|---|---|
| Tanzania | 4,188 | 2.2x | 4+ | 48% | 0.6k | 8% | B2(Pos)/NR/NR | ↗ |
| DRC | 2,233 | 2.3x | 4 | 27% | 1.3k | 12% | B3(St)/B-(St)/NR | ↑ |
| Ghana | 1,113 | 2.0x | 3 | 54% | 0.4k | 5% | Ca(St)/SD/RD | ↓ |
| Senegal | 1,347 | 1.1x | 3 | 44% | 2.7k | 7% | Ba3(St)/B+(St)/NR | ↗ |
| Congo B | 511 | 1.4x | 2 | 38% | 0.3k | 10% | Caa2(St)/ CCC+(St)/CCC+ | ↑ |
| South Africa | 369 | 1.7x | 4 | 73% | 18.7k | 1% | Ba2(St)/BB-(Pos)/ BB-(St) | ↗ |
| Malawi | 765 | 1.6x | 2 | 41% | 0.8k | 8% | NR/NR/NR | -- |
| Madagascar | 508 | 1.2x | 4 | 37% | 0.6k | 7% | NR/B-(St)/NR | ↘ |
| Oman | 2,519 | 1.2x | 3 | 84% | 3.0k | 9% | Ba3(Pos)/BB(St)/ BB(St) | ↑ |
| Group | 13,553 | 1.8x | 3+ | 51% | 28k | 8% | -- | -- |

(1) Group figure calculated on a site weighted basis across our nine operational markets.
(2) GSMA Intelligence Database, accessed December 2022. Market penetration; Unique mobile subscribers 2022. Group figures weighted based on pro forma FY 22 site count.
(3) Analysys Mason, February 2022. Towers held by MNOs reflects marketable tower held by MNOs across our markets.
(4) Analysys Mason, February 2022. Group figure weighted based on pro forma FY 22 site count.
(5) Credit ratings in the order of Moody's, S&P and Fitch.
(6) Refers to change in credit ratings from the positions on 1st Jan 2022.

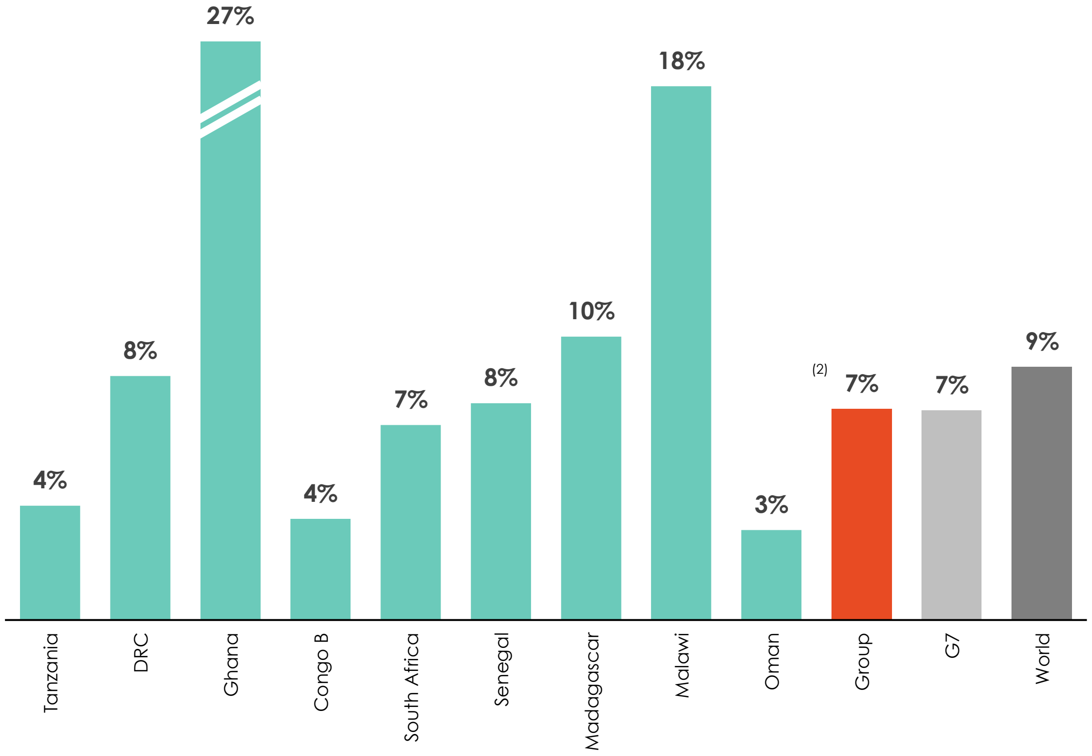
↑ Rating upgrade from one of the agencies
↗ Outlook upgrade from one of agencies
→ No change in ratings/ outlook
↘ Outlook downgrade from one of agencies
↓ Rating downgrade from one of agencies

# Our markets are some of the fastest growing in the world, with inflation in-line with global levels

## 2022 real GDP growth[(1)] in HT markets




## 2022 inflation trend[(1)] in HT markets




(1) Forecasts from IMF World Economic Outlook, Oct 2022. Inflation refers to average consumer prices.
(2) Group blended average weighted based on FY 22 site count, including the transaction with Omantel in Oman, which closed in Dec 22.

