helios towers

Driving the growth of mobile communications across Africa and the Middle East

Helios Towers plc
Annual Report and Financial Statements 2022

Who we are

We are a leading independent telecoms infrastructure company, having established one of the most extensive tower portfolios across Africa and the Middle East.

Our business model promotes tower infrastructure sharing, and enables mobile network operators (MNOs) to deliver mobile connectivity more quickly, reliably, cost effectively and with a lower environmental footprint. In turn, this supports the expansion and quality of mobile connectivity, driving sustainable development in our markets.

Our purpose

To drive the growth of mobile communications across Africa and the Middle East.

Our mission

To deliver exceptional customer service through our business excellence platform, and create sustainable value for our people, environment, customers, communities and investors.

Our values

- Integrity
- Partnership
- Excellence

2022 Highlights

Sites
13,553
2021: 9,560

Tenancies
24,492
2021: 18,776

Power uptime[1]
99.97%
2021: 99.99%

Population coverage[1]
141m
2021: 118m

Revenue
$561m
2021: $449m

Adjusted EBITDA[Δ]
$283m
2021: $241m

Operating profit
$80m
2021: $59m

ROIC[Δ]
10.3%
2021: 11.8%

1 Please see Glossary for definitions and methodologies of our non-financial KPIs.
Δ Alternative Performance Measures are defined on pages 74–76.

Welcome to our Annual Report and Financial Statements 2022

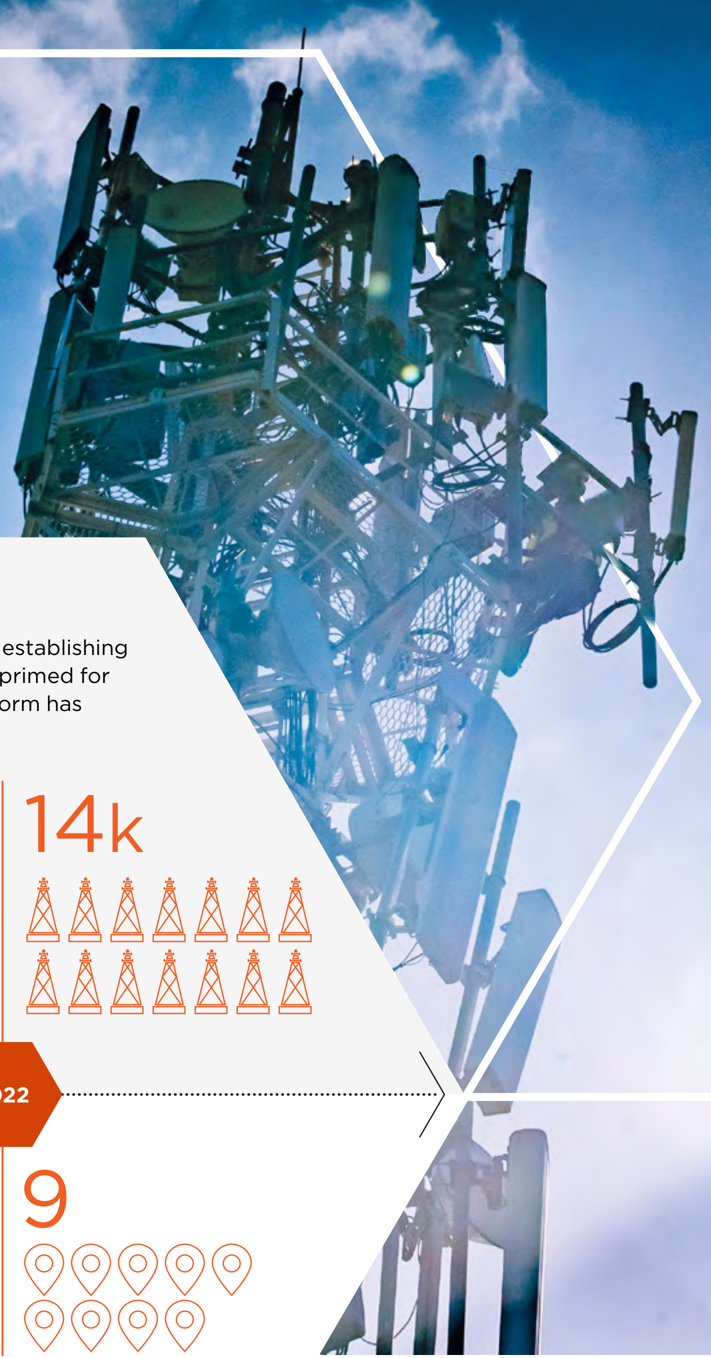
This year, we have adopted integrated reporting as this best reflects our approach to sustainable business. We have a complementary Reporting Supplement which includes additional ESG information and our disclosures against reporting frameworks such as the Global Reporting Initiative: heliostowers.com/investors.

We hope you enjoy reading this report, and we welcome any feedback at: investorrelations@heliostowers.com.

02 Strategic Report

84 Governance Report

142 Financial Statements



Strategic Report

A transformational year

2022 was a year of substantial expansion, establishing a stronger and more diversified platform, primed for the next stage of value creation. Our platform has nearly doubled in size since IPO in 2019.

	2019 at IPO	2022
Sites	7k	14k
Markets	5	9

Strategic Report
Governance Report
Financial Statements

Our business model

What we do

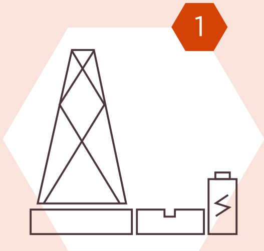
Our principal business is building, acquiring and operating telecommunications towers that can accommodate and power the needs of multiple tenants.

Our tenants are the major MNOs, and we serve them across nine high-growth markets. We offer a comprehensive passive infrastructure solution that includes site selection and preparation, maintenance, security, power management and hosting of active equipment such as antennae.

Our infrastructure-sharing model reduces the need for duplicate infrastructure, which drives more sustainable expansion of mobile connectivity. MNOs can rollout and densify mobile coverage more quickly, more reliably, more cost-effectively and with a lower environmental impact.

We therefore play a pivotal role in advancing access to mobile communications in our markets, which in turn, contributes to driving social and economic development.

What we do



ACQUIRE AND BUILD TOWERS

Disciplined approach to acquisitions, focused on attractive portfolios that support strong growth potential and high-quality earnings.

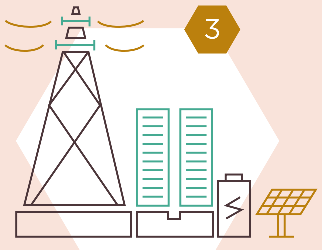
Build-to-suit (BTS) sites are entirely demand driven and only constructed after receiving a contractual order from an MNO.

COLOCATION LEASE-UP

Add additional tenants to our towers, sharing space and power equipment.

Central to our business model; lease-up drives earnings growth with minimal additional costs.

Substantial operating leverage with c.80% Adjusted EBITDA margin flow-through.



DRIVE OPERATIONAL IMPROVEMENTS

Optimise power through grid connections and hybrid and solar solutions, reducing our carbon emissions.

Utilise Lean Six Sigma principles to continuously improve operations.

Value for our stakeholders

Customers
More cost-effective tower usage: our leases are priced at a substantial discount to an MNO's total cost of ownership.

Reduction in MNOs' passive infrastructure capex burden, allowing them to focus their resources on active equipment and technology upgrades.

Communities, economies and the environment
Contribution to local economies and extending network coverage to reach rural locations, helping to connect the unconnected.

Reduced environmental footprint through infrastructure-sharing and improved power and maintenance efficiencies.

Our people and partners
Employment, founded on a culture of safety, with training and development opportunities for a diverse localised workforce – both with us and our partners.

Investors
Opportunity to capture the unparalleled structural growth in mobile across Africa and the Middle East, with a robust and resilient business model.

Our value creation

Tower companies generate the most attractive returns by adding more tenants to a tower, known as 'lease-up'.

The costs of operating a tower are broadly fixed with some small variable costs. Therefore, adding tenancies to towers drives a significant increase in cash flow returns through operationally leveraging these fixed costs. At the same time, it reduces the environmental impact per tenant through infrastructure sharing.

In 2022 we delivered record site growth of 3,993, exceeding the record set in 2021 of 2,204, which collectively provides a larger and more diversified platform to drive tenancy expansion going forward.

The significant portfolio expansion has diluted a number of metrics in the short term, such as tenancy ratio, Adjusted EBITDA margin, loss before tax and ROIC due to lower levels of colocation on Day-1. For instance, loss before tax increased from US$119 million in 2021 to US$162 million in 2022, driven by increased finance costs in addition to non-cash charges related to our bond's embedded derivative.

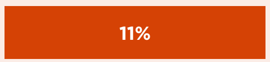
However, these investments expand the base to which we can generate attractive growth and returns through organic BTS expansion, lease-up and operational improvements – exactly how we have delivered after periods of substantial portfolio expansion in the past.

1 ACQUIRE AND BUILD TOWERS

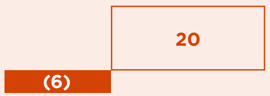
Tenancy ratio

1x

Indicative site ROIC[1]



Indicative site Adjusted gross profit and profit/(loss) before tax (US$k)[1]



Reduction in average diesel emissions per tenant[1]

0%

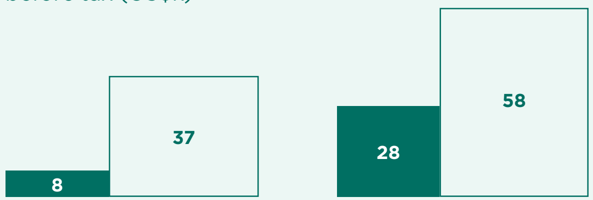
2 COLOCATION LEASE-UP

Tenancy ratio

2x 3x

Indicative site ROIC[1]

Indicative site Adjusted gross profit and profit/(loss) before tax (US$k)[1]



Reduction in average diesel emissions per tenant[1]

34% 40%

3 DRIVE OPERATIONAL IMPROVEMENTS

2022–30 investment

$100m

Allocated to lower-carbon solutions which also drive cost reductions

Focus on business excellence and driving efficiency

42%

colleagues trained in Lean Six Sigma

1 For illustrative purposes only. Please see Glossary for definitions.

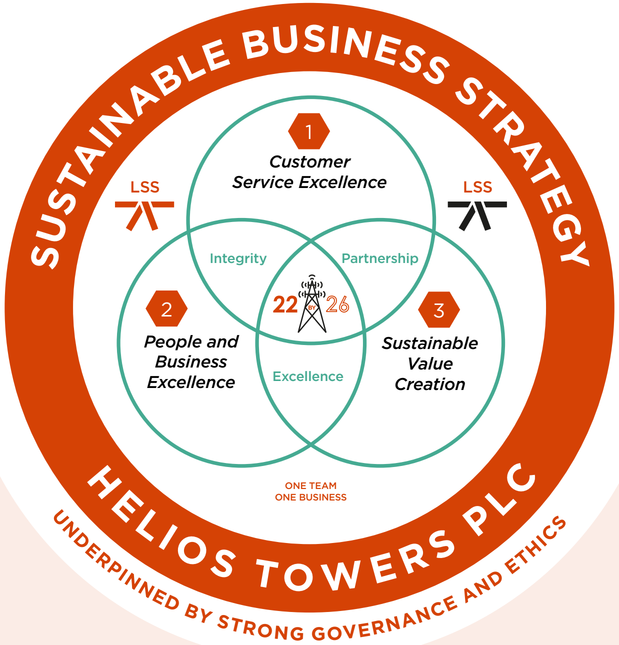
Our business model continued

How we do it

Through delivering exceptional customer service using our principles of business excellence, we create sustainable value for our people, partners, customers, communities, environment and investors.

Our Sustainable Business Strategy guides how we will deliver on our purpose and mission and is founded on our values of Integrity, Partnership and Excellence. Our strategy reflects the issues that matter most to our stakeholders and where we can have the greatest impact.

For more on our materiality assessment and how we contribute to the UN Sustainable Development Goals (UN SDGs), see our Reporting Supplement.



1

Customer Service Excellence

Delivering the best customer service, including power uptime, network rollout speed, attractive pricing, capital efficiency and reduced environmental footprint enabled through our infrastructure-sharing model.

2

People and Business Excellence

Investing in our people and partners, providing local employment, creating a culture of safety and embedding business excellence and Lean Six Sigma principles for more efficient and effective operations.

3

Sustainable Value Creation

Disciplined approach to capital allocation and focus on efficiency drives the sustainable growth of our business, enabling mobile connectivity with fewer emissions and delivering value for all stakeholders.

Our strategy drives impact in the following key areas

- Digital inclusion
- Climate action
- Local, diverse, talented teams
- Responsible governance
- Financial value creation

Strategic Report
Governance Report
Financial Statements

Our impact

We report progress on our Sustainable Business Strategy through the key impacts it is designed to generate.

Digital inclusion

By growing our business and increasing access to mobile connectivity, we are promoting digital inclusion across Africa and the Middle East. Mobile is helping to connect individuals and communities to a range of life-enhancing services in areas such as education, healthcare and jobs – in some cases, for the very first time. We support our MNO customers to rollout mobile networks faster and more efficiently, at lower cost. Reducing their passive infrastructure capex burden allows them to focus their resources on active equipment and technology upgrades.

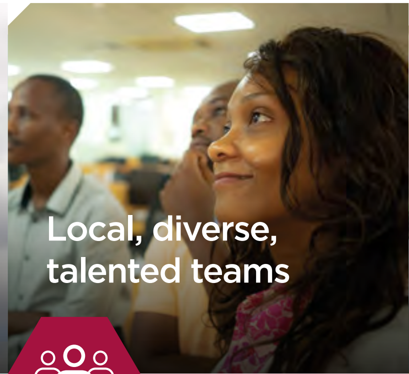
Read more **page 20**

Climate action

Our business model reduces the need for duplicate infrastructure and associated emissions while enabling a more sustainable expansion of mobile connectivity.

We strive to lower our carbon footprint as well as that of our customers, through deploying cleaner technologies where possible. We focus on minimising our diesel consumption, which reduces our footprint as well as our operating costs. Through Project 100, we plan to invest US$100 million in low-carbon solutions between 2022 and 2030.

Read more **page 24**



Local, diverse, talented teams

Our ambition is to build a diverse and talented workforce by fostering a safe, inclusive and collaborative environment to deliver on our business goals. We create employment, training and promotion opportunities for local people – our own colleagues and those who work for our partners. Successful collaboration with our partners is essential for the construction and maintenance of our assets and maximising power uptime. Our 'One Team, One Business' approach includes sharing offices, providing training and driving greater governance standards with our partners.

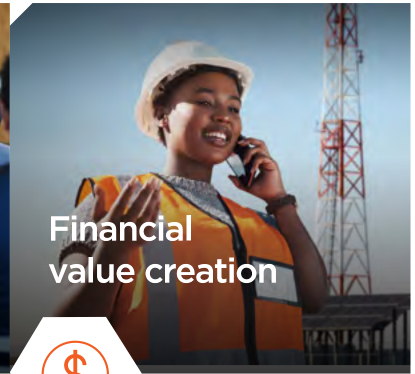
Read more **page 30**

Responsible governance

We operate with a robust governance framework and are accredited with four key ISO standards covering Quality, Environmental Management, Health and Safety and Anti-Bribery.

Our governance structures and policies help us to deliver on our strategy, manage our performance and conduct business in an ethical, fair and transparent manner.

Read more **page 36**



Financial value creation

Our tower platform, one of the most extensive across Africa and the Middle East, is uniquely positioned to capture the substantial structural growth across the region.

This growth is underpinned by a robust and resilient business model, that features a blue-chip customer base, hard currency earnings and effective inflation and power escalators.

Investors have provided the business with the capital to invest to execute our growth strategy and to deliver value to their investments as well as drive impact in our markets.

Read more **page 142**

Fastest growing mobile markets

We operate in nine markets across Africa and the Middle East and have leading positions in seven.

We selected these markets because they share similar qualities that support structural growth and high-quality earnings.

Population growth is forecast to be substantial over the coming years, and mobile penetration is low at 51% today. Combined with multiple blue-chip MNOs in each market and a young and urbanising population, the need for mobile expansion is unparalleled.

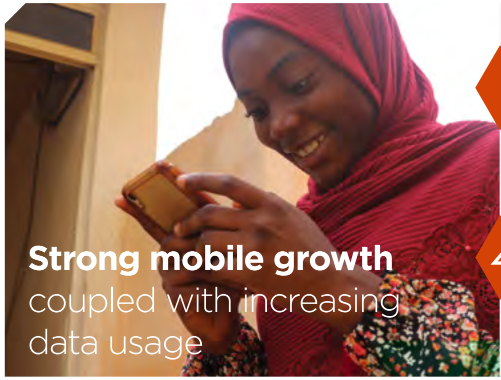
To effectively support this mobile expansion, managing infrastructure challenges is key. For instance, maintaining towers despite limited road infrastructure or providing constant power despite limited, unreliable or non-existent grid connectivity.

1 UN World Population Prospects, July 2022.
2 GSMA database, accessed December 2022.
3 GSMA database, Tower Xchange, Statista.
4 Analysys Mason report, February 2022.

