

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

14 January 2019

Helios Towers creates South African Partnership with Vulatel
Expects to make major greenfield wireless and fixed-line telecoms infrastructure investments in South Africa

Helios Towers Ltd. (“Helios Towers”), the independent telecoms tower infrastructure company, today announces that it has entered into an agreement whereby it will create a South African infrastructure platform with South Africa’s Vulatel (Pty) Ltd. (“Vulatel”). The infrastructure platform, Helios Towers South Africa (“HTSA”), will build out wireless and fixed line open-access infrastructure in South Africa.

As a leading independent tower company, with over 6,500 towers in four key markets (Tanzania, Democratic Republic of Congo (“DRC”), and Congo Brazzaville), Helios Towers has long considered South Africa an attractive opportunity due to its economic growth, population demographics and demand for advanced telecommunications services. Helios Towers also expects the South African market to lead the way on 5G rollout in Sub-Saharan Africa, with a consumer and industrial business case for better coverage and enhanced connectivity delivered through the country’s current mobile network operators. HTSA expects to be able to support this by building greenfield mobile tower infrastructure and the associated high-speed microwave and fibre-optic infrastructure that will enable MNOs to meet their customers’ needs.

Vulatel and Helios Towers are ideal partners to capitalise on the large South African wireless and fixed line open-access infrastructure opportunity. Vulatel complements Helios Towers’ extensive international towers expertise and access to capital with their experienced management team and established relationships within the South African market. Together with a nationwide footprint of field teams and specialist fixed and wireless telecoms expertise, Vulatel will help HTSA deliver not only in the tower space but also in other attractive open-access telecom infrastructure verticals.

Vulatel is led by its CEO and Chairman, Tihabeli Ralebitso, who was the founding Managing Director of Vodacom Ventures and previously led Vodacom Group’s M&A and Investor Relations’ functions. He is supported by Vulatel’s Managing Director Jean-Pierre Crouse, who has 24 years of experience in the sector and was part of the Vodacom team and was Chief Implementation Officer at Dark Fibre Africa. Vulatel is a 69% black owned and 45% black women owned business with a Level 2 B-BEE rating.

Commenting on this agreement, Kash Pandya, CEO of Helios Towers said today:

“I am thrilled to announce our entry into South Africa, which delivers against our stated strategy of providing MNOs with open-access infrastructure to meet the growing demands of their customers in Africa for fast, stable and available networks. We are delighted to be partnering with Vulatel, a business with impeccable telco sector expertise and deep local credentials in South Africa.”

Today’s deal creates a platform that will further diversify our geographic mix and allow Helios Towers to enter an exciting market and expand our product offering.”

Tihabeli Ralebitso, Chairman and CEO of Vulatel added:

“There is a significant infrastructure gap in South Africa today, which means the demand in data services is not being met. We are convinced this provides an unrivalled opportunity to build a leading open-access infrastructure platform to address that gap. Our vision has always been to establish a nationwide service network before entering into the open-access telecoms infrastructure market on the back of our trusted relationships with the telecoms operators in South Africa. We are delighted to be entering into this partnership with Helios Towers, which will allow us to accelerate our plans by leveraging our joint expertise in the sector and Helios Towers’ strong balance sheet and international experience.”

Media Relations

Edward Bridges / Stephanie Ellis

FTI Consulting LLP

+44 (0)20 3727 1000

About Helios Towers (“HT”)

- Helios Towers is a leading independent telecommunications tower infrastructure company in Africa, having established one of the continent's most extensive tower portfolio with over 6,500 towers across four countries. It builds, owns and operates telecom passive infrastructure, providing services to mobile network operators.
- It owns and operates more sites than any other operator in each of Tanzania, Democratic Republic of Congo (“DRC”), and Congo Brazzaville. It is also a leading operator in Ghana with a strong urban presence.
- The Group pioneered the sale-leaseback model in Africa, buying towers that were held by single operators and providing services utilising the tower infrastructure to the seller and other operators. This allows wireless operators to outsource non-core tower-related activities, enabling them to focus their capital and managerial resources on providing higher quality services more cost-effectively.
- Investors in the company include: Helios Investment Partners, Quantum Strategic Partners, Albright Capital Management LLC, RIT Capital Partners Plc, the International Finance Corporation and Millicom International Cellular.

For further information go to:

www.heliostowers.com

About Vumatel

- Vumatel offers end-to-end telecoms network solutions in South Africa, including planning, designing, implementing, testing, certifying and maintaining long-haul, metro, access and FTTX network. It delivers networks and services that provide unrivalled quality of service to network owners, service providers and corporates.
- It began operations in 2017 on the back of acquiring Dimension Data's fibre and wireless division (formerly Plessey South Africa) and has grown rapidly through organic growth supported by the acquisition of Gio Construction, a provider of network deployment and maintenance services.
- Vumatel is a 69% black owned and 45% black women owned business with a Level 2 B-BEE rating.

For further information go to:

<https://www.vumatel.co.za/>