# Income Statement

| US$m | 12 months ended 31 December | |
|---|---|---|
| | 2022 | 2021 |
| **Revenue** | **560.7** | **449.1** |
| Cost of sales | (365.9) | (295.3) |
| **Gross profit** | **194.8** | **153.8** |
| Administrative expenses | (114.1) | (94.3) |
| Profit / (loss) on disposal of property, plant and equipment | (0.4) | (0.5) |
| **Operating profit** | **80.3** | **59.0** |
| Interest receivable | 1.8 | 0.7 |
| Other gains and (losses) | (51.4) | (28.0) |
| Finance costs | (193.2) | (151.1) |
| **Loss before tax** | **(162.5)** | **(119.4)** |
| Tax expense | (8.9) | (36.8) |
| **Loss for the period** | **(171.4)** | **(156.2)** |

# Balance Sheet

| US$m | 31 December 2022 | 31 December 2021 |
|---|---|---|
| **Non-current assets** | | |
| Intangible assets | 583.5 | 231.4 |
| Property, plant and equipment | 931.4 | 708.2 |
| Right-of-use assets | 200.0 | 161.1 |
| Derivative financial assets | 2.8 | 57.7 |
| | **1,717.7** | **1,158.4** |
| **Current assets** | | |
| Inventories | 14.6 | 10.5 |
| Trade and other receivables | 246.8 | 191.5 |
| Prepayments | 45.7 | 43.3 |
| Cash and cash equivalents | 119.6 | 528.9 |
| | **426.7** | **774.2** |
| **Total assets** | **2,144.4** | **1,932.6** |
| | | |
| **Equity** | | |
| Share capital | 13.5 | 13.5 |
| Share premium | 105.6 | 105.6 |
| Other reserves | (87.0) | (87.0) |
| Convertible bond reserves | 52.7 | 52.7 |
| Share-based payments reserves | 23.2 | 19.6 |
| Treasury shares | (1.1) | (1.1) |
| Translation reserve | (93.5) | (88.6) |
| Retained earnings | (5.1) | 153.3 |
| Equity attributable to owners | 8.3 | 168.0 |
| Non-controlling interest | 41.0 | - |
| **Total equity** | **49.3** | **168.0** |
| **Current liabilities** | | |
| Trade and other payables | 244.7 | 247.5 |
| Short-term lease liabilities | 34.1 | 33.0 |
| Loans | 19.9 | 2.8 |
| | **298.7** | **283.3** |
| **Non-current liabilities** | | |
| Deferred tax liabilities | 50.1 | 39.7 |
| Long-term lease liabilities | 191.9 | 148.9 |
| Loans | 1,551.7 | 1,292.7 |
| Minority interest buyout liability | 2.7 | – |
| | **1,796.4** | **1,481.3** |
| **Total liabilities** | **2,095.1** | **1,764.6** |
| **Total equity and liabilities** | **2,144.4** | **1,932.6** |

# Management Cash Flow

| US$m | 12 months ended 31 December 2022 | 2021 |
|---|---|---|
| **Adjusted EBITDA** | **282.8** | **240.6** |
| Less: | | |
| Maintenance and corporate capital additions | (20.3) | (22.1) |
| Payments of lease liabilities[1] | (40.8) | (31.0) |
| Tax paid | (20.3) | (19.2) |
| **Portfolio free cash flow** | **201.4** | **168.3** |
| Cash conversion %[2] | 71% | 70% |
| Net payment of interest[3] | (97.7) | (93.3) |
| **Levered Portfolio free cash flow** | **103.7** | **75.0** |
| Discretionary capital additions[4] | (745.0) | (373.3) |
| **Adjusted free cash flow** | **(641.3)** | **(298.3)** |
| Net change in working capital[5] | (86.5) | (11.6) |
| Cash paid for exceptional and one-off items, and proceeds on disposal of assets[6] | 7.2 | (75.1) |
| **Free cash flow** | **(720.6)** | **(385.0)** |
| Transactions with non-controlling interests | (11.8) | - |
| Net cash flow from financing activities[7] | 327.4 | 487.3 |
| Net cash flow | (405.0) | 102.3 |
| Opening cash balance | 528.9 | 428.7 |
| Foreign exchange movement | (4.3) | (2.1) |
| **Closing cash balance** | **119.6** | **528.9** |