Positive macro drivers: young, growing and urbanising populations[1]

Increase in population[1]
+42m
2021–26

Below 30 years old[1]
66%
2022



Strong mobile growth coupled with increasing data usage

More mobile connections[2]
+68m
2021–26

Increase in 4G connections[2]
+2.2x
2021–26

Complex infrastructure challenges

Towers required to match density in EU/US[3]
1m
2022

Average grid hours on Helios Towers' portfolio
16
2022

Significant infrastructure demand

25k

Points of service (PoS) growth forecast[4]

2021–26

Our business model continued

★ Sole or leading independent towerco

$/€ Hard currency markets (dollarised or US$/€ pegged)

Tanzania

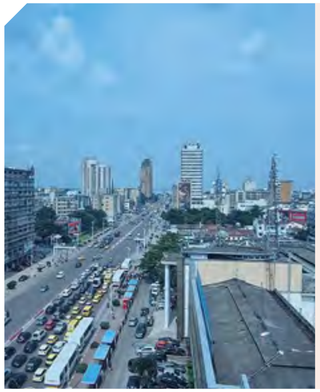
★

Sites	4,188
Tenancy ratio	2.25x
Population coverage	37m
Revenue (US$m)	201.4
Adj. EBITDA^Δ (US$m)	133.7

DRC

★ $/€

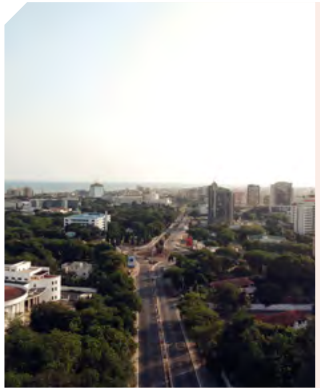
Sites	2,233
Tenancy ratio	2.34x
Population coverage	37m
Revenue (US$m)	205.9
Adj. EBITDA^Δ (US$m)	104.4



Congo Brazzaville

★ $/€

Sites	511
Tenancy ratio	1.40x
Population coverage	4m
Revenue (US$m)	28.2
Adj. EBITDA^Δ (US$m)	13.8



Ghana

Sites	1,113
Tenancy ratio	1.99x
Population coverage	18m
Revenue (US$m)	36.6
Adj. EBITDA^Δ (US$m)	20.7

South Africa

Sites	369
Tenancy ratio	1.71x
Population coverage	11m
Revenue (US$m)	9.5
Adj. EBITDA^Δ (US$m)	4.5

Senegal

★ $/€

Sites	1,347
Tenancy ratio	1.07x
Population coverage	11m
Revenue (US$m)	36.8
Adj. EBITDA^Δ (US$m)	22.0

Madagascar

★

Sites	508
Tenancy ratio	1.19x
Population coverage	7m
Revenue (US$m)	15.1
Adj. EBITDA^Δ (US$m)	5.7

Malawi[1]

★

Sites	765
Tenancy ratio	1.61x
Population coverage	13m
Revenue (US$m)	23.6
Adj. EBITDA^Δ (US$m)	7.2

Oman[1]

★ $/€

Sites	2,519
Tenancy ratio	1.20x
Population coverage	3m
Revenue (US$m)	3.6
Adj. EBITDA^Δ (US$m)	2.3

Δ Alternative Performance Measures are defined on pages 74–76.

1 Malawi and Oman acquisitions closed in March 2022 and December 2022, respectively.

Read more **page 40**

Strategic Report
Governance Report
Financial Statements

Why invest?

Helios Towers offers investors the opportunity to capture the substantial growth in Africa and the Middle East, with a robust and resilient business model that delivers predictable, compounding cash flows and tangible benefits to the communities it serves.

1 Analysys Mason report, February 2022.
2 GSMA database, Tower Xchange, Statista.

1

Uniquely positioned telecoms infrastructure platform

- Most diversified towerco operating in Africa and the Middle East, the fastest growing regions for mobile.
- Leading positions in seven of our nine markets, and a well-invested platform to drive growth and attractive return on invested capital over the medium term.

Operating markets

9

The most diversified towerco in Africa and the Middle East

High-quality towers today; with substantial lease-up potential

13,553

1.81x tenancy ratio, with an average of three to four MNOs in our markets

2

Unparalleled structural growth

- Organic growth driven by huge population growth and low mobile penetration today.
- Approximately 70% of towers are still held by mobile operators. As mobile operators look to invest in technology upgrades (3G, 4G and 5G), more towers are expected to be divested.

Organic growth opportunity

25k

Points of service forecast[1] across 2021–26 exceeds our business size today

Towers still held by MNOs across Africa and the Middle East[2]

280k

c.20x our site portfolio today

3

Proven execution capability in complex markets

- We offer world-class power uptime, a critical skillset for a towerco to be successful in our regions, in addition to effective logistics planning.
- Proven ability to build and lease-up sites, through focus on Customer Service Excellence and proprietary geo-marketing tools.

Power uptime[1]

99.97%

Delivering world-class power uptime, even in the most rural locations

Employees trained in Lean Six Sigma

42%

Focus on process improvements and efficiency throughout the organisation

4

Robust business model delivering high-quality earnings and cash flows

- Large and highly visible base of revenues due to high-quality contracts with blue-chip MNOs that are long term and feature effective CPI and power escalators.
- Complemented by high hard currency earnings, principally due to operating in markets that are dollarised or US Dollar/Euro pegged.

Contracted revenue

$5bn

with an average remaining life of 7.6 years on US-style contracts[1], which also feature automatic renewals

Hard currency Adjusted EBITDA[1]

72%

Principally due to operating in markets that are innately hard currency

5

Sustainable business model underpinned by strong governance

- Our business model delivers a positive impact by enabling mobile connectivity with lower emissions than the traditional operator-owned model.
- Strong understanding and management of ESG risks underpinned by strong governance and ethics.

MSCI rating[2]

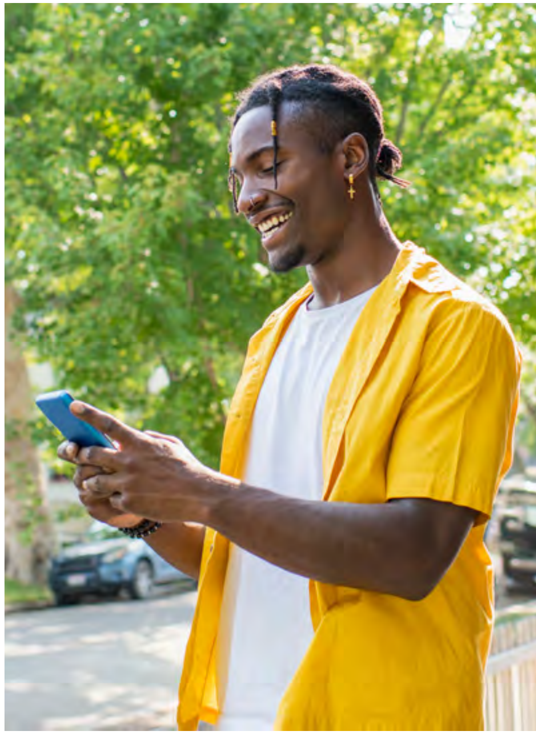
MSCI ESG RATINGS AAA

Highest rating reflecting strong governance of ESG risks

CDP score

CDP DISCLOSURE INSIGHT ACTION

2022 score 'B' reflecting our approach and reporting on climate action (2021: B-)



1 Please see Glossary for definitions.

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Sir Samuel Jonah KBE, OSG
Chair

Read more about our governance
page 84

Chair's statement

Driving the growth of mobile communications

I am delighted with the team's performance in 2022, delivering on multiple fronts. Indeed, in the three years since IPO in 2019, we have seen tremendous growth. Not only in the number of our towers and attractive markets, but in the growth of our people, partner relationships, customer service and business excellence.

It is my pleasure to welcome you to our 2022 Annual Report, which highlights the substantial expansion of the business, our resilience to macroeconomic volatility and our strategy to drive Sustainable Value Creation for all our stakeholders.

Operating profit
US$m

+36%

2022	$80.3m
2021	$59.0m

Adjusted EBITDA$^{\Delta}$
US$m

+18%

2022	282.8
2021	240.6

Increase in female representation on the Board
%

+13ppt

2022	40
2021	27

Response rate for employee engagement survey

100%

In my three years to date as Chair of Helios Towers, we have seen an unprecedented global pandemic, the aftershocks of which are still being felt, and now a period of rising global inflation and turbulence, driven in part by the conflict in Ukraine.

It is at times like these that the true mettle of any company is tested and I believe Helios Towers has passed that test with flying colours. Our business has shown remarkable resilience to macroeconomic volatility, and continues to support the substantial growth opportunity across the region.

In 2022, we added more sites and tenancies than in any previous year, creating a stronger and more diversified tower platform ready for the next chapter of our growth story. Combined with the acquisitions we completed in Senegal and Madagascar in 2021, we have entered four new markets and look forward to applying our tried and tested approach to these new geographies, bringing service excellence to MNOs and enabling digital inclusion for more communities.

Here in Ghana, I have observed the transformation this brings first-hand: communities, schools, health providers, trade, banks and fledgling businesses being enabled and propelled by the arrival of mobile communications and mobile internet. At Helios Towers, we play a pivotal role in enabling this connectivity and contributing to social and economic development in our markets. I am proud that in 2022 we continued to drive value for our stakeholders while actively contributing to the UN SDGs.

Our 2026 strategy

Our record tenancy and geographic expansion in 2022 meant that we exceeded the ambitious targets we set out at IPO. Accordingly, and with Tom Greenwood moving into the Group CEO position in April 2022, this was a natural juncture where we could develop a revised five-year Sustainable Business Strategy, and one that reflects the evolution of the business.

At the heart of the new strategy: a target to reach 22,000 towers by 2026, while expanding Group margins and returns. This target sits among several others designed to drive impact in the areas of digital inclusion, climate action and developing local, diverse and talented teams.

The strategy is underpinned by our commitment to strong governance and ethics. We believe our strategy and actions reflect the requirements and our compliance with Section 172(1), and we give more information throughout this Strategic Report, and specifically on pages 53–56. This includes our commitment to our workforce, customers, suppliers, investors, communities and the environment.

Digital inclusion and climate action

By delivering on our purpose, we will enable digital inclusion for our communities. We achieve this through site expansion, tenancy growth and delivering operational improvements, including reliable power, to our sites. In 2022, our growth meant an additional 23 million people were under the coverage footprint of our towers, six million of which were through organic site expansion in the year. We also continued to deliver reliable power to our sites despite operating in markets where grid power can be limited, unreliable or even non-existent.

Given the huge population growth and low mobile penetration in our regions today, we expect to see continued strong demand for tower infrastructure over the coming years.

We are committed to meeting this demand and playing our part in closing the vast communications infrastructure gap, while minimising our environmental footprint.

Closing the acquisition of Omantel's passive infrastructure assets in December 2022.

Board, Executive Leadership and some of our HT Ghana colleagues in Accra.

We launched our carbon target in late 2021, aiming to reduce our emissions per tenant by almost 50% by 2030 in the five markets where we were operational during our 2020 baseline year.

While we saw a marginal increase in emissions intensity relative to the baseline due to more fuel intensive (and therefore more carbon intensive) markets growing tenancies faster than the Group average, we are focused on driving long-term reductions across the Group through targeted investments in lower-carbon solutions.

As a reflection of its importance to the business, we updated our long-term incentive plan to include performance against our carbon target, that will be effective from 2023.

Local, diverse, talented teams

The Board firmly believes that an inclusive culture is central to employee engagement and the key to long-term success of the Company. We were therefore delighted to attract a 100% response rate to our second biennial Employee Engagement Survey, reflecting how our people feel they can express their opinions freely. We were particularly pleased to see that one of our highest scores concerned employees believing that action would be taken as a result of the survey.

And I believe they have good reason. As a direct result of feedback to our inaugural survey in 2020, we implemented several actions. These included awarding all our people the equivalent of no-cost share options under a new HT SharingPlan, allowing them to participate in the long-term success of the Company. 2022 saw the second year of the plan and we complemented this with a Cost of Living Award designed to help our colleagues address rising domestic bills.

Feedback in 2020 also called for further training and development opportunities, and I was pleased to see further progress in this area in 2022. We provided a leadership training course to 50 of the Company's future leaders and enhanced our learning management system. I was particularly pleased that 42% of our people have been trained in Lean Six Sigma.

We are now working to address the key feedback from our 2022 survey and further enriching our colleagues' experience of working with Helios Towers.

Responsible governance

We are attuned to the need for a strong governance framework to ensure we meet the ambitious targets we set ourselves. At Board level, we exceed the FCA's Listing Rules target and Parker Review requirement on ethnicity. We also comply with the FTSE Women Leaders Review recommendation and FCA's Listing Rules target of 40% female representation, and are aware of the FTSE Woman Leaders Review recommendation and FCA's Listing Rules target to have a female director in one of the senior board positions.

Helis Zulijani-Boye joined the Board in March 2022, replacing David Wassong. With Kash Pandya stepping down in August 2022 to pursue other opportunities, this means female representation on the Board has increased to 40% from 27%. On behalf of all stakeholders, I would like to take the opportunity to thank David and Kash for their invaluable contributions to the Company's success. In April 2022, Tom Greenwood was formally appointed as Group CEO, following an effective two-year transition period into the role.

Our governance structures and policies help us to deliver on our strategy, manage our performance and ultimately support the value we create for all our stakeholders, and it is particularly gratifying when this is recognised externally. We were delighted to receive the highest 'AAA' rating from MSCI during the year, reflecting the strong understanding we have of the social and environmental risks and opportunities of our operations, and the effective governance we have put in place.

Outlook

Our key phase of expansion is now complete, with the integration of Malawi and Oman. With our refreshed strategy in place, we enter 2023 in an exciting position to drive sustainable value for our stakeholders on our enlarged platform.

I thank all the Helios Towers team for their commitment and dedication, as well as our partners for their constant support, as we continue to drive the growth of mobile communications across Africa and the Middle East.

Sir Samuel Jonah KBE, OSG
Chair

Tom Greenwood
Group CEO

Group CEO's statement

New strategy; Enlarged platform; Delivering excellence

2022, my first year as CEO and thirteenth in the business, saw us expand into new markets, launch our refreshed five-year strategy and expand our platform to deliver sustainable value for every stakeholder in the years ahead.

I am delighted with the team's performance and the progress we have made in 2022. We have delivered for stakeholders through stellar operational delivery, smooth integration execution and strong financial performance in a year of macro volatility.

We have also laid the foundations for future success through leadership changes, strategy evolution and, crucially, focusing on Customer Service Excellence on our enlarged platform.

If we were writing the story of Helios Towers, we would now have arrived at chapter four. In the first chapter we established our initial platform, and in the second we launched business excellence, focusing on driving operational efficiencies. In turn, we supported our customers' missions to expand and densify mobile networks across our markets.

Then, following our 2019 IPO, came our third chapter: an ambitious expansion programme with tower portfolio acquisitions in four new markets – including our first in the Middle East through our investment in Oman – all bringing scale, diversification and high-quality cash flows to our business.

This remarkable journey has seen us diversify and almost double our platform since 2019: from five high-growth markets to nine today, and from 7,000 towers to nearly 14,000 now.

As we close 2022, our fourth chapter sees us embark on our new five-year strategy and our '22 by 26' target of 22,000 sites by 2026. Through site expansion, driving lease-up and operational efficiencies, we will grow the business in a way that delivers value for all our stakeholders: our customers, communities, people, environments and investors.

Our strategy comprises three pillars – Customer Service Excellence, People and Business Excellence, and Sustainable Value Creation.

Customer Service Excellence

Our philosophy is simple: we must provide Customer Service Excellence in everything we do, whether that's in our core offerings of power delivery, rollout and site services, or through anticipating and responding to our customers' needs. This requires transparent and collaborative customer relationships to achieve our shared goals.

In 2022, this ethos of service excellence took our customer offering to the next level. We delivered record tenancy additions of 5,716 (+30%). This was driven by our second-highest year of organic tenancy of 1,601; including our busiest-ever year for build-to-suit sites; and the addition of four high-quality MNO customers through acquisitions in Oman and Malawi. This sets us up well for lease-up going forward and supporting the efficient proliferation of mobile connectivity, with a reduced environmental footprint.

Tenancy additions

5,716

2021: 3,120

Adjusted EBITDA^Δ^

$283m

2021: $241m

Loss before tax

$(162)m

2021: $(119)m

Daily stand-up meeting in Madagascar.

One of our main KPIs is power availability, and in 2022 we achieved uptime of 99.97% (2021: 99.99%). Despite this slight decrease year-on-year, we continued to deliver at world-class levels, even in markets with limited grid availability. And we remain focused on our goal of just 30 seconds of downtime per tower per week by 2026.

All our new markets will see this metric improve through our Lean Six Sigma training and business excellence practices. Indeed, we're seeing strong progress already: in Senegal we have improved power uptime from 99.94% at acquisition in 2021 to 99.99% today.

People and Business Excellence

We can only achieve Customer Service Excellence by having the best people and the best business processes – hence our People and Business Excellence pillar.

We invest in, develop and empower our people and partners by providing them with the tools and training to make data-driven decisions. As a Lean Six Sigma

Discussing strategy, performance and sustainable business at the inaugural Helios Towers Executive Leadership Team conference.

Black Belt myself, I am passionate about supporting colleagues through our Orange and Black Belt programmes. As part of our Lean Six Sigma training, all colleagues are tasked with delivering a project that supports driving efficiency in the business. Just one example from the year was when I became the project sponsor for Eric Kaganda, our Group Structural Upgrade Programme Manager in Tanzania whose project focused on shortening lead times for site acquisition on new build-to-suit sites, that will support elevating our customer service excellence. Lean Six Sigma sits at the heart of our people development, and our goal is to train 70% of our colleagues by 2026. We're making good progress towards this with 42% of our team trained today.

During the year we also invested significantly in other technical, soft skills and leadership training. We enhanced our learning management system which provides everyone across the Group with tailored training, and invested in 50 of our rising stars with leadership training from Cranfield University. I was delighted to see that our most improved score from our biennial Employee Engagement Survey was that our colleagues believe they can get the training and development they need to be successful in their role.

I also believe our teams should reflect the communities they serve, and our commitment to diversity, equity and inclusion (DEI) is central to our future success. With colleagues drawn from more than 35 countries, our culture is all the richer as a result. We have also seen female representation increasing year-on-year from 24% to 28%, including 9% to 27% at Executive Committee level and from 27% to 40% at Board level.

Sustainable Value Creation

This third pillar in our strategy is designed to deliver impact for all of our stakeholders, as well as the environment.

As lease-up of our sites continues apace, and as we expand our portfolio, it's with real pride we see the societal and environmental benefits that our tower-sharing model creates. We also enable MNOs to rollout their coverage faster and more cost-efficiently than they could themselves.

Today, we estimate that our sites cover 141 million people, with our ambition to cover around 250 million by 2026. This includes many people in rural areas who have no mobile today, much less the internet, today. Furthermore, through our infrastructure-sharing model and Project 100, our US$100 million investment in lower-carbon solutions, we expect to almost halve carbon emissions per tenant by 2030, compared to 2020[1].

This model translates into sound and Sustainable Value Creation, and in 2022 we delivered strong financial and operational performance, both from an organic and inorganic perspective. With revenues up 25% year-on-year, Adjusted EBITDA up 18% and operating profit up 36%, we demonstrated resilience and capability in a volatile climate. In the process, we also closed our Oman and Malawi transactions.

Following two years of significant expansion, roughly doubling the size of our business, we now enter 2023 with an enlarged platform for greater value creation.

As such, we are focused on driving margins and returns, targeting Adjusted EBITDA margin expansion of 1–2 ppt on average per annum and similar levels of increases in ROIC up to 2026. Given the huge structural growth in our regions, we continue to target platform expansion, albeit at a more gradual pace, aiming to reach 22,000 towers by 2026.

Investor partnerships

In 2022, we were delighted to establish long-term partnerships with well-established local investors in three of our markets. They are supporting our businesses both financially and through their local knowledge and expertise.

Oman Infrastructure Fund (Rakiza) acquired a 30% minority stake in our acquisition in Oman; Old Mutual Investment Group (OMIG) invested in a 20% minority shareholding in our Malawi operating company; and Clearwater Capital invested in a 34% stake in our South African operations. The latter resulted in the business attaining a Level 1 B-BBEE certification, the highest rating. We look forward to working with our new partners in 2023 and beyond.

Outlook

I am delighted with the strategic progress we have made in 2022. We have laid the foundations for a successful 2023 and beyond, and are now focused on driving Sustainable Value Creation for our customers, employees, communities, environment and our investors.

Tom Greenwood
Group CEO

1 Our target reflects Scope 1 and 2 emissions and covers the five markets where we were operational in our 2020 baseline year.

Q&A with our Group CEO and CFO

2022 reflections and strategic outlook

Reflections on the Company's 2022 performance and strategic outlook with Tom Greenwood and Manjit Dhillon.

Tom Greenwood
Group CEO

Manjit Dhillon
Group CFO

Q 2022 has been another strong year for Helios Towers. What, for you, were the highlights?

A Tom: There are many, ranging from the integration of our new markets and driving strong organic growth, to improving customer service and elevating our employee training. But the common thread that stands out to me year after year is the talent and commitment of our colleagues.

They delivered record site and tenancy growth in 2022, and one of our best-ever years for organic tenancy growth. That not only translated into strong financial performance but measurable social impact, with six million more people now included in the coverage footprint of our towers as a result of our organic rollout. They also embraced our Lean Six Sigma principles, with 42% of our team holding an Orange or Black Belt.

I'm pleased that our gender balance has improved from 24% to 28%, and although we have a way to go, diversity is a key contributor to our progress.

Manjit: We achieved all of this against a backdrop of global macro volatility, including rising power prices and inflation. We continued to deliver strong organic growth and completed our key expansion phase with the acquisitions in Oman and Malawi. Since IPO in 2019, we have doubled our site count and increased our markets from five to nine. We now enter 2023 ready to drive growth, and attractive returns on invested capital, over the medium term.

Q You say the key phase of expansion is complete, but you've still created an ambitious new target of '22 by 26'?

A Tom: That's right, we delivered on our IPO promises – two years ahead of plan. This outcome also coincided with my new role as Group CEO, so the time was right to take stock, take soundings with our expanded leadership team and frame a refreshed strategy that delivers value for all our stakeholders.

Ambition for growth continues to sit at the heart of the new strategy. However, the target of 22,000 sites by 2026 is a more gradual expansion and allows us to focus on realising the value of our enlarged portfolio, which has seen significant investment over the past few years.

Manjit: This means evolving and maximising the competencies and skills we have developed to grow the business. We have set a number of targets for delivering on our key impact areas including climate action, creating diverse and talented teams, ensuring reliable mobile coverage and generating attractive financial returns. Combined, we believe this sets up the business for long-term sustainable success.

Q&A continued

What risks are there to achieving this strategy?

Tom: Our highest priority is health and safety – it's the first agenda item at every Board meeting. We're operating in markets that have a landmass greater than Europe, but with only a fraction of the road and electricity infrastructure. Risks include working at height, working with power and driving. Our focus is on operating at the highest international safety standards – and raising safety awareness and practices with all the partners who build and maintain our towers.

Another key challenge is achieving our substantial growth target while reducing our carbon footprint. That's something we're tackling head-on with a US$100 million investment in low-carbon technologies.

Manjit: Another key factor is ensuring we attract, retain and reward top talent. We're operating in complex markets and offering best-in-class service, which requires a unique skillset that we have crafted over a number of years. That is why we're so focused on capturing the voice of our colleagues through biennial employee surveys, and, as importantly, taking action from what we learn.

Tom: And finally, I would say that managing supply chains effectively is key. Not just so we can build for our customers as rapidly as possible, but to make sure we can power even the most remote sites reliably. And that's vital to our ambitious goal of 30 seconds of downtime per tower per week by 2026.

Global inflation was high this year. Did you see any impact on your business?

Tom: It was a challenging year for the world as a whole, emerging from the pandemic to the effects of the Ukraine war and rising inflation. While our major markets of DRC and Tanzania have fared well, even when compared to the most developed economies, we have witnessed rising inflation, particularly in Ghana and Malawi.

A prime concern has been supporting our colleagues. So in addition to our HT SharingPlan, we introduced a Cost of Living Award in 2022, designed to ease some of the cost pressures. We also took a more targeted approach to annual salary increases, with those earning less receiving a higher percentage rise.

Manjit: In terms of results, 2022 highlighted how well the business has been set up to minimise the impact of macro volatility on our Adjusted EBITDA. Through CPI and power escalators written into all our customer contracts, and with hard currency earnings, our growth has been strong and linked almost exclusively to the growth in tenancies.

Tom: The structural growth in our markets is enormous, and so we haven't really seen the impact of a slowdown. And operators are continuing to expand their networks to tackle the vast infrastructure and connectivity divide in our markets. Our pipeline is actually one of the strongest we've ever had, so we're excited for continued delivery in the year ahead.

And do higher interest rates impact your business?

Manjit: We don't see this as a risk to achieving our target of 22,000 towers, or to driving returns higher. We always allocate capital to the most attractive investments available to us, and underwrite investments to generate attractive returns above our cost of capital over the medium term. We have walked away from a number of investments over the years because they did not meet our criteria, and this is a fundamental element of our Sustainable Value Creation pillar.

Importantly, our balance sheet is solid. Our debt has a four-year average remaining life and over 80% of it is fixed, so there's no immediate requirement to adjust our debt structure. But as ever, we will continue to be opportunistic regarding debt management over the coming years.

So what are your priorities as we head into FY23?

Tom: For our MNO customers, we want to drive up our customer service levels even further – and that means responding even more quickly and reliably to their needs. And after our near-record organic tenancy growth in 2022, we hope that 2023 will be record-breaking.

For our people, I want to see more progress in DEI and employee engagement. Although our employee survey ranked us in the upper-quartile relative to other companies, we're looking at further learnings to make us an employer of choice.

Manjit: 2023 is also the first year following our platform expansion, so we're better placed than ever to capture the structural growth opportunities in our new and existing markets. We are also very excited about our investments in operational improvements which will help us to reduce carbon over the long term. Ghana will be our innovation hub in 2023, trialling new solar and hybrid configurations to reduce our carbon footprint. So we've set the stage to drive growth on a number of fronts in 2023 and beyond.

Strategic progress

Our strategic KPIs

We monitor our performance using a range of KPIs and have set ambitious targets to ensure that we remain focused on delivering sustainable growth and value to all our stakeholders.

Financial performance

Revenue
US$m

560.7

2022	560.7
2021	449.1
2020	414.0

Adjusted EBITDAΔ
US$m

282.8

2022	282.8
2021	240.6
2020	226.6

Adjusted EBITDA marginΔ
%

50.4%

2022	50.4
2021	53.6
2020	54.7

Operating profit/(loss)
US$m

80.3

2022	80.3
2021	59.0
2020	56.3

Portfolio free cash flowΔ
US$m

201.4

2022	201.4
2021	168.3
2020	174.4

Return on invested capitalΔ
%

10.3%

2022	10.3
2021	11.8
2020	14.5

Read more about performance in Financial Statements
page 142

Δ Alternative Performance Measures are defined on pages 74–76.
1 Please see Glossary for definitions of our non-financial KPIs.

Impact KPIs[1]

Digital inclusion

Sites

13,553

2022	13,553
2021	9,560
2020	7,356

Tenancies

24,492

2022	24,492
2021	18,776
2020	15,656

Tenancy ratio

1.81x

2022	1.81x
2021	1.96x
2020	2.13x

Downtime per tower per week
minutes

2.46

2022	2.46
2021	1.10
2020	1.32

Rural sites

5,593

2022	5,593
2021	3,289
2020	2,471

Local, diverse, talented teams

Local employees in our OpCos
%

96%

2022	96
2021	97
2020	98

Female employees
%

28%

2022	28
2021	24
2020	24

Employees trained in Lean Six Sigma
%

42%

2022	42
2021	31
2020	37

Climate action

Carbon emissions per tenant
tCO_2e

12.17

2022	12.17
2021	11.61
2020	12.11

Responsible governance

Four ISO accreditations maintained
%

100%

2022	100
2021	100
2020	100

Read more about performance
pages 20–39

Impact report

Digital inclusion

Our ambition is to enable digital inclusion in Africa and the Middle East by expanding our portfolio, driving colocation growth and delivering a reliable power service.

The mobile industry is uniquely placed to contribute to all 17 UN SDGs and therefore we believe that the benefits of a more connected future should be accessible to all.

Sites
13,553
2021: 9,560

Tenancies
24,492
2021: 18,776

Tenancy ratio
1.81x
2021: 1.96x

Power uptime
99.97%
2021: 99.99%

Rural sites
5,593
2021: 3,289

Population coverage
141m
2021: 118m

Impact report: **Digital inclusion** continued

Tackling the connectivity and infrastructure divide

Mobile is a key enabler of social and economic development, especially in our markets where there is minimal fixed line connectivity.

Communities in our markets are increasingly using mobile to access life-enhancing services that contribute to achieving the UN SDGs – from education and healthcare to finance and gender equality. However, despite the significant benefits mobile has already brought to our regions, there remains a vast mobile infrastructure and connectivity gap in Africa and the Middle East compared to more developed parts of the world.

More than 50% of the population across Africa and the Middle East are not connected to mobile – c.860 million people[1] – more than the entire population of Europe. By 2050, the population in Africa and the Middle East is projected to increase by approximately 70% to 2.9 billion, far exceeding the 9% growth forecast across the rest of the world[2].

To close this vast gap in mobile penetration, drive digital inclusion and prepare for significant future demand for mobile, telecommunications infrastructure will need to be built and operated efficiently. In fact, Sub-Saharan Africa would need one million more towers to match the same density per person seen in Europe and the US today[3].

Closing the gap with our business model and record site expansion

We enable mobile operators to expand and densify their mobile coverage more cost effectively while delivering reliable network service, even in areas with limited grid availability. By expanding our portfolio, improving our tenancy ratio and delivering some of the highest levels of power uptime, we are proud to be closing the infrastructure and connectivity gap and delivering long-lasting benefits for people across our markets.

That is why our 2026 targets, announced at our Capital Markets Day in May 2022, are centred on owning and operating 22,000 towers, driving attractive lease-up of our portfolio and targeting initiatives that create stakeholder value, such as achieving 30 seconds downtime per tower per week.

In 2022, we made solid progress against these 2026 targets, expanding our site portfolio by a record 3,993 sites, ending the year with 13,553 sites. This expansion was a result of both acquisitions and strong organic demand in our markets.

We acquired 3,242 sites in the year, reflecting acquisitions in Malawi (723) and Oman (2,519), the latter being our first investment in the Middle East. We also built 751 sites, the most we have accomplished in a single year. This resulted in 23 million more people under the coverage footprint of our sites – 17 million through acquisitions in Malawi and Oman and six million through build-to-suits.

Our tenancy additions of 5,716 were a record too, reflecting strong organic growth and entry in Malawi and Oman. As expected, our tenancy ratio decreased slightly in the year from 1.96x to 1.81x, due to the acquisitions in Malawi and Oman.

Rural coverage

Nearly 200 million people in Sub-Saharan Africa live in areas without mobile broadband coverage, and a large portion live in rural areas[4]. Governments in our markets recognise the significant economic and social impact of mobile and have set ambitious goals to ensure the whole population can access and benefit from reliable mobile connectivity.

For MNOs, rural networks can be more expensive and deliver lower revenues. To support rural rollout, we are working on lower-cost, more sustainable solutions including lighter-weight towers supported by off-grid green power systems. We have set an ambitious target to own and operate 7,000 rural towers by 2026. We made significant progress in 2022 by adding 2,304 rural sites, bringing our total to 5,593, which represents approximately 40% of our portfolio.

Population coverage

141m

2021: 118m[5]

2026 tower target

22,000

Tenancy ratio

1.81x

2021: 1.96x

1 GSMA database, accessed December 2022.
2 Calculated from UN World Population Prospects database, July 2022.
3 GSMA database, TowerXchange, Statista.
4 GSMA State of Mobile Connectivity 2022.
5 2021 population coverage has been restated reflecting updated data and modelling.

Driving rural rollout in Tanzania

In Tanzania, the Government's Universal Communication Service Access Fund (UCSAF) was established to facilitate greater access to communications to drive socio-economic development – particularly in rural and under developed areas. We have supported MNOs build over 250 rural UCSAF sites since 2019. In 2022, 66% of all towers that we built in Tanzania were in rural locations.

Strategic Report
Governance Report
Financial Statements

Innovation to improve coverage in high density areas

For densely populated environments where there is poor mobile coverage and limited space for traditional tower infrastructure, we have developed innovative distributed antenna solutions (DAS) to improve connectivity for the local community.

The Tanzania Communications Regulatory Authority asked our customers to develop a solution for Kariakoo Market – the country's biggest and busiest market. Coverage and capacity was a challenge and market vendors had been deploying their own boosters to try to improve their signal. We collaborated with our MNO customers to develop a future-proof solution that could accommodate multiple operators and support 2G, 3G, 4G and additional spectrum bands.

We expanded coverage from an existing tower nearby to equipment on two existing lampposts in the market. We connected these to the grid and installed a battery back-up system. This bespoke solution has significantly improved coverage and capacity and vendors both inside and outside the market building are now able to do business much more effectively.

Power uptime ensuring reliable mobile connectivity

Our commitment to our customers and to enabling digital inclusion is centred on maintaining reliable power, even in the most remote locations or challenging conditions. Individuals and businesses in our markets need reliable connectivity to communicate, to work, to access news, education and financial services and purchase goods.

We provide world-class levels of power uptime, including in areas where grid electricity is unreliable or non-existent. Despite only 16 hours of average grid availability per day across our markets, we provided power uptime of 99.97% – or two minutes and 46 seconds average downtime per tower per week – ensuring our customers capture the mobile demand, and end-users benefit from a reliable mobile network.

Power uptime

99.97%

2021: 99.99%

This performance excludes our new markets of Madagascar, Malawi and Oman, which will be included from 2023 onwards, though we have already seen positive improvements since ownership. In Madagascar, downtime per tower per week improved from 52 minutes at the start of 2022 to seven minutes at the end of the year.

Since we started operations in Senegal in May 2021, we have improved power uptime from 99.94% to 99.99% through our business excellence platform. This is an improvement in downtime per tower per week from five minutes 57 seconds in 2021 to 13 seconds in 2022.

We look at our towers holistically, assessing the optimal power configuration to maximise uptime, lower fuel consumption and reduce greenhouse gas (GHG) emissions. Powering a site with fuel is both carbon intensive and expensive. Therefore, using grid electricity and other lower-carbon solutions not only reduces our environmental footprint but also reduces costs.

Read more in Climate action **page 24**

Strategic community investment

By enabling connectivity, we promote a number of fundamental human rights and freedoms by giving people access to life-enhancing services on a mobile phone, particularly for some of the most vulnerable communities in our markets.

According to the industry body GSMA, in Sub-Saharan Africa, 17% of the population are not covered by a mobile broadband network and of those who are, over half are not internet users. Significant gender and rural/urban usage gaps also persist; women in Sub-Saharan Africa is 37% less likely to use mobile internet than men, while rural communities are 54% less likely to use mobile internet than those living in urban areas[1].

Our approach to strategic community investment is informed by this context and focuses on using our core skills and expertise to help our communities benefit from mobile connectivity. We have identified three key areas to maximise the long-term positive impact we have, with a specific focus on supporting women and rural communities:

- education, skills and digital inclusion;
- access to cleaner power and amenities; and
- climate and carbon.

1 GSMA State of Mobile Connectivity 2022.

Read more about our approach in Strategic Community Investment

School ICT lab in rural Ghana

We built an ICT laboratory for Ata Ampuuruum School in a rural community in northern Ghana.

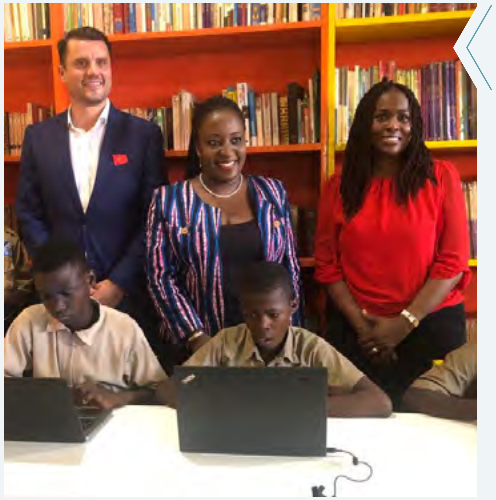
We recycled and refurbished three cell site containers for the lab and equipped it with recycled laptops and solar panels for renewable electricity.

We partnered with our customer AirtelTigo to provide broadband connectivity to bring digital education to more than 200 pupils in the school.

The lab is also being used by seven schools in neighbouring villages, extending our impact to a potential 1,200 children.

Helios Towers School of Engineers

We are committed to investing in youth skills development through our School of Engineers work experience programme. In 2022, we reviewed how to maximise the impact of the programme and developed a Group-wide framework to provide students and graduates with rewarding work experience in our business. We have set an ambitious target for a 50% female intake. We are launching tailored programmes for each of our markets, starting with learnerships in South Africa, a graduate scheme in Senegal and internships for National Service graduates in Ghana. We will share learnings with our other markets in 2023 to ensure impact as we implement the programme across the Group.



HIGHLIGHTS FROM OTHER MARKETS

Tanzania

We provided digital equipment to Nyumbu Secondary School in partnership with Vodacom Foundation. We also continued our partnership with charity partner Camara, developing and equipping an ICT lab for Kurasini Secondary School, training teachers and providing over 2,200 students with access to digital learning.

DRC

To support communities to access cleaner power, we launched a trial of newly designed, fully renewable phone-charging stations at rural sites. This will help off-grid communities to charge their phones for free without having to walk long distances or use fuel for electricity.

Congo Brazzaville

We refurbished facilities at a primary school in the rural region of Poto-Poto, ensuring a safe learning environment for all – before creating a multimedia classroom for almost 700 students. In partnership with MTN, we provided laptops and digital equipment as well as funding ICT training for teachers.

South Africa

Working with the non-profit iSchoolAfrica, we offered secondary school girls the opportunity to spend a day shadowing different departments at Helios Towers. We also developed work readiness sessions to help girls with CV writing and interview preparation.

Strategic Report
Governance Report
Financial Statements

Climate action

While Africa is home to more than one billion people – nearly 15% of the global population[1] – it contributes less than 3% of global energy-related CO_2 emissions and is a region with some of the world's lowest electrification rates[2].

We believe we must continue to expand our infrastructure to close the vast gap in our markets, enabling connectivity for millions of people. Decoupling this business growth from emissions remains a major challenge in our markets. We are investing in low-carbon solutions to power our customers' networks and addressing the impacts of climate change on our operations.

Carbon emissions per tenant (tCO_2e)[3]

12.17

2021: 11.61

Sites with hybrid and solar solutions[4]

31%

2021: 31%

2022 investment in Project 100

$9m

1 World Population Prospects 2022.
2 International Energy Agency: African Energy Outlook 2022.
3 Includes Scope 1 and 2 emissions in our five established markets, see page 28.
4 Data in this Climate action section excludes Oman, unless otherwise specified.

Reducing environmental impact

Our infrastructure-sharing model is helping to reduce the overall emissions of the mobile industry in our markets. Through our carbon roadmap, we are committed to reducing our footprint and supporting our customers to meet their reduction targets.

Mobile technology drives sustainable development and is fundamental for the transition to a low-carbon economy in the regions where we operate. Mobile can also be instrumental in helping other industries avoid emissions[1].

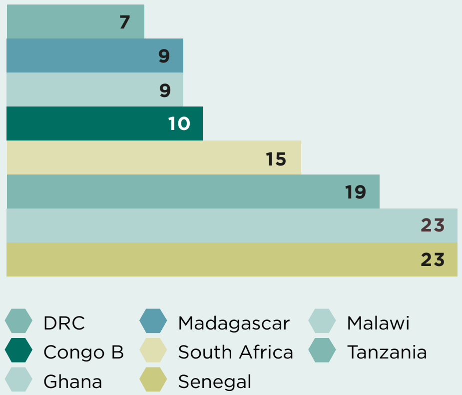
Our commitment to our customers and to enabling digital inclusion relies on maintaining reliable power and network service, even in the most remote locations or challenging conditions.

As many areas we serve have non-existent, limited or unreliable access to mains electricity, we currently rely on generators to guarantee power for our customers' equipment on most of our sites. We have a significant variance in the supply of grid electricity across our markets, from seven hours a day on average in DRC to 23 in Ghana and Senegal.

Our carbon roadmap builds on our strategy since 2015 to reduce reliance on generators, connect to the grid and use hybrid and solar solutions wherever possible to maximise power uptime.

1 GSMA 'The Enablement Effect' 2019 study.

Average grid hours per day, by market



Sites connected to the grid

72%

Hybrid sites

31%

Solar sites

6%

For more on how we identify the most appropriate solutions for each site, see Carbon Reduction Programme **page 27**

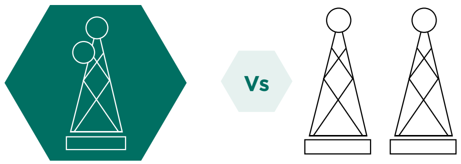
Infrastructure-sharing model reducing emissions

Increasing colocation on our towers enables us to reduce the environmental impact of powering mobile connectivity, when compared to the traditional operator-owned model. Only one generator or power supply is needed to cater for multiple tenants, minimising maintenance visits and saving thousands of kilometres driven each month. Our infrastructure-sharing model also avoids emissions from tower steel, concrete foundations and additional assets required if each MNO built its own sites.

By reducing emissions from our towers, we are also helping our customers to reduce their indirect emissions.

With diesel being the largest operating cost at a tower site and a significant contributor to our footprint, we focus on reducing diesel consumption in favour of lower-carbon and renewable sources of power. The more tenants per tower, the lower diesel emissions per tenant as shown below.

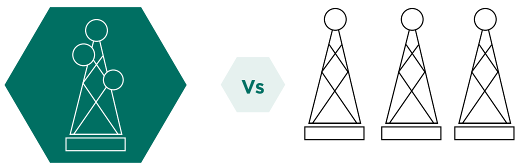
Two tenants



34%

reduction in average diesel emissions per tenant

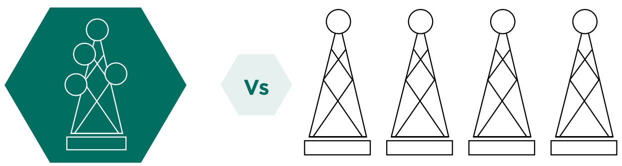
Three tenants



40%

reduction in average diesel emissions per tenant

Four tenants



45%

reduction in average diesel emissions per tenant

Colocation Single tenant site

Average diesel emissions reductions have been calculated from diesel consumption figures for our five established markets, comparing diesel consumption on towers with one, two, three and four tenants.

Our carbon target

Our target is to reduce carbon intensity per tenant by 46% by 2030. The target covers Scope 1 and 2 emissions where we can make the most material impact, and covers the five markets where we were operational in our 2020 baseline year. This 2030 target translates to maintaining absolute emissions for these markets at 2020 levels, despite the significant growth required to tackle the mobile infrastructure gap.

Our long-term ambition is to become a Net Zero carbon emissions business by 2040. In practice this will mean a 90% reduction in our Scope 1, 2 and 3 emissions from our 2020 baseline. We have to balance our ambition with some realities:

- several of our markets have nascent national grid infrastructures; our carbon ambitions rely on our markets expanding grid infrastructure while simultaneously greening their grid mix;
- public policy in our markets needs to support the rollout of new, lower-carbon technologies and self-generation of renewable energy; and
- expected 5G rollout in the coming years will significantly increase the energy demand on our towers[1].

Project 100 is focused on reducing our dependence on diesel; our Net Zero ambition will continue in this direction by seeking to replace diesel usage with grid connectivity, battery storage, renewables and alternative clean fuel technologies. During 2023, we will look to review decarbonisation pathways within our control to progress towards our long-term ambition. We will also update our 2030 carbon target to include operations in Senegal, Madagascar, Malawi and Oman.

OUR 2030 TARGET[2]

46% CO_2e reduction per tenant from 2020 baseline

HOW WE WILL ACHIEVE OUR TARGET
2022–2030

Colocation growth
Adding more tenants onto our towers

+

Carbon reduction programme
Building and scaling our current carbon reduction initiatives

+

Carbon reduction innovation
Investing in innovative solutions to further reduce our carbon

Project 100
US$100m investment

Strategic partnerships
with our customers and suppliers for low-carbon solutions

ENABLERS

Supportive public policy environment
+
Proliferation and decarbonisation of grid electricity
+
Innovation in battery and renewable solutions

Project 100

We have committed to invest US$100 million between 2022 and 2030 on carbon reduction and innovation programmes. This investment will reduce emissions as well as drive attractive return on invested capital for our business as we reduce reliance on generators.

Each market requires a bespoke approach to carbon emissions reduction. We look at optimising energy efficiency through better configuration of our assets and leveraging improvements in battery technology. We also review solar radiation potential, wind speeds, emissions intensity of the national grid and availability or potential for Power Purchase Agreements to decide on the right approach for each market.

In 2022, we spent US$9 million on grid connections, power equipment upgrades, Remote Monitoring Systems (RMS) and hybrid solutions. We expect this investment will support carbon reduction over the coming years.

2022 investment in Project 100

$9m

1 Mobile technologies, particularly 5G, can help other industries save energy: GSMA 'The Enablement Effect' 2019 study.
2 Our target currently covers the five established markets where we were operational in our 2020 baseline year: Tanzania, DRC, Ghana, South Africa and Congo Brazzaville.

Carbon reduction programme

Through our carbon reduction programme, we are reducing reliance on diesel and using more efficient, cleaner power solutions. Each site is unique and our Performance Engineering team assesses ways to optimise performance through lower-carbon power configurations that also deliver attractive financial returns on a targeted basis. The team identifies alternative energy sources depending on location, power requirements and commercial feasibility.

We are implementing RMS to support real-time site performance management and analysis. RMS allows us to proactively optimise performance by providing a real-time view. With the ability to identify and rectify issues as they arise, we can improve our power reliability as well as reduce our fuel consumption and emissions. We have installed RMS on 29% of our sites with continued rollout planned in 2023.

We are continually improving energy efficiency and the effectiveness of our maintenance programme to prolong the life of our assets. We invest to develop the technical skills of our maintenance partners as they play a front-line role in reducing carbon emissions through efficient and effective maintenance of our towers and power solutions.

Connecting to the grid

Where possible, we always try to connect off-grid sites to a grid supply to reduce fuel consumption. In Tanzania, we have worked with TANESCO, the national electricity company, to expand the grid to more rural areas. In 2022, we connected 325 sites to grid, reducing our diesel consumption. 83% of our sites in Tanzania are now connected to the grid.

Grid optimisation

We are continually working on improving our sites' utilisation of the grid. The data from RMS allows us to understand the quality of the grid and grid utilisation, which then informs the potential improvements we make to sites.

Hybrid solutions

We are continually evaluating how we can leverage more from hybrid installations. We want to maximise the power we consume from battery technology, whether this be limiting generator runtime on an off-grid site or eliminating the generator running at all on a grid site. Our transition to advanced, longer-life lithium battery technology supports this approach.

Solar solutions

As part of our carbon reduction efforts, we are committed to improving our own generation from renewable sources. We use solar solutions where possible at off-grid and limited-grid sites, depending on factors such as location, space and site performance needs. For example, powering a two-tenant site by solar would require an area equivalent to the size of a tennis court.

Solar solutions are most cost-effective at single-tenant, rural, off-grid sites. Since we began installing solar in 2016, we have seen improvements in power output and with further innovation expected in panel technology, this will be a key solution for our Net Zero ambition.

In DRC, 17% of our towers use solar as the primary source of energy to power the full site load. We are now also starting to deploy solar as a complementary power source. The nature of our modular site design allows us to introduce solar to improve the effectiveness of hybrid installations.

As Ghana is one of our most mature markets, in 2023 it will be an innovation hub for trialling – and providing training on – new technologies. Our team will focus on deploying solar and enhanced hybrid configurations on around half of our sites in Ghana.

Carbon reduction innovation

With the expected increase in power needed for 5G technology, we are committed to exploring lower-carbon, innovative solutions to power our towers, including:

Wind technology

Wind technology is most effective where average wind speed exceeds five metres per second. We have analysed wind speeds across the regions in our markets and are trialling using wind to power towers in Tanzania in 2023. Results of this trial will determine future deployment.

Alternative fuel

We are planning to trial a pioneering new-technology generator which offers reliable power with a low maintenance requirement, less noise and lower emissions. It is also fuel-agnostic and can run on diesel, kerosene and low-carbon fuels such as HVO (hydrolysed vegetable oil), biogas and hydrogen. This will help to future-proof generators as lower-carbon fuels become more available in our markets. We will be trialling these generators in Congo Brazzaville in 2023.

Mini-grids

We are working with a solar-based mini-grid company in DRC to supply renewable power to selected off-grid, rural towers, with the additional benefit of connecting the local community to clean energy.

Average grid availability on these sites is 19 hours a day, compared to an average of seven hours across our portfolio from the national grid. Connecting to the mini-grids significantly reduced the generator runtime and avoided 130,000 litres of diesel in 2022.

We are looking to expand this partnership in DRC as well as investigate trialling similar Power Purchase Agreements in other markets in 2023.

Emissions and energy

Tracking our energy consumption and its associated emissions is a key input for actioning our carbon roadmap.

By reducing emissions from our sites, we are also helping our customers to reduce their indirect emissions. Our colocation model reduces the environmental impact of powering mobile connectivity when compared to the traditional operator-owned model. We are also engaging with our customers, sharing data and collaborating to reduce our overall impact.

Recalculations

In line with our Recalculation Policy (see Reporting Supplement), we have recalculated our 2020 and 2021 footprints as a result of:

- acquisitions: Senegal, Malawi and Madagascar;
- data accuracy improvements (such as emissions intensity data from the International Energy Agency) and standardisation in our data methodologies; and
- additional categories included in Scope 3.

Our 2022 carbon footprint

Our Scope 1 emissions have increased largely due to greater fuel consumption in markets such as DRC and Tanzania. For example, drought in Tanzania affected the country's hydropower generation in 2022, leading to more grid outages and increased reliance on back-up generators.

While our strategy to connect more sites to the grid has increased our electricity consumption, our Scope 2 emissions have decreased as we have seen reductions in the emissions intensity of national grids in certain markets such as Senegal. The proliferation and decarbonisation of the national grids in our markets will play a key part in our Net Zero ambition.

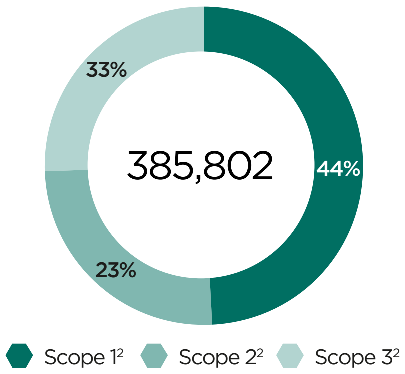
Our Scope 3 emissions have decreased in 2022, largely due to a reduction in spend on capital goods compared to 2021. The most material Scope 3 category is related to the emissions from the upstream activities of extracting, refining and distribution of fuels and electricity for our towers, constituting over 60% of emissions. Our focus on reducing fuel consumption will result in reduced emissions from this category.

1 Our 2022 footprint includes operations in Tanzania, DRC, Ghana, South Africa, Congo Brazzaville, Senegal, Madagascar and Malawi. Towers operations in Oman have not been included due to limited data following acquisition closure in December 2022. We will recalculate our footprint to include Oman in Group reporting from 2023 onwards.

2 Scope 1 includes tower diesel and fuel used for company vehicles. Scope 2 includes tower grid electricity and electricity purchased for our offices. Scope 3 includes well to tank and transmission and distribution of energy, capital goods, purchased goods and services, business travel, freight, employee commuting and working from home emissions, and downstream leased assets. We are continually reviewing our boundary to ensure relevant Scope 3 activities are included. Scope 3 emissions only include new markets once they have been acquired. Scope 3 emissions include calculations using the Comprehensive Environmental Data Archive (CEDA). We updated emission factors from CEDA version 5 to 6 and prior years have been recalculated and restated to ensure accurate year-on-year comparisons.

3 Per tower and per tenant data is based on the average number of towers and tenants during the year, calculated using monthly data.

Our 2022 footprint[1] tCO_2e



Total emissions per year (tCO_2e)

	2020	2021	**2022**
Scope 1	148,120	146,008	**169,776**
Scope 2	86,074	96,506	**87,000**
Scope 3	127,873	153,095	**129,026**
Total	362,067	395,609	**385,802**

Our 2022 Scope 1 and 2 emissions have been externally assured.

For more on our Assurance Statement and Recalculation Policy see our Reporting Supplement

Performance against target

Our carbon target, launched in late 2021, covers Tanzania, DRC, Ghana, South Africa and Congo Brazzaville – the five markets where we had operational data for the 2020 baseline year. These markets represent 80% of our total 2022 Scope 1 and 2 emissions.

Scope 1 and 2 emissions per tower and per tenant[3] (tCO_2e)

	2020	2021	**2022**
Tower	25.48	25.09	**26.25**
Tenant	12.11	11.61	**12.17**

We saw a marginal increase in emissions intensity relative to the 2020 baseline, due to more fuel intensive (and therefore more carbon intensive) markets, principally DRC, growing tenancies faster than the Group average.

We remain focused on driving long-term reductions across the Group through our targeted investments. In addition to the continued rollout of RMS and implementation of energy efficiency measures, we will be focusing on initiatives bespoke to each OpCo.

For example, we will be prioritising grid connections and restorations in DRC as the national grid has the lowest emissions intensity of all of our markets. In Tanzania, we will be using alternative hybrid configurations to reduce generator runtime and trialling solar as a complementary power source on sites connected to the national grid.

Refreshing our 2030 target

In 2023, we will be working to refresh our 2030 target to include acquisitions in Senegal, Madagascar, Malawi and Oman and reviewing emissions reductions initiatives in these new markets.

Our overall equipment upgrade and maintenance programme will support energy efficiency improvements in these new markets and we will also introduce additional carbon reduction initiatives. We have identified opportunities for grid connections in Malawi and sites with potential for solar and wind in Oman.

In parallel to continuing RMS deployment in our existing markets, we will start rollout in new markets. This will further support site optimisation and the identification of further initiatives.

Energy efficiency

Optimising our energy consumption and its associated emissions is a key input for actioning our carbon roadmap. The most significant part of our total energy consumption is diesel for our towers. Grid electricity across our markets has lower emissions than diesel consumed by our generators which is why we focus on connecting to the grid wherever possible. We then leverage renewables and battery technologies to reduce both fuel and grid consumption and carbon.

We are also evaluating opportunities for solar at our offices and warehouses. Additionally, we continually optimise maintenance visits to avoid thousands of kilometres potentially driven each month.

Energy use (kWh)	
Tower grid electricity	265,869,372
Office grid electricity	882,536
Generator diesel	652,731,847
Vehicle diesel	7,131,070
Vehicle petrol	2,735,855
Total	**929,350,680**

UK Streamlined Energy and Carbon Reporting (SECR)

In accordance with SECR requirements, the table provides a summary of GHG emissions and energy data for Helios Towers' UK office, in comparison with global data. Our reporting is prepared in accordance with the WRI Greenhouse Gas Protocol: Corporate Standard, Revised Edition.

	2021[1]		2022	
	UK and Offshore	Global[2]	UK and Offshore	Global[2]
Scope 1 (tCO_2e)	0	146,008	**0**	**169,776**
Scope 2 (tCO_2e)	20	96,487	**32**	**86,968**
Scope 3 (tCO_2e)	8,580	144,515	**5,565**	**123,461**
Total gross Scope 1 and Scope 2 emissions (tCO_2e)	20	242,495	**32**	**256,774**
tCO_2e per tower	–	25.50	**–**	**25.19**
tCO_2e per tenant	–	13.17	**–**	**12.98**
Energy consumption used to calculate above emissions (kWh)	92,167	807,234,301	**163,034**	**929,187,646**

For more on our TCFD disclosures **page 64**

1 2021 emissions, intensities and energy consumption have been restated to reflect acquisitions in new markets and data improvements.
2 'Global' excludes UK and offshore.

Local, diverse, talented teams

Our business performance is built on shared success and a working environment that is safe and inclusive. We strive to promote diversity, equity and inclusion as well as embedding a culture of learning and development.

Local employees in our OpCos

96%

2021: 97%

Female employees

28%

2021: 24%

Employees trained in Lean Six Sigma

42%

2021: 31%

Near miss reporting rate

92%

2021: 32%

Health and safety

The safety of our people and partners is a priority in everything we do and is one of our key human rights impacts. We work in markets with limited regulatory oversight and weak enforcement of safety, and therefore our ambition is to significantly improve awareness of safe working practices.

We work closely with our contracted partners, who build and maintain our towers, to create a shared safety culture and to improve standards across the industry. We monitor and report on the safety and performance of our contracted partners in the same way we do our own people.

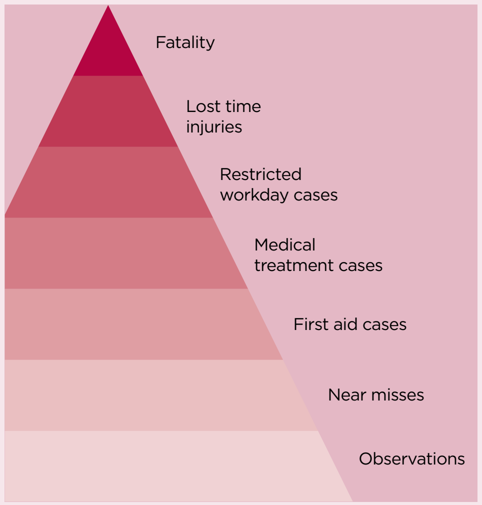
Safety: encouraging a reporting and learning culture

Our approach is centred around encouraging our partners and colleagues to report near misses and all incidents. This broadens the foundation (bottom of the safety pyramid below) from which we can learn from mistakes and reduce the risk of more severe incidents and fatalities (top of the pyramid).

We recognise that recordable incidents such as lost time injuries and restricted workday cases are significantly under-reported in our industry and markets. We believe we need to increase this visibility to drive our learning culture which can inform improved operational controls.

We are pleased that our total recordable incident reporting has improved by 88%. The Group Incident Review Board uses learnings from this increased reporting of incidents to drive reforms to our processes and practices to improve safety performance.

Safety pyramid



Safety performance (combined contracted partners and Helios Towers)[1]

Lost-time incident frequency rate

2022	0.52
2021	0.24
2020	0.20

Total recordable case frequency rate

2022	1.24
2021	0.66
2020	1.12

Road traffic accident frequency rate

2022	2.08
2021	2.44
2020	2.67

Decrease in fatality frequency rate

68%

Near miss reporting rate

92%

Safety management and governance

Our culture of safety starts from the top; the first item on the agenda of every Board meeting is health and safety. Our approach combines adhering to the highest international safety standards, with training and development for our people and partners, rigorous performance monitoring and a culture of continuous improvement.

We are guided by our management system which complies with the ISO 45001 health and safety standard. All eight markets operational for the majority of 2022 are certified to this standard and we also provide active guidance to help our maintenance partners achieve it as well. In 2022, 14 out of 17 maintenance partners were ISO 45001 certified.

The leadership team in each OpCo undertakes monthly site safety tours and our Executive Committee colleagues undertake one site safety tour during OpCo visits. The OpCo Managing Directors also review detailed safety, health, environment and quality (SHEQ) assessments with maintenance partners every month. We use a bespoke quantitative benchmarking tool consisting of 127 SHEQ criteria to audit our partners. Performance is reviewed during the SHEQ governance reviews at both Group and OpCo levels. During the year, our maintenance partners scored 96% in our audit.

In 2022, we also developed a detailed SHEQ induction video explaining safe working practices for all Helios Towers and partner employees.

1 All occupational incident frequency rates are the number of incidents per million hours worked on a 12-month rolling basis. Road traffic accident frequency rates are per 1,000km. For specific data relating to Helios Towers colleagues, see the GRI index in our Reporting Supplement.

Safety initiatives implemented

Increased reporting has guided the initiatives we have implemented to reduce our greatest areas of risk, including working at height and driving.

Working at height

When the reporting of low-severity incidents showed operational personnel directly handling suspended loads, we mandated the use of taglines designed to help keep control during heavy lifting. All our partners have received specific training for safe mechanical lifting, with all lifting equipment being checked and certified as fit for use by a third party.

Driving

With driving being the greatest physical risk to both Helios Towers' and our partners' workforces, we continue to deliver defensive driving training.

We mandate that our vehicles, and those of our partners, are equipped with an in-vehicle monitoring system (IVMS). This has improved driving behaviours and reduced our accident frequency rate.

IVMS also helps us to proactively understand driving behaviours, statistically identify drivers who are at greater risk of having an accident and intervene with remedial actions.

We plan to fit all OpCo and partner vehicles with dashcams to better understand driving parameters that IVMS cannot measure, such as seatbelt compliance.

We have an intervention framework to ensure that all fleet managers respond to any real-time driving violations and that the SHEQ team is involved for recurring 'at-risk' driving behaviours.

Where driving performance has remained consistently within our threshold limit, we have continued to see no significant road traffic accidents throughout the year.

Raising industry standards

We partnered with Nokia, Delmec and Gravity Training for the fourth annual Lifting Safety to New Heights event, promoting higher standards for health and safety in the telecoms industry in Africa.

Our Group Head of SHEQ, Will Richardson-White, was a keynote speaker, sharing our progressive approach to developing a more open and transparent reporting culture. There were also practical demonstrations on solutions such as mechanical rigging and lifting, driver monitoring and drone inspections.

Highest standards of safety in erecting towers

To reinforce the highest standards of safety when erecting towers, we worked with safety company Gravity Training to develop a bespoke training course for our tower build partners.

We conducted practical training sessions in Malawi and Senegal in 2022, training our partners' teams on a new construction methodology with best practice safety procedures.

These include fall protection during all phases of site development and using mechanical rather than manual lifting with the implementation of capstan hoists.

Decrease in our road traffic accident frequency rate

15%

Maintenance partners certified to ISO 45001[1]

82%

Maintenance partners with in-vehicle monitoring systems installed

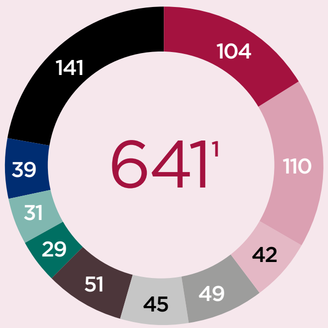
94%

1 New maintenance partners have 18 months to achieve the ISO 45001 Health and Safety standard from the start of their contract with Helios Towers.

Building a thriving workforce

Our people are at the heart of our success and our greatest asset. We provide them with the tools and support to grow and innovate and we strive to create a motivating and inclusive work environment.

Employees by region



- Tanzania
- DRC
- Congo B
- Ghana
- South Africa
- Senegal
- Madagascar
- Malawi
- Oman
- Corporate

1 Includes permanent, fixed-term and temporary employees; reflects year-end data.

We continually strive to build a more inclusive culture where Customer Service Excellence and innovation are central to the way we operate. We are committed to harnessing diverse talent and skills and maximising the positive impact we have in our markets by hiring and empowering localised workforces. In 2022, we had 96% local employees in our operating companies. Our 2026 target is 95–100% to allow flexibility for us to offer colleagues opportunities to work in different markets.

Engaging our people

In what has been a transformational year of growth for the business, effective and frequent communication and team-building have become more important than ever. We have refreshed our Group-wide quarterly town halls and OpCo team meetings to maintain regular engagement with our teams and embed our Sustainable Business Strategy.

During the year, our Group CEO visited all our markets and held roundtables with each local team to discuss opportunities for future success. Our designated Non-Executive Director for workforce engagement, Sally Ashford, also held 'Voice of the Employee' engagement sessions with colleagues. Key themes included more visibility around mobility assignments as well as career development opportunities. These have been captured in the action plan for 2023.

For more details, see our Governance Report **page 84**

PeopleInsight Outstanding Workplace 2022 Where people shine

'Outstanding workplace in 2022' by People Insight for our 87% engagement score.

2022 Engagement Survey

We commissioned an external consultancy, People Insight, to undertake our biennial engagement survey of our team members. The survey provided important feedback on our initiatives and areas for improvement such as wellbeing and work-life balance, as well as reviewing the benefits we offer. The OpCo MDs and HR leaders have developed localised action plans in these areas, against which progress will be reported to the Executive Committee and the Board.

Response rate

100%

2020: 93%

Engagement score

87%

2020: 90%

Colleagues are proud to work for Helios Towers

92%

2020: 93%

I can get the training and development I need to do my job

84%

2020: 67% (most improved score in 2022)

CEO Commendation award

"I launched the CEO Commendation award to recognise and reward colleagues for their outstanding contribution to building a sustainable business. I was delighted to receive 170 nominations. With the help of the Executive Committee, 11 winners were selected from across the breadth of our business for their proactivity and innovation in delivering our strategy in areas such as energy efficiency, carbon reduction, using Lean Six Sigma principles, Customer Service Excellence and community engagement. The winners chose from trips to sporting events or a local holiday.

Tom Greenwood
Group CEO

Impact report: **Local, diverse, talented teams** continued

Developing a diverse, inclusive workforce

We strive to be a business whose workforce reflects the customers and communities we serve. Diversity, equity and inclusion (DEI) sits at the core of our values and our Sustainable Business Strategy.

Improving gender diversity within the business is a priority for the Board. In 2022, we saw improvements; our Executive Committee comprised 27% women and we had 28% women working in our business (2021: 24%), making great progress towards our 2026 target of at least 30% women. For more on management and Board diversity, see the Nomination Committee Report pages 99–102.

In 2020, we signed the UN Women's Empowerment Principles and are using these to inform our approach to DEI, both within our business and our value chain.

For more details on how our work aligns with the principles, see our Reporting Supplement

In 2022 we also conducted a specific diversity and inclusion survey, asking our colleagues to share their priorities and ideas to inform our approach. The results indicated that we are perceived as a business that values diversity and encourages merit-based progression. Ideas and follow-up actions included:

- Diversity training: we launched our first mandatory training module on 'Your role in workplace diversity';
- Mentoring: we launched the Helios Towers Women's Mentoring Programme with our female Board members mentoring female leaders across the business; and
- Increased focus on recruiting more women engineers: our School of Engineers programme is targeting a 50% female intake.

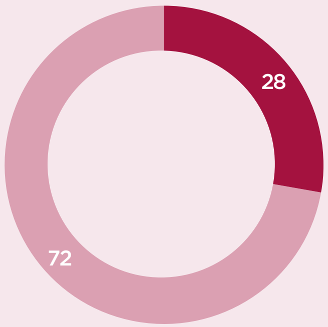
In addition, we are reviewing all of our key HR policies and processes through a DEI lens, making updates such as our parental leave policy.

Level 1 B-BBEE certification in South Africa

In October 2022, our South African business attained Level 1 B-BBEE certification – the highest rating – reflecting the team's commitment to empower local skills and talent, and drive socio-economic development in South Africa.

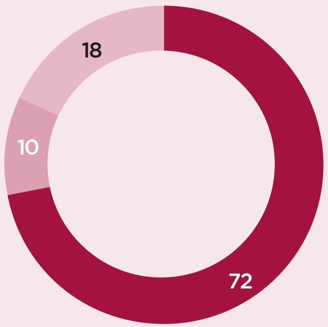
The team has also made great progress on creating a more gender-diverse and inclusive team. We had 49% women in our workforce in 2022, compared to 18% when we started operating in South Africa in 2019.

Gender (%)



Female Male

Ethnicity (%)



Ethnically diverse background
Other Not disclosed

> Strong commitment to gender equality at the leadership level is a critical driver for change and growth. I'm proud to champion this, alongside the rest of the Board and Executive Committee.
>
> I'm passionate about helping Helios Towers to build a stronger pipeline of women – and supporting both women and men develop a more inclusive working environment.
>
> **Carole Wainaina**
> Independent Non-Executive Director, Helios Towers plc Board

Impact report: **Local, diverse, talented teams** continued

Embedding a culture of learning and development

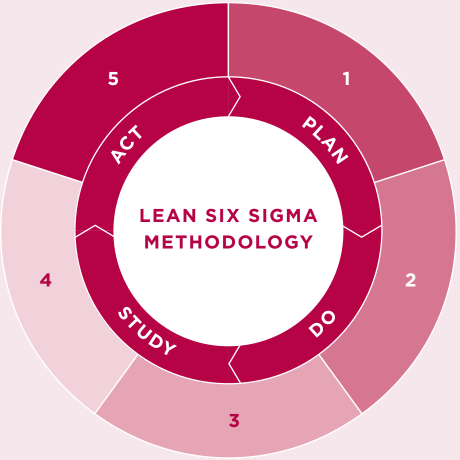
We invest significantly in training, both for our people and our maintenance partners, to upskill them to drive excellent customer service and drive efficient operations. In 2022, we invested US$1.2 million in learning and development programmes for our people.

Our learning management system provides our workforce and partners with access to digital learning modules covering business skills, compliance, health and safety, environment and field-based preventative maintenance. In 2022, our colleagues completed 13,000 hours of training.

In our 2022 engagement survey, the question, 'I can get the training and development I need to do my job', had the most improved score; 67% in 2020 to 84% in 2022.

Lean Six Sigma: driving business excellence

Since 2016, Lean Six Sigma processes have been transformational, improving customer service, transparency and business resilience. Lean Six Sigma is renowned for helping businesses to increase productivity, reduce inefficiencies and improve the quality of output.



1.DEFINE
Define the problem

2.MEASURE
Quantify the problem

3.ANALYSE
Identify the cause of the problem

4.IMPROVE
Solve the root cause and verify improvement

5.CONTROL
Maintain gains and pursue perfection

Applying its principles over the last five years has enabled our teams to ask why we are doing a particular activity, whether it needs to be done, and if it is an efficient and sustainable way of delivering a solution to our customers. Asking these questions has unlocked multiple benefits and operating efficiencies.

With 42% of our colleagues trained in Lean Six Sigma, we are making good progress towards our ambitious 2026 target of 70%.

Colleagues trained in Lean Six Sigma

42%

2021: 31%

Developing the leaders of tomorrow

To help build a pipeline of future leaders, we launched a bespoke Leadership Development Programme in 2022 with the prestigious Cranfield School of Management.

The programme began with 50 of our team members from various functions and markets across the business. We are proud to share that 12 of these participants were promoted in 2022. In 2023, we are looking to expand the intake, including another gender-balanced cohort of colleagues.

We are also strengthening our strategic sales approach by training more colleagues in Miller Heiman methodology to drive closer partnerships with our customers.

Responsible governance

Our governance structures and policies help us to deliver on our strategy, manage our performance and ultimately support the value we create for all of our stakeholders.

Four ISO accreditations maintained in 2022

100%

2021: 100%

MSCI rating reflecting strong governance of ESG risks

'AAA'

Embedding our culture of compliance

Responsible governance underpins our Sustainable Business Strategy and guides how we work as well as the positive impact we create for our stakeholders.

Our compliance culture is embedded in our daily activities. In our new markets, we trained both our own teams as well as our partners and third parties on our Group policies and procedures. We also appointed and trained compliance champions in each OpCo.

Governance and ethics

A combination of responsible governance and ethical business practices is critical for building trust with all our stakeholders. We work in partnership with our suppliers to support a sustainable and resilient supply chain.

Compliance and oversight

We apply the highest standards of governance and comply with applicable laws and best practice. With our rapid expansion into new markets, part of the challenge of managing growth is to ensure continued focus on ethical business conduct is uncompromised wherever we do business. Our Compliance Programme is managed by our Group Legal function, with Board oversight. Compliance is included as a standing agenda item on all Board, Audit Committee and Executive Leadership Team meetings. We also have Regional Compliance Managers for Anglophone and Francophone markets responsible for overseeing and embedding compliance across our operations. They are supported by a trained network of compliance champions in each market.

Our Code of Conduct sets out our commitment to business integrity. It covers a broad range of topics including handling conflicts of interest, compliance issues and other corporate policies such as equal opportunity and non-discrimination standards. The code is supported by our Third-Party Code of Conduct and internal Integrity Policy that serve to address specific risks including bribery and corruption as well as labour standards requirements.

Monitoring and evaluation

We conduct a programme of compliance monitoring in each of our OpCos at least twice a year. A report summarising findings is shared with OpCo management and the Executive Leadership Team, together with any remediation plans to be implemented in each OpCo. Through our reporting hotline EthicsPoint®, anyone can raise concerns about actual or potential non-compliance, confidentially and anonymously. The General Counsel and Company Secretary, Director of Human Resources and the Group Head of Compliance receive details of all incidents reported via the hotline. The Audit Committee also has oversight of all cases that are logged on EthicsPoint®.

We investigate all whistleblower reports in line with Group policies, which include non-retaliation provisions. Appropriate disciplinary and remediation actions for non-compliance are identified and effected, as necessary. A simplified mobile portal is also available for reporting any potential concerns.

Anti-bribery and corruption

We have a zero-tolerance policy towards any form of bribery and corruption and expect all our colleagues and contracted partners to uphold our standards. We have robust policies and procedures in place, mindful of the elevated risk of bribery and corruption in our markets, and the nature of our work interacting with third parties, including government officials, to obtain construction and operational permits. In 2022, we achieved recertification of our ISO 37001 accreditation for our anti-bribery measures.

Due diligence on third parties is performed using a third-party monitoring system to ensure there are no adverse findings such as bribery, corruption and money laundering. The system also ensures that third parties are not on any sanctioned lists or watchlists.

CORPORATE GOVERNANCE

The way we conduct business is underpinned by the Board's commitment to the highest standards of corporate governance. The Board also champions the Sustainable Business Strategy and its implementation across the Company.

For more about Corporate Governance **page 84**

For how we govern our Sustainable Business Strategy, see our Reporting Supplement

Impact report: **Responsible governance** continued

Training our people and partners

All new joiners participate in a mandatory compliance training. This includes multiple compliance training sessions that put the principles of our Code of Conduct into practice. Colleagues in higher-risk functions such as Supply Chain and Property take periodic refresher courses.

Group-wide training takes many forms, and in 2022 we:

- provided specific training on our compliance programme to our new markets;
- communicated more detailed guidelines and support on engaging with public officials over licensing, regulatory and market launch activities. We keep a public official register where all interactions and exchanges are recorded and presented to the Executive Leadership Team;
- participated in a forum with customers and suppliers in Senegal to discuss our compliance programme;
- provided compliance training to our partners in all markets; and
- ran communications campaigns on modern slavery and anti-corruption, in conjunction with an online training module and discussions in our OpCos. This highlighted the signs to look out for and how to report concerns. 78% of our people completed the anti-slavery and human rights training.

Responsible supply chain

As part of our Partner Engagement Programme, we work with our suppliers, contractors and peers to drive responsible and ethical behaviour, doing our utmost to keep everyone working in our operations safe from harm and treated fairly. Helios Towers works with suppliers around the world to meet the needs of our business and customers. Our focus is on local sourcing wherever possible.

Our product procurement typically comprises telecom towers, generators, rectifiers, solar and hybrid power units, and fuel. For services, we engage local contractors to perform site maintenance, civil construction, power management and security provision.

We believe in close collaboration with our contractors with a 'One Team, One Business' ethos. By doing so, we support the employment and training of an indirect workforce of over 11,000 people who build, maintain and secure our sites. We share offices with our maintenance partners and embed business excellence and Lean Six Sigma principles into their own practices.

Investing in their skills development helps to develop the knowledge and capability of their field teams, which is critical for meeting our power uptime targets.

Our Learning and Development Team undertakes skills gap assessments and delivers fit-for-purpose, field-based training programmes to enhance operational excellence and capability to align with international standards. This also benefits their businesses as a whole and contributes to a more skilled local workforce.

Advancing labour and human rights

As an enabler of mobile connectivity, our work has a positive impact on a number of fundamental human rights and freedoms, creating access to life-enhancing services, education and healthcare. Similarly, as an organisation, we are committed to conducting our business in a way that respects the human rights of all our stakeholders, including our employees, workers within our supply chain and the communities where we operate.

Based on a human rights impact assessment conducted by a third party, our principal human rights impacts lie in the area of labour rights, including health and safety for third-party and contractor employees, and for workers in our wider supply chain. Our commitment is outlined in our Human Rights Policy. Helios Towers is a member of the United Nations Global Compact Network and follows its guiding principles on business and human rights.

Our Code of Conduct prohibits any form of modern slavery or child labour and we apply the same requirements of ethical conduct to our contractors, suppliers and partners. In addition to training, our due diligence also includes annual Third-Party Code of Conduct training and annual certification.

We reserve the right to check and inspect our partners' records and processes, and we actively do so. Social criteria form part of the due diligence third-party questionnaires we use with all new suppliers. We also provide periodic compliance training and investigate promptly any concerns raised regarding potential violations of our Code. See our Modern Slavery and Human Trafficking Statement for the measures we take to address the risk of modern slavery in our business and our supply chain. In 2022 we trialled a sustainability survey with partners in DRC. We identified opportunities to engage partners on further controls to manage labour rights. In 2023, we will hold supplier forums and training to improve monitoring of working conditions as well as conducting additional checks.

Spend on local suppliers

77%

2021: 72%

Training our partners

We held compliance training sessions with partners in all our markets on our Third-Party Code of Conduct which included our expectations on anti-bribery and corruption, human and worker rights, environmental protection and raising concerns via our confidential helpline.

Cyber security and data privacy

Maintaining the security and integrity of our systems is critical to operational excellence. Our incident management and response processes align with the Information Technology Infrastructure Library (ITIL®) framework of identification, containment, eradication, recovery and lessons learned.

Updates on cyber security and information security – including user security, supplier security and cyber defence, network authentication and business continuity management – are provided to the Audit Committee by the Group IT Director. Regular updates on security are also presented to the Board.

Helios Towers holds the Cyber Essentials Plus certification, demonstrating our commitment to cyber security.

We focus our cyber security strategy on prevention and recoverability through:

- comprehensive measures based on industry best practice and National Cyber Security Centre guidance;
- regular operational assessments and testing validated by external third-party security partners; and
- monthly staff training and education, fully monitored by our IT teams as a key element of risk reduction.

CYBER ESSENTIALS CERTIFIED PLUS

Unlike MNOs, we do not have direct access to end consumers or their data. However, in our normal business operations, we need to process certain personal data such as employee compensation details, performance management and other categories of personally identifiable information.

We comply with the General Data Protection Regulation and any equivalent legislation in other jurisdictions. This governs the type of information we store, how we use it, how long we keep it and the steps we take to ensure its security.

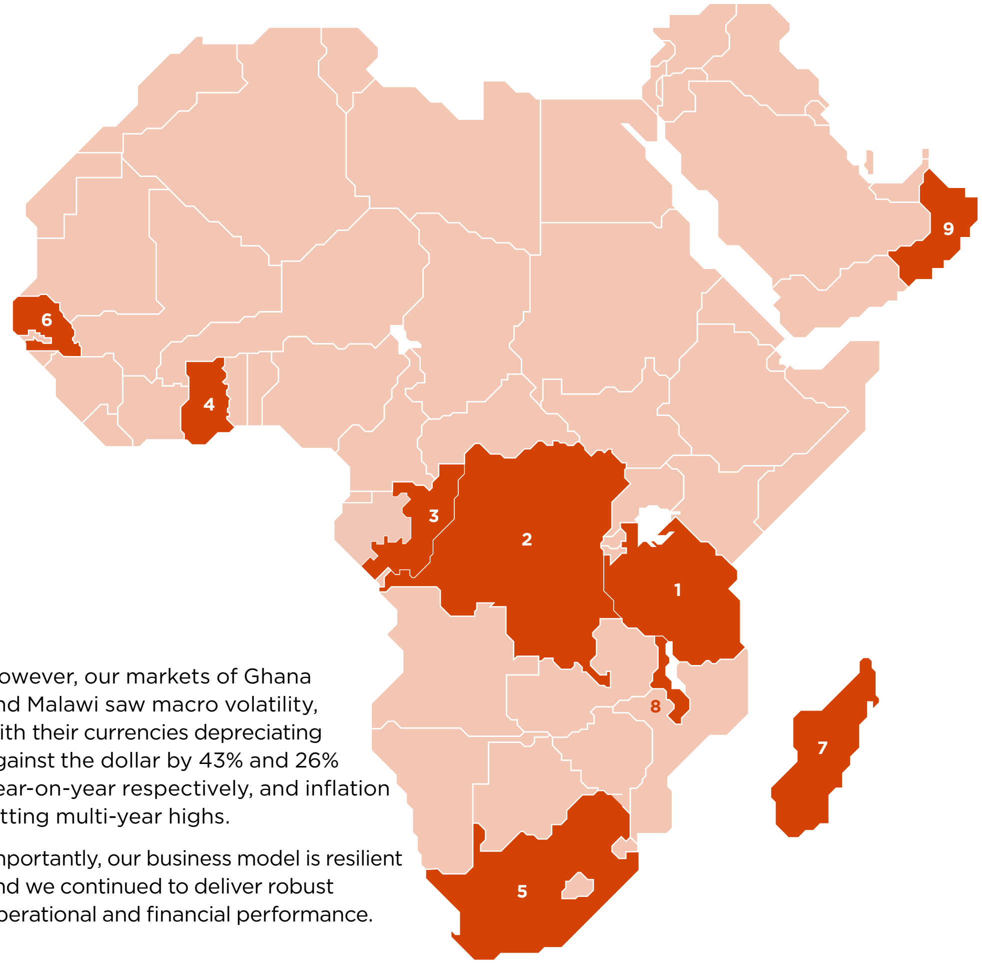
Physical security

The security of our teams, partners and assets is critically important to us. We use a number of different strategies to protect them including signage, motion sensors, electronic access locks and guards, according to the risk profiling of the sites in a given location. This is regularly reviewed and monitored to ensure our security practices are fit-for-purpose.

Operating review

Market and operating review

Strong and resilient financial performance.



Group financial highlights

Revenue

+25%

2022 $560.7m
2021 $449.1m

Adjusted EBITDA[A]

+18%

2022 $282.8m
2021 $240.6m

Operating profit

+36%

2022 $80.3m
2021 $59.0m

The global economy has continued to face challenges in the aftermath of the pandemic, with inflation running at its highest level in several decades. The cost of living crisis, tightening financial conditions in most regions and Russia's invasion of Ukraine all weigh on the global outlook, leading the IMF to downgrade its global growth projection during the course of the year.

In our markets, we see a mixed picture with our largest markets demonstrating resilience while others have been challenged. For example, our largest three markets of Tanzania, DRC and Oman saw inflation at 5%[1], 6%[2] and 2%[3] respectively, lower than the global average of 9%[4]. Each saw stability against the dollar, due to Oman's currency being US$ pegged, DRC being dollarised and robust performance in Tanzania. All posted strong GDP growth and saw rating agencies either upgrade or improve their outlook.

1 Bank of Tanzania, January 2023.
2 US Bureau of Labor Statistics, January 2023.
3 Central Bank of Oman, December 2022.
4 IMF World Economic Outlook, October 2022.

However, our markets of Ghana and Malawi saw macro volatility, with their currencies depreciating against the dollar by 43% and 26% year-on-year respectively, and inflation hitting multi-year highs.

Importantly, our business model is resilient and we continued to deliver robust operational and financial performance.

1 **Tanzania**
2 **DRC**
3 **Congo Brazzaville**
4 **Ghana**
5 **South Africa**
6 **Senegal**
7 **Madagascar**
8 **Malawi**
9 **Oman**

Tanzania

Population[1]	65m
Population growth CAGR[1]	3%
Mobile penetration[2]	48%
Mobile connection CAGR[3]	5%
PoS additions CAGR[3]	8%

(all CAGRs reflect growth between 2021–26)

> I am delighted with our performance in 2022. We took our customer service levels to new highs, while training and developing our talented, local team. This translated into strong financial results, delivering our fastest rate of Adjusted EBITDA growth since 2018.

Gwakisa Stadi
MD Helios Towers Tanzania

Sites

+5%

2022	4,188
2021	4,005
2020	3,821

Tenancies

+5%

2022	9,422
2021	9,012
2020	8,625

Tenancy ratio

-

2022	2.25x
2021	2.25x
2020	2.26x

Revenues

+18%

2022	US$201.4m
2021	US$170.4m
2020	US$167.1m

Adjusted EBITDA[Δ]

+18%

2022	US$133.7m
2021	US$113.2m
2020	US$105.0m

Adjusted EBITDA[Δ] margin

-

2022	66%
2021	66%
2020	63%

Overview

Tanzania is one of the fastest growing economies in the world, and continues to be an exceptional market for Helios Towers. High population growth, cheaper handsets and an expanding economy has supported mobile subscriptions almost tripling since 2010.

Strong growth is expected to continue. Independent forecasts estimate that mobile subscriptions will expand 5% annually up to 2026, which in turn is expected to drive annual PoS growth of 8%. As the leading independent tower company in Tanzania, Helios Towers is well positioned to capture this growth, which is expected to be driven by all four key MNOs in the market (Vodacom, Airtel Africa, Tigo and Halotel).

2022 operating highlights

- Our Tanzanian business delivered strong organic tenancy growth in 2022, adding 183 sites and 410 tenancies.
- Revenue and Adjusted EBITDA both expanded 18%, driven by tenancy additions and customer lease rate escalations.

1 UN World Population Prospects July 2022.
2 GSMA database, accessed December 2022. Mobile penetration reflects unique mobile penetration.
3 Analysys Mason report February 2022.

Operating review continued

DRC

Population[1]	99m
Population growth CAGR[1]	3%
Mobile penetration[2]	27%
Mobile connection CAGR[3]	6%
PoS additions CAGR[3]	12%

(all CAGRs reflect growth between 2021–26)

2022 was a strong year for site and tenancy growth. Whilst margins were impacted by higher power costs, our expanded platform positions us well for growth in 2023.

Colard Nkole Tshiyoyo
MD Helios Towers DRC

Sites

+8%

2022	2,233
2021	2,062
2020	1,895

Tenancies

+11%

2022	5,215
2021	4,701
2020	4,096

Tenancy ratio

+0.06x

2022	2.34x
2021	2.28x
2020	2.16x

Revenues

+17%

2022	US$205.9m
2021	US$176.4m
2020	US$174.0m

Adjusted EBITDA[Δ]

+3%

2022	US$104.4m
2021	US$101.0m
2020	US$103.5m

Adjusted EBITDA[Δ] margin

(6ppt)

2022	51%
2021	57%
2020	59%

Overview

With a landmass the size of Western Europe, DRC is Africa's second largest country, with a population of over 99 million. Since our entry into the market in 2011, mobile subscriptions have grown by 12% annually. Despite this growth, DRC continues to have one of the lowest mobile penetration levels globally, with only 27% of the population connected today.

Mobile penetration is expected to improve, the population is anticipated to grow, and 3G and 4G are expected to become more prevalent. Accordingly, PoS are anticipated to grow 12% annually to 2026, making it our fastest growing market. As the leading independent tower company, with proven power management and logistics expertise, Helios Towers is well positioned to capture this growth.

2022 operating highlights

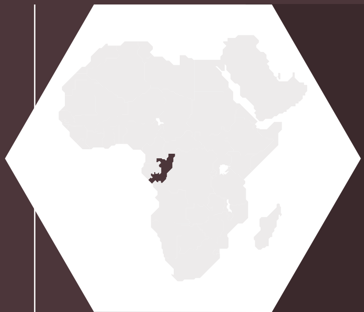
- Revenues expanded 17% year-on-year, driven by strong tenancy growth and lease rate escalations, principally related to higher fuel prices.
- Adjusted EBITDA expanded 3% year-on-year, driven by organic tenancy growth, partially offset by higher fuel costs in the year that also resulted in Adjusted EBITDA margins decreasing 6ppt year-on-year.

1 UN World Population Prospects July 2022.
2 GSMA database, accessed December 2022. Mobile penetration reflects unique mobile penetration.
3 Analysys Mason report February 2022.

Strategic Report
Governance Report
Financial Statements

Operating review continued

Congo B



Population[1]	6m
Population growth CAGR[1]	2%
Mobile penetration[2]	38%
Mobile connection CAGR[3]	4%
PoS additions CAGR[3]	10%

(all CAGRs reflect growth between 2021–26)

Our team delivered 5% year-on-year growth in Adjusted EBITDA, driven by tenancy growth and operational savings. This growth occurred despite the Euro (therefore the Euro-pegged Central African Franc) depreciating against the dollar in the year.

Maixent Bekangba
MD Helios Towers Congo Brazzaville

Sites

+11%

2022	511
2021	459
2020	426

Tenancies

+8%

2022	715
2021	661
2020	617

Tenancy ratio

(0.04x)

2022	1.40x
2021	1.44x
2020	1.45x

Revenues

+2%

2022	US$28.2m
2021	US$27.7m
2020	US$26.6m

Adjusted EBITDA^Δ

+5%

2022	US$13.8m
2021	US$13.1m
2020	US$12.7m

Adjusted EBITDA^Δ margin

+2ppt

2022	49%
2021	47%
2020	48%

Overview

Congo Brazzaville has historically provided a steady contribution to the Group, with another successful year achieved in 2022. Similar to many of our other markets, Congo Brazzaville has an attractive structural growth opportunity with population growth forecast at 2% annually to 2026 and low mobile penetration today at 38%.

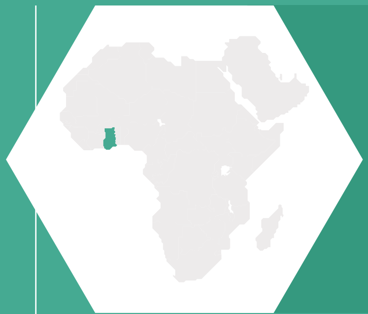
The market is a duopoly, with Airtel Africa and MTN operating in the market and providing the country with 2G, 3G and 4G connectivity, in addition to recently piloting 5G networks. With independent forecasts expecting mobile subscribers to grow 4% annually, driving a 10% annual PoS growth to 2026, there continues to be robust growth opportunity for Helios Towers.

2022 operating highlights

- We delivered 52 sites and 54 tenancies, marking one of its strongest years since operations began in 2015.
- Revenues and Adjusted EBITDA grew 2% and 5% respectively, largely due to tenancy growth.

1 UN World Population Prospects July 2022.
2 GSMA database, accessed December 2022. Mobile penetration reflects unique mobile penetration.
3 Analysys Mason report February 2022.

Ghana



Population[1]	33m
Population growth CAGR[1]	2%
Mobile penetration[2]	54%
Mobile connection CAGR[3]	3%
PoS additions CAGR[3]	5%

(all CAGRs reflect growth between 2021-26)

> Ghana experienced challenging macro conditions in 2022, including high inflation and currency depreciation. I am proud of the continued operational delivery, developing our team and mitigating the financial impact on our business.

Fritz Dzeklo
MD HT Ghana & Regional CEO, Central Africa

Sites

+7%

2022	1,113
2021	1,040
2020	978

Tenancies

+9%

2022	2,216
2021	2,041
2020	1,914

Tenancy ratio

+0.03x

2022	1.99x
2021	1.96x
2020	1.96x

Revenues

(14%)

2022	US$36.6m
2021	US$42.8m
2020	US$42.9m

Adjusted EBITDA[Δ]

(20%)

2022	US$20.7m
2021	US$25.8m
2020	US$27.4m

Adjusted EBITDA[Δ] margin

(3ppt)

2022	57%
2021	60%
2020	64%

Overview

Ghana, located in West Africa, is our first ever market of operation. With 21 million people under the age of 30 and low mobile penetration of 54%, mobile connections are expected to grow at 3% per annum over the next four years. In turn, this is expected to drive PoS growth by 5% annually up to 2026.

Our urban-centric portfolio, coupled with a focus on exceptional customer service, positions us well to support all three mobile operators (Vodacom, AirtelTigo and MTN) to achieve their ambitious growth goals.

2022 operating highlights

- Helios Towers Ghana delivered continued tenancy growth, adding 73 sites and 175 tenancies, with a tenancy ratio of 1.99x remaining flat year-on-year.
- Revenues and Adjusted EBITDA declined by 14% and 20% respectively, with organic tenancy growth and operational efficiencies, offset by the impact of a 43% decrease in the value of the Ghanaian Cedi versus the US Dollar during the year.

1 UN World Population Prospects July 2022.
2 GSMA database, accessed December 2022. Mobile penetration reflects unique mobile penetration.
3 Analysys Mason report February 2022.

Operating review continued

South Africa

Population[1]	60m
Population growth CAGR[1]	1%
Mobile penetration[2]	73%
Mobile connection CAGR[3]	3%
PoS additions CAGR[3]	1%

(all CAGRs reflect growth between 2021–26)

> We continued to drive operational leverage through tenancy expansion, and also continued testing new technologies, which we see as a key component in our longer-term ambitions.

Marinus Gieselbach
MD Helios Towers South Africa & Regional Director, Southern Africa

Sites

+36%

2022	369
2021	272
2020	236

Tenancies

+36%

2022	631
2021	464
2020	404

Tenancy ratio

-

2022	1.71x
2021	1.71x
2020	1.71x

Revenues

+57%

2022	US$9.5m
2021	US$6.0m
2020	US$3.4m

Adjusted EBITDA[Δ]

+73%

2022	US$4.5m
2021	US$2.6m
2020	US$1.1m

Adjusted EBITDA[Δ] margin

+4ppt

2022	48%
2021	44%
2020	32%

Overview
One of Africa's most developed countries, South Africa is the only market we have entered on a greenfield basis. It continues to lead the charge in adopting new technologies and was the first country on the continent to launch 5G.

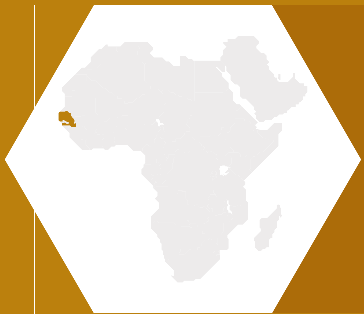
The country has approximately 45 million unique mobile subscriptions, reflecting unique mobile penetration of 73%. As the population grows and 4G/5G becomes more prevalent, mobile connections are expected to increase by 3% annually up to 2026. Combined with the opportunity to expand our product offering, these factors make South Africa an attractive market, in which our operational expertise establishes Helios Towers as a partner of choice.

2022 operating highlights
- Our South African business continued to drive tenancy growth, adding 97 sites and 167 tenancies, with a tenancy ratio of 1.71x at year-end.
- Adjusted EBITDA expanded 73% year-on-year, reflecting the continued operating leverage for the business through tenancy additions.

1 UN World Population Prospects July 2022.
2 GSMA database, accessed December 2022. Mobile penetration reflects unique mobile penetration.
3 Analysys Mason report February 2022.

Senegal

Acquisition closed in May 2021



Population[1]	17m
Population growth CAGR[1]	3%
Mobile penetration[2]	44%
Mobile connection CAGR[3]	4%
PoS additions CAGR[3]	7%

(all CAGRs reflect growth between 2021–26)

> In our first full year as part of the Helios Towers team, I am delighted with our progress and strategic alignment. We elevated our customer service, enhanced our team and delivered robust financial performance.

Karim Ndiaye
MD Helios Towers Senegal &
Regional Director, Central and West Africa

Sites

+9%

2022	1,347
2021	1,232

Tenancies

+10%

2022	1,439
2021	1,303

Tenancy ratio

+0.01x

2022	1.07x
2021	1.06x

Revenues

+57%

2022	US$36.8m
2021	US$23.4m

Adjusted EBITDA[Δ]

+73%

2022	US$22.0m
2021	US$12.7m

Adjusted EBITDA[Δ] **margin**

+6ppt

2022	60%
2021	54%

Overview

Helios Towers is the first and only independent towerco operating in Senegal, a market that is perfectly aligned to our criteria: a hard currency market with multiple MNOs, and a tower and power infrastructure gap.

It also features impressive growth, with unique mobile subscriptions expected to increase by 5% annually up to 2026. Alongside low mobile penetration and population expansion, this growth is fuelled by the ongoing expansion of 4G and 5G by the three MNOs: Orange, Free and Expresso.

Accordingly, PoS are expected to grow by 7% annually between 2021–26, with Helios Towers well-positioned to support MNOs.

2022 operating highlights

- We closed the acquisition of 1,207 sites and 1,264 tenancies in May 2021, with strong financial and operational performance delivered since closing.
- In 2022, we added 115 sites and 136 tenancies, with our tenancy ratio increasing by 0.01x year-on-year.
- Revenues and Adjusted EBITDA expanded 57% and 73% respectively, reflecting the full-year benefit of the acquisition in addition to organic tenancy growth and effective cost management.

1 UN World Population Prospects July 2022.
2 GSMA database, accessed December 2022. Mobile penetration reflects unique mobile penetration.
3 Analysys Mason report February 2022.

Operating review continued

Madagascar

Acquisition closed in November 2021

Population[1]	30m
Population growth CAGR[1]	2%
Mobile penetration[2]	37%
Mobile connection CAGR[3]	5%
PoS additions CAGR[3]	7%

(all CAGRs reflect growth between 2021–26)

It has been a steady first year in Madagascar. We have implemented our Lean Six Sigma principles and business excellence, which is best evidenced by downtime per tower per week decreasing from 52 minutes at acquisition, to seven minutes today.

Ahmat Ousmane
MD Helios Towers Madagascar

Sites

+4%

2022	508
2021	490

Tenancies

+2%

2022	605
2021	594

Tenancy ratio

(0.02x)

2022	1.19x
2021	1.21x

Revenues

+529%

2022	US$15.1m
2021	US$2.4m

Adjusted EBITDA[A]

+533%

2022	US$5.7m
2021	US$0.9m

Adjusted EBITDA[A] margin

+1ppt

2022	38%
2021	37%

Overview

Situated off the coast of southern Africa, Madagascar is the fourth largest island in the world. Around 68% of the population is under 30, supporting future demand for mobile communications. In fact, unique mobile subscriptions are expected to grow by 4% annually up to 2026.

Madagascar has four mobile operators with the key players being Airtel Africa, Telma and Orange, which combined are expected to drive 7% annual PoS growth up to 2026.

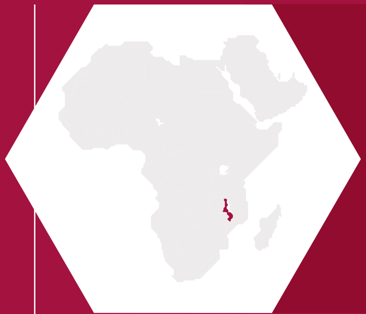
2022 operating highlights

- Our operations in Madagascar saw 18 sites and 11 tenancy additions in the year, following the acquisition completed in November 2021.
- Through 2022, the team's focus has been to instil business excellence and improve power uptime performance, positioning the Company well for growth.

1 UN World Population Prospects July 2022.
2 GSMA database, accessed December 2022. Mobile penetration reflects unique mobile penetration.
3 Analysys Mason report February 2022.

Malawi

Acquisition closed in March 2022



Population[1]	20m
Population growth CAGR[1]	3%
Mobile penetration[2]	41%
Mobile connection CAGR[3]	6%
PoS additions CAGR[3]	8%

(all CAGRs reflect growth between 2021–26)

> In the first nine months since entering the market, we have made meaningful progress against our strategic pillars. We have seen solid tenancy expansion, which has supported Adjusted EBITDA outperforming our initial expectations.

David Dzigba
Launch Director, Helios Towers Malawi

2022 contribution

Sites
765

Tenancies
1,232

Tenancy ratio
1.61x

Revenues
$23.6m

Adjusted EBITDA[Δ]
$7.2m

Adjusted EBITDA[Δ] margin
30%

Overview

Malawi is closely aligned to our new market criteria, featuring a growing population of over 20 million and one of the lowest levels of mobile penetration today at 41%. Independent forecasts estimate mobile connections growth of 6% annually up to 2026, and this is anticipated to drive 8% annual growth in PoS.

We entered the market after acquiring Airtel Africa's passive infrastructure company in March 2022 and are the only independent telecommunications infrastructure company in the market, supporting both operators' (Airtel Africa and TNM) expansion plans.

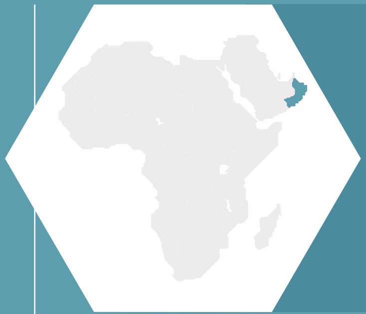
2022 operating highlights

- Our acquisition in Malawi closed at the end of March, adding 723 sites to our portfolio in an under-penetrated and fast-growing market, with a leading towerco position.
- Since entry, our operating company delivered 42 sites and 134 tenancies.

1 UN World Population Prospects July 2022.
2 GSMA database, accessed December 2022. Mobile penetration reflects unique mobile penetration.
3 Analysys Mason report February 2022.

Oman

Acquisition closed in December 2022



Population[1]	5m
Population growth CAGR[1]	1%
Mobile penetration[2]	84%
Mobile connection CAGR[3]	4%
PoS additions CAGR[3]	9%

(all CAGRs reflect growth between 2021–26)

We are very excited to be operational in Oman after closing our acquisition in December 2022. The team is already executing on our five-year Sustainable Business Strategy – and looks forward to supporting all three operators expand over the coming years.

Ramsey Koola
MD HT Oman & Regional Director, Middle East and East Africa

2022 contribution

Sites
2,519

Tenancies
3,017

Tenancy ratio
1.20x

Revenues
$3.6m

Adjusted EBITDAᐞ
$2.3m

Adjusted EBITDAᐞ margin
64%

Overview

We entered Oman in December 2022, following the acquisition of Omantel's tower assets – our first expansion into the Middle East. Oman is expected to be one of the fastest-growing markets for mobile in the region, reflecting further rollout of 4G and 5G across the country in addition to Vodafone recently entering the market.

PoS are anticipated to grow at 9% annually up to 2026, making it one of the fastest-growing markets for Helios Towers.

In addition to the growth opportunity, the market ticks many of our other new market criteria, such as entering with a market-leading position, being US Dollar pegged and having a mix of blue-chip operators.

2022 operating highlights

- Delivered revenues and Adjusted EBITDA of US$3.6 million and US$2.3 million respectively, following the closure of the acquisition in December 2022.
- The Group anticipates year 1 revenues and Adjusted EBITDA of US$50 million and US$34 million respectively on the acquired assets, with further growth expected through site rollout and colocation lease-up.

1 UN World Population Prospects July 2022.
2 GSMA database, accessed December 2022. Mobile penetration reflects unique mobile penetration.
3 Analysys Mason report February 2022.

Manjit Dhillon
Group CFO

Group CFO's statement

Successful integration of new markets, record tenancy growth and further demonstration of our robust business model

Our business model demonstrated its resilience through 2022. Despite global macro volatility we continued to capture the structural growth across our markets.

The hallmarks of our approach remain constant: disciplined capital deployment, that delivers growth and is supported by a strong balance sheet.

2022 has been a productive year with success across multiple fronts. We delivered record site and tenancy additions, through a combination of an exceptional year for organic tenancy growth and the integration of two new markets. We also further demonstrated how our business model is robust and resilient to macro volatility.

Revenue
US$m

+25%

2022	560.7
2021	449.1
2020	414.0

Adjusted EBITDA^Δ
US$m

+18%

2022	282.8
2021	240.6
2020	226.6

Operating profit
US$m

+36%

2022	80.3
2021	59.0
2020	56.3

The Helios Towers 'playbook'

We were delighted to close two important acquisitions in 2022, entering Oman and Malawi. Coupled with our 2021 acquisitions in Madagascar and Senegal, we have now entered four high-growth markets over the last two years, and are the leading independent tower company in all of them.

Together, these acquisitions have further strengthened our business. They improve our diversification, hard currency mix and earnings visibility, with a broader set of investment grade or near-investment grade customers. They also open up considerable opportunities to drive growth and attractive returns on invested capital over the medium term.

Although the acquired towers come initially with both low tenancy ratios and Adjusted EBITDA margins, we will drive these higher through lease-up and operational improvements – just as we have with each of the 11 successfully executed deals before them.

In addition to these important acquisitions, we further expanded our tower portfolio through record organic site growth, building 751 sites in attractive locations where we see a clear pathway to colocation lease-up, which in turn will drive higher margins and attractive returns.

Through the combination of acquisitions and record organic site growth, we have materially increased our platform, creating a stronger business from which we can drive colocation and operational improvements that supports growth, profitability and high-quality compounding cash returns.

Robust business model

2022 was also notable for the continued resilience of our business model. Despite substantial global inflation and currency volatility, our business continued to deliver Adjusted EBITDA growth and operating profit growth, both of which are closely correlated to factors within our control – namely tenancy growth. Revenue increases, triggered by contractual escalators, effectively offset the impact of higher power costs and inflation, and ensured our Adjusted EBITDA was protected.

Alongside these escalators, our insulation from macro volatility is created by a protective combination of market and blue-chip customer diversification; robust contract structures with long tenors; and importantly, hard currency earnings.

Customer mix: We serve some of the largest MNOs across Africa and the Middle East, which in 2022 accounted for approximately 98% of our revenues. This is spread across a number of blue-chip MNOs, and no single customer accounted for more than 28% of the year's revenues. We also price sustainably, with our lease rates approximately 30% lower than the MNOs' total cost of ownership.

Long-term contracts: Typically, our contracts have initial terms of 10–15 years, with automatic renewals thereafter. As at 31 December 2022, we had an average of 7.6 initial term years remaining across the Group. This represents US$4.7 billion of future revenue already contracted (+20% year-on-year) from a strong base of high-quality customers on which we can grow through organic and inorganic opportunities.

Hard currency earnings: A further protection is that we operate in hard currency markets; DRC, Senegal, Oman and Congo Brazzaville are either dollarised or hard currency pegged. Across the Group, 72% of our Adjusted EBITDA is in hard currency, and this is further complemented by contractual escalators for power and CPI, which provide further earnings protection.

Throughout the year we demonstrated how these characteristics protect our Adjusted EBITDA and positions us well to capitalise on growth opportunities.

Our performance in 2022

We closed the year with revenue and Adjusted EBITDA growth of 25% and 18% respectively, and delivered a record operating profit of US$80 million, an increase of 36% year-on-year, all of which was driven by record tenancy growth.

Our Adjusted EBITDA margin decreased by 3ppts from 53.6% in 2021 to 50.3% in 2022, which largely reflected the impact of the two new acquisitions (that collectively delivered an Adjusted EBITDA margin of 35%). In addition, we saw margin impact from higher fuel prices that comparably increased both our revenues and operating expenses. So while Adjusted EBITDA dollars are well-insulated, the margin decreases were due to the higher revenue base. The Group's loss before tax was US$162 million, an increase in loss of US$43 million year-on-year. This increase was driven by non-cash expenses related to both the fair value movements of the embedded derivates in the Group's bond, and foreign exchange movements on Euro- and US Dollar-denominated intercompany borrowings, partially offset by the record operating profit delivered in 2022.

We anticipate that we will see continued statutory Group losses as we integrate and grow the acquired assets. However, as we drive lease-up and operational improvements, we expect to see improved profitability in the near term. We are seeing this dynamic in our established markets, with our business transitioning to being profit-making.

Cash flow

Cash flow generation from our existing asset base, or portfolio free cash flow (PFCF), increased by 20% to US$201 million. The increase was driven by Adjusted EBITDA growth and higher cash conversion, principally related to lower non-discretionary capex.

We invested a record US$765 million in capex during the year, of which US$745 million was discretionary capex, supporting our entry into two new attractive markets and purchasing 3,242 sites across Oman and Malawi; delivering our second best-ever year of organic tenancy additions (1,601); investing US$9 million in Project 100 initiatives (such as solar, hybrid and grid connections); and allocating capex to upgrading the structural integrity on some of the acquired sites.

Minority interest

During 2022, we received investments from, and formed long-term partnerships with, well-established local investors in three of our markets. In March, in accordance with the Broad-based Black Economic Empowerment (B-BBEE) framework, we collaborated with Clearwater Capital, who acquired a 34% share of Helios Towers South Africa. In October, as a result of this partnership, and our other local business set-up and initiatives we attained a Level 1 B-BBEE certification, the highest rating.

We also partnered with Old Mutual Investment Group (OMIG) to complete our acquisition of Airtel's tower business in Malawi. OMIG invested in a 20% local shareholder making the business compliant with local regulation. We are pleased to team up with a long-established and experienced investor in the market.

In June, we announced our partnership with Oman Infrastructure Fund (Rakiza) who invested in a 30% minority stake in our Oman acquisition. We are delighted to be partnering with Rakiza, who bring a wealth of local knowledge and infrastructure expertise to support our entry into Oman, as we seek to strengthen our foothold in the Middle East.

We look forward working closely with our new partners in 2023 to further support and grow our businesses in these markets.

Balance sheet

Our recent acquisitions and robust business model supported the business receiving a B rating in its first credit rating from Fitch. This is one notch above our current ratings of B2 (Moody's) and B (S&P), and highlights the benefit of our increased diversification, earnings visibility and scale.

Given the record investment made in 2022, we ended the year with net leverage of 5.1x, slightly above our medium-term target range of 3.5–4.5x. Given the projected earnings growth ahead, we expect to move back towards our target range by the end of 2023.

Importantly, our balance sheet is in a solid position. Our debt has a four-year average remaining life and 83% of it is fixed, therefore there is no immediate requirement to adjust our debt structure. We will continue to be opportunistic in regard to our debt management over the coming years.

Capital allocation

We are highly disciplined in our capital allocation and constantly review our investment returns and criteria to ensure we achieve the best return possible for the capital deployed.

2022 represented a year of record investment, adding substantially higher number of sites. Looking forward, we continue to anticipate substantial organic and inorganic opportunities in our pipeline to support delivering our target of 22,000 towers by 2026.

Accordingly, our near-term capital allocation will continue to be prioritised towards capital expenditure, which delivers attractive compounding returns. The Directors recommend that no dividends be paid for the year ended 31 December 2022. Over the medium term, we expect to reach sufficient scale that both our growth ambitions and a potential dividend can be achieved in tandem.

Outlook

With the significant investment undertaken across 2021 and 2022, we have created a uniquely positioned and diversified platform primed for growth. We have an exciting year ahead. Reducing carbon emissions, helping to connect the unconnected, and growing a safe and talented workforce. All are areas we look forward to taking to new heights while delivering high-quality returns and capturing the exceptional growth opportunity that is unique to Africa and the Middle East.

Manjit Dhillon
Group CFO

Section 172(1) Statement

Promoting our success

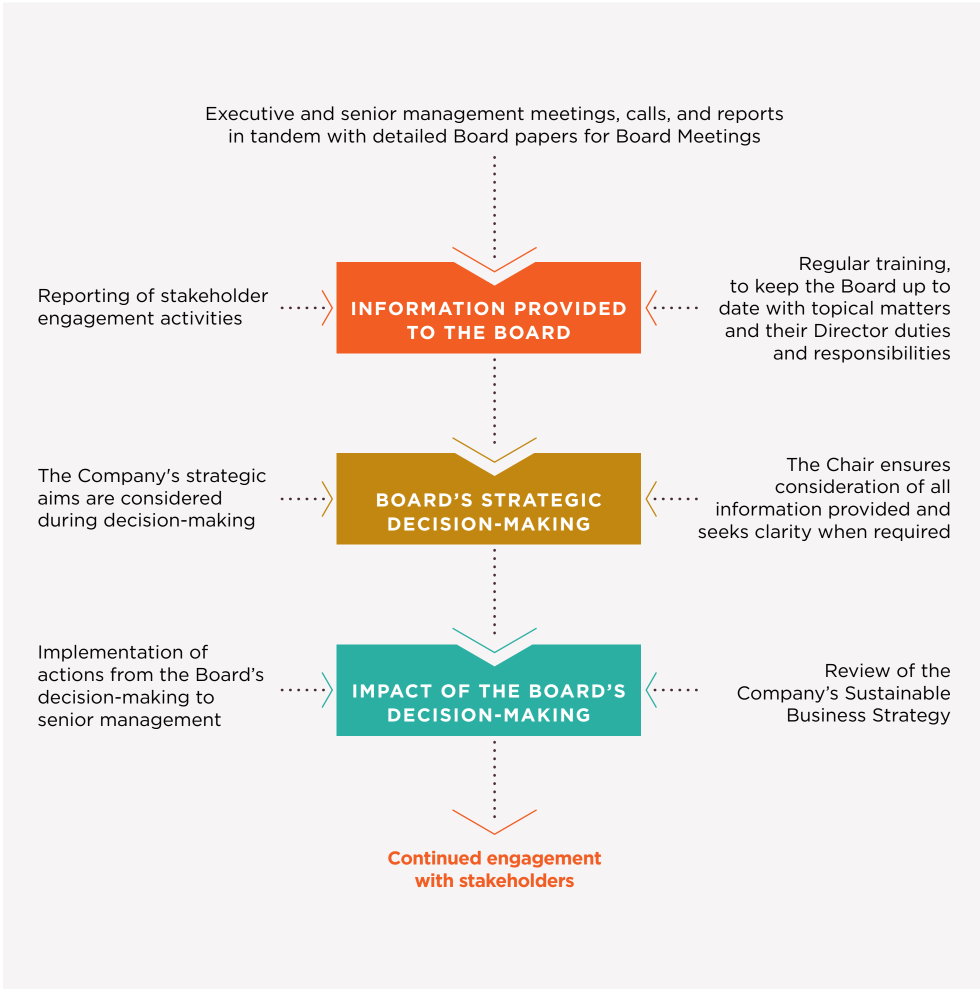
The Board has a duty to promote the success of the Company for the benefit of its members as a whole under Section 172(1) of the Companies Act 2006 (the Act). In doing so, the Board must have regard to a number of key issues (among other matters) including the interests of the Company's employees, its business relationships with customers, partners, and investors, and the impact of its operations on communities and the environment.

The Directors have always, both collectively and individually, taken decisions for the long term and consistently aim to uphold the highest standards of business conduct. The following pages comprise our Section 172(1) statement, setting out how the Board has had regard to the matters set out in Section 172(1) (a) to (f) of the Act in its strategic decision-making.

Board members are aware of the impact of their decision-making. They ensure it is in line with the Company's strategic aims and underpins long-term value creation, while supporting the Company's culture and the continued success of the business. The Directors are mindful of their duties, considering each s172(1) factor and seeking to understand the views and priorities of each stakeholder group as part of their decision-making. In addition, the Company's Sustainable Business Strategy, and the actions taken by Executive Directors and the Executive Leadership Team, who report to the Board on outcomes and achievements, are continually reviewed.

The Board is supported in its decision-making through information provided both formally and informally by the Executive Directors and the Executive Leadership Team. This information is provided in Board papers, through updates from stakeholder engagement activities and regular access to the Executive Directors and the Executive Leadership Team, as well as training, to raise awareness of appropriate matters. The Chair ensures there is appropriate time in Board meetings to consider all the information and request clarification and assurance from the Executive Directors and/or the Executive Leadership Team as appropriate. The Company Secretary is also present at each Board meeting to provide support to the Board in ensuring sufficient consideration is given to s172(1) factors and the views of key stakeholders.

The Company's engagement with its stakeholders and the ways in which they influence the operation of the business model and delivery of the Company's strategy are explained on pages 3-39. Further information on the Board's activities and decision-making more generally can be found on page 92, and the Board's engagement with the Company's stakeholders on page 93.



Section 172(1) Statement continued

Key

s172(1) factors
- Likely consequences of any decision in the long term
- The interests of the Company's employees
- The need to foster the Company's business relationships with suppliers, customers and others
- The impact of the Company's operations on the community and the environment
- The desirability of the Company maintaining a reputation for high standards of business conduct
- The need to act fairly between members of the Company

Stakeholders
- Customers
- Community and environment
- Our people and partners
- Investors

	Consideration by the Board	Outcome
Safety, health, environment and quality (SHEQ) SECTION 172(1) FACTORS STAKEHOLDERS	– SHEQ is the first item on the agenda of every Board meeting, as part of a continuous and Company-wide focus. – The Board reviewed the analysis of strengths, weaknesses, threats and opportunities in the context of enhancing the current SHEQ framework, improving the levels and quality of data and driving continuous improvement. – The Board has increased visibility, analysis and learnings from the SHEQ team in relation to partners and the health and safety systems in place to support the safety culture within the operating companies. – The Board considered the progress achieved by the introduction of operational controls, including in-vehicle monitoring systems, dashboard cameras, fitness for work testing and community safety signage, which help to ensure continuous improvement in safety performance. – The Board considered the fully certified and centralised management systems, governance and performance management framework, and SHEQ induction training and assessments.	Continuous improvement and greater stakeholder alignment to ensure SHEQ remains a key priority for both the Company and its stakeholders. Providing a safer working environment for our people and partners. The Board continues to support the Company's actions to further implement operational controls to promote safety and enhance data-driven SHEQ risk management across the business. Read more **pages 31-32**
Business development – sales and marketing SECTION 172(1) FACTORS STAKEHOLDERS	– The Board discussed the sales team's proactive engagement and negotiations with customers to secure long-term rollout commitments and support the achievement of sales targets. – The Board was briefed on new product development and promotion of these initiatives with customers across all markets. – The Executive Leadership Team updated the Board on the continuing investment in colleague development from a sales and marketing perspective.	The Board remains appraised of the growth opportunities that exist across the business and the investment in our people within the sales function. Strategic direction and the ongoing evolution of the Company through new product development remains a top focus area for the Board. New opportunities for partners, supporting the evolution of customer businesses through new product development. Read more **pages 21-22**

Section 172(1) Statement continued

	Consideration by the Board	Outcome
Operations, engineering and climate action SECTION 172(1) FACTORS STAKEHOLDERS	– The Board discussed operational excellence and how this could reduce the Company's carbon footprint. – Operational activity was discussed, including maintenance services and enhancing engagement with larger fuel providers to improve resilience in relation to fuel risk management. – The Board was presented with updates on strategic projects, Project 100 investment plans and related savings within operations and engineering. – The Board held detailed discussions on the benefits of RMS rollout, including the provision of real time site performance and analysis, supporting fuel and carbon reduction, extending asset life and reducing the need for replacements and providing visibility on excess power consumption by customers. – The Board regularly considered and discussed the implementation of the Company's Sustainable Business Strategy, carbon roadmap and climate-related issues, including updates on Project 100 and the Company's progress on its climate risk assessment. – The Audit Committee reviewed and discussed TCFD alignment plans as well as TCFD disclosures, including climate-related risks and opportunities, reporting to the Board as required.	Continued focus by the Board on operations and engineering activities across the business as a means of driving customer excellence, business excellence and digital inclusion; supporting sustainable value creation through carbon reduction and generating cost savings. RMS rollout continues to be effective across the operating companies, bringing long-lasting benefits, including fuel and carbon reduction and greater visibility of power consumption. The Board and the Audit Committee continue to place great emphasis on managing climate-related risks and opportunities and the implementation of the Sustainable Business Strategy and carbon roadmap. The Board reviewed and approved the 2021 Annual Report detailing our performance. Read more in Climate action **page 24** Read more in TCFD disclosures **pages 64-71**

Strategic community investment
 	
SECTION 172(1) FACTORS
 	
STAKEHOLDERS
	– The Board discussed, and supports, the Company's ambition to influence and drive broader change in its markets by engaging with communities and partners.
	– The Board considered community investment as a means to support the Company's purpose by:
	  – helping more people to benefit from mobile connectivity by promoting education and digital skills;
	  – supporting communities to access cleaner power; and
	  – implementing projects that help to reduce carbon emissions in our markets.
	– The Board supports the Company's investment in community projects that focus on supporting women and rural, underserved communities.
		A refreshed approach to strategic community investment has been developed in line with the focus areas considered by the Board, with champions and working groups established in each of our operating companies to lead initiatives and monitor long-term impact.
		The Board continues to support community activities which drive impact in:
		– education through developing ICT labs and donating IT equipment;
		– supporting employability through offering work experience for young people; and
		– access to power for rural communities through free solar-powered phone charging stations.
		Read more **page 23**

Section 172(1) Statement continued

	Consideration by the Board	Outcome
People, culture and DEI SECTION 172(1) FACTORS STAKEHOLDERS	– The Board considered people and culture matters including cost of living challenges across all markets, gender equality, succession planning, learning and development, and employee engagement. – The Board also visited Ghana, with the Non-Executive Director for workforce engagement holding 'Voice of the Employee' sessions with the local team. – The Remuneration Committee considered the Directors' Remuneration Policy. – The Board and the Executive Leadership Team are working to ensure the composition of the workforce reflects the customers and communities served by the Company. – The Board champions diversity as a source of business strength, with DEI underpinning the Company's values. The Board's overarching aim is to drive a culture where differences are valued and everybody is able to thrive. – The Board discussed the Company's approach to DEI, with particular focus on gender equality, including the review of HR policies, women's mentoring programme, DEI training and community initiatives. – The Board also considered the results of the Company's diversity and inclusion survey conducted in March 2022 as well as the results of the Employee Engagement Survey conducted in July 2022.	Continued focus by the Board on supporting and engaging with employees to build on the diverse and inclusive culture across the Group. The proposed Directors' Remuneration Policy is set out in the Directors' Remuneration Report on pages 109–137 and will be subject to a binding shareholder vote at the 2023 Annual General Meeting. Continued Board support for building a more inclusive culture both within the Company and with stakeholders, as well as raising awareness and understanding of DEI and gender equality across the Company's markets. The Company's gender diversity targets are explained on page 34. In 2022, the Board's gender diversity improved to 40% women (as noted in the Governance Report on pages 99-100), the Executive Committee comprised 30% women and we had 28% female employees across the business. Read more **pages 30-35**
Investor partnership SECTION 172(1) FACTORS STAKEHOLDERS	– The Board discussed both the 20% investment by Old Mutual Investment Group in Malawi and Clearwater Capital's 34% investment in South Africa in 2022. – The Board was integral to management's engagement and negotiations with Rakiza in relation to their purchase of a 30% minority stake in the newly incorporated holding company for Omantel's passive infrastructure assets in Oman, with Helios Towers purchasing the remaining 70%. – The Board approved the acquisition of the minority stake by Rakiza in April 2022. The Oman transaction closed and the business commenced operations in December 2022.	The Company received a Level 1 B-BBEE certification in South Africa, the highest rating, reflecting the Company's commitment to empowering local talent and socio-economic development. The Company's businesses in Malawi, South Africa and Oman benefit greatly from partnerships with strong local investors, and in particular in Oman, with extensive knowledge of the local market and dedicated focus on developing infrastructure across the Middle East. Read more **pages 16 and 52**

Non-financial information statement

The table below outlines where the key content requirements of the Non-financial Information Statement for the financial year ended 31 December 2022 can be found within this document (as required by sections 414CA and 414CB of the Companies Act 2006). Helios Towers' sustainable business reporting also follows other global frameworks, including the TCFD recommendations, Global Reporting Initiative and the GHG Reporting Protocol. All Helios Towers' policies and materials as referred to below can be found at heliostowers.com or by contacting the Company Secretary.

Reporting requirements	Helios Towers' policies and approach	Section within Annual Report
Shareholders	By delivering on our strategy and enabling digital inclusion, we also deliver growth and returns for our shareholders.	Business model, **pages 3-10** Section 172(1) Statement, **pages 53-56** Board stakeholder engagement, **pages 93-94**
Environmental matters	We strive to reduce our environmental impact, and over time, transition to Net Zero. – Environmental Policy – Sustainable Business Strategy – Carbon Reduction Roadmap	Strategic Report, **pages 2-83**
Employees	We cultivate an inclusive workplace whilst offering fair reward and recognition. We are also committed to working safely and ensuring our colleagues' health and wellbeing. – Diversity and Inclusion Policy – SHEQ policy – Anti-Discrimination Policy – Code of Conduct	Impact report **pages 30-35** Section 172(1) Statement, **pages 53-56** Board stakeholder engagement **pages 93-94**
Human rights	We conduct our business in a way that respects and upholds the fundamental human rights of everyone who works for us or with us. – Modern Slavery and Human Trafficking Statement – Human Rights Policy	Governance and ethics, **pages 36-39**
Anti-bribery and corruption	We have zero tolerance for any form of bribery or corruption. – Code of Conduct – Third-Party Code of Conduct	Governance and ethics, **pages 36-39**
Social and community matters	We focus on strategic community investment, using our core skills and expertise to help the communities we serve benefit from the life-enhancing services made available to them through mobile connectivity. – Strategic Community Investment	Digital inclusion, **pages 20-23** Section 172(1) Statement, **pages 53-56**
Policy embedding due diligence and outcomes	Our performance is supported by rigorous due diligence processes across all areas of our business. – Supply Chain Management Statement – Code of Conduct – Third-Party Code of Conduct	Governance and ethics **pages 36-39**
Description of principal risks and impact of business activity	Our principal risks and uncertainties address the key operational, regulatory and financial risks the business faces.	Risk Management, **pages 58-63**
Description of business model	This demonstrates how we deliver on our purpose of driving the growth of communications in Africa and the Middle East.	Business model, **pages 3-10**
Non-financial key performance indicators	We consider a range of operational and strategic KPIs to measure our progress against our Sustainable Business Strategy.	Business model, **pages 3-10** Our strategic KPIs, **page 19** Impact report, **pages 20-39**

Risk management

Risk appetite

The Group defines risk appetite as the amount of risk that the business is prepared to take in order to deliver safe, effective working practices while maintaining and growing the business. The Group dedicates resources and focus to understanding and ensuring risk is identified, assessed, managed and monitored. Controls and mitigating actions are designed as appropriate to reflect the risk appetite in each instance. Determining risk appetite for the Group is the responsibility of the Board. The current risk appetite has been defined as high, given the Group's particular countries of operation, and its experience in these markets. This represents no change on the 2022 Annual Report.

Risk governance

Risk management is integral to the Group's strategy and to achieving its long-term goals. The Group's continued success as an organisation depends on its ability to identify and pursue the opportunities generated by its business and the markets in which it operates. The Board has overall responsibility for risk management, compliance and internal controls, and is supported by the Audit Committee.

The Audit Committee, as delegated by the Board, monitors the nature and extent of risk exposure against the Group's risk appetite. The Committee is responsible for identifying, mitigating and managing risk, as well as setting the risk appetite for the business with advice from the Executive Leadership Team. The creation and maintenance of the Group risk register involves the whole business – with operating company and functional head input being consolidated by Group Compliance into a register for discussion and agreement at executive level, prior to submission to the Audit Committee and the Board. The risk register is updated twice a year after these discussions and a review of the external environment for any emerging risks. All risks are classified into six broad risk types: Strategic, Reputational, Compliance (including Legal), Financial, Operational and People. All risks are assessed according to the probability and significance of the consequence of them materialising and a determination made to accept, avoid, or control and mitigate (in which case mitigating controls are clearly defined). Each risk has a risk owner. There has been no material change in the nature, probability or potential impact of previously identified risks.

During biannual discussions with Executive Leadership Team and functional heads of department, potential emerging risks are also discussed. These may result from internal developments: changes in organisational structure/personnel; potential new products or markets being considered; or changes in the external environment such as regulatory changes, and socio-economic, political or health and safety matters.

Emerging risks related to increased supply chain and logistics management challenges, volatility associated with interest and exchange rate fluctuations, geopolitical instability, and continuing cyber security threats have also been identified for ongoing management and monitoring. Further detail on the Group's approach to climate risk management and ongoing work in this respect is outlined, separately, on pages 70-71.

Business development and new market integration remain key focus areas as we move into 2023 to ensure robust due diligence is conducted in a timely manner on prospective market opportunities and business partners and that Helios Towers' culture and governance frameworks are fully implemented in all of its markets.

Helios Towers has been monitoring the global impact of the Ukraine conflict on its operations and to date there have been no significant impacts.

Governance structure

Board/Audit Committee

Executive Leadership Team

1st line of defence
Owns and manages risks and implements/operates business controls

Who is responsible?
- Operational staff/management

Activity/controls
- Policies and procedures
- Internal controls
- Planning, budgeting/forecasting processes
- Delegation of authority matrix
- Business workflows/IT systems controls
- Personal objectives and incentives

2nd line of defence
Oversight of risk and control compliance

Who is responsible?
- Compliance/functional teams

Activity/controls
- Safety, Health, Environment and Quality (SHEQ)
- Regulatory compliance
- Management/Board reporting and review of KPIs and financial performance
- Corporate policies and Group functions' oversight