(1) Payment of lease liabilities includes interest and principal repayments of lease liabilities.
(2) Cash conversion % is calculated as portfolio free cash flow divided by Adjusted EBITDA.
(3) Net payment of interest corresponds to the net of 'Interest paid' (including withholding tax) and 'Interest received' in the Consolidated Statement of cash flow, excluding interest payments on lease liabilities.
(4) Discretionary capital additions includes acquisition, growth and upgrade capital additions.
(5) Net change in working capital corresponds to movements in working capital, excluding cash paid for exceptional and one-off items and including movements in working capital related to capital expenditure.
(6) Cash paid for exceptional and one-off items and proceeds on disposal of assets includes project costs, deal costs, deposits in relation to acquisitions, proceeds on disposal of assets and non-recurring taxes.
(7) Net cash flow from financing activities includes gross proceeds from issue of equity share capital, share issue costs, borrowing drawdowns, loan issue costs and repayment of loans in the condensed consolidated statement of cash flows.

# Reconciliation of Adjusted EBITDA to loss before tax

| US$m | 12 months ended 31 December | |
|---|---|---|
| | 2022 | 2021 |
| **Adjusted EBITDA** | **282.8** | **240.6** |
| Adjustments applied to give Adjusted EBITDA: | | |
| Adjusting items: | | |
| Deal costs[1] | (19.1) | (19.3) |
| Share-based payments and long-term incentive plans[2] | (4.5) | (2.0) |
| Gain/(loss) on disposals of assets | (0.4) | (0.5) |
| Other gains and (losses) | (51.4) | (28.0) |
| Depreciation of property, plant and equipment | (144.6) | (142.2) |
| Depreciation of right-of-use assets | (12.6) | (2.3) |
| Amortisation of intangibles | (21.3) | (15.3) |
| Interest receivable | 1.8 | 0.7 |
| Finance costs (includes non-cash bond mark-to-market accounting) | (193.2) | (151.1) |
| **Loss before tax** | **(162.5)** | **(119.4)** |

(1) Deal costs comprise costs related to potential acquisitions and the exploration of investment opportunities, which cannot be capitalised. These comprise employee costs, professional fees, travel costs and set up costs incurred prior to operating activities commencing.
(2) Share-based payments and long-term incentive plan charges and associated costs.

# ROIC breakdown

| US$m | 2020 | 2021 | 2022 |
|---|---|---|---|
| Property, plant and equipment | 594.7 | 708.2 | 931.4 |
| Accumulated depreciation | 713.0 | 833.3 | 934.0 |
| Less: Accumulated maintenance and corporate capital expenditure | (180.6) | (202.7) | (224.8) |
| Gross property, plant and equipment (excl. maint & corp capital expenditure) | 1,127.1 | 1,338.8 | 1640.6 |
| Gross intangibles | 79.6 | 255.9 | 633.9 |
| Accounting adjustments and deferred consideration for future sites | - | (93.2) | (102.5) |
| **Total invested capital** | **1,206.7** | **1,501.5** | **2,172.0** |
| **Annualised portfolio free cash flow[1]** | **174.4** | **177.3** | **223.8** |
| **Return on invested capital** | **14.5%** | **11.8%** | **10.3%** |

(1) Annualised portfolio free cash flow is defined as portfolio free cash flow for the previous twelve months from the period end date, adjusted to annualise for the impact of acquisitions closed over the respective period.

# Disclaimer

This presentation does not constitute an offering of securities or otherwise constitute an invitation or inducement to any person to underwrite, subscribe for or otherwise acquire or dispose of securities in Helios Towers plc (the "Company") or any other member of the Helios Towers group (the "Group"), nor should it be construed as legal, tax, financial, investment or accounting advice.

This presentation contains forward looking statements which are subject to known and unknown risks and uncertainties because they relate to future events, many of which are beyond the Group's control. These forward looking statements include, without limitation, statements in relation to the Company's financial outlook and future performance and related projections and forecasts. No assurance can be given that future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Group. You are cautioned not to rely on these forward looking statements, which speak only as of the date of this announcement. The Company undertakes no obligation to update or revise any forward looking statement to reflect any change in its expectations or any change in events, conditions or circumstances. Nothing in this presentation is or should be relied upon as a warranty, promise or representation, express or implied, as to the future performance of the Company or the Group or their businesses.

This presentation also contains industry, market and competitive position data and forecasts from our own internal estimates and research as well as from studies conducted by third parties, publicly available information, industry and general publications and research and surveys. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to these estimates, as there is no assurance that any of them will be reached. Industry publications, research, surveys and studies generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Forecasts and other forward-looking information obtained from these sources and from our and third party estimates are subject to the same qualifications and uncertainties as the other forward-looking statements in this presentation and as described above. This presentation also contains non GAAP financial information which the Directors believe is valuable in understanding the performance of the Group. However, non GAAP information is not uniformly defined by all companies and therefore it may not be comparable with similarly titled measures disclosed by other companies, including those in the Group's industry. Although these measures are important in the assessment and management of the Group's business, they should not be viewed in isolation or as replacements for, but rather as complementary to, the comparable GAAP measures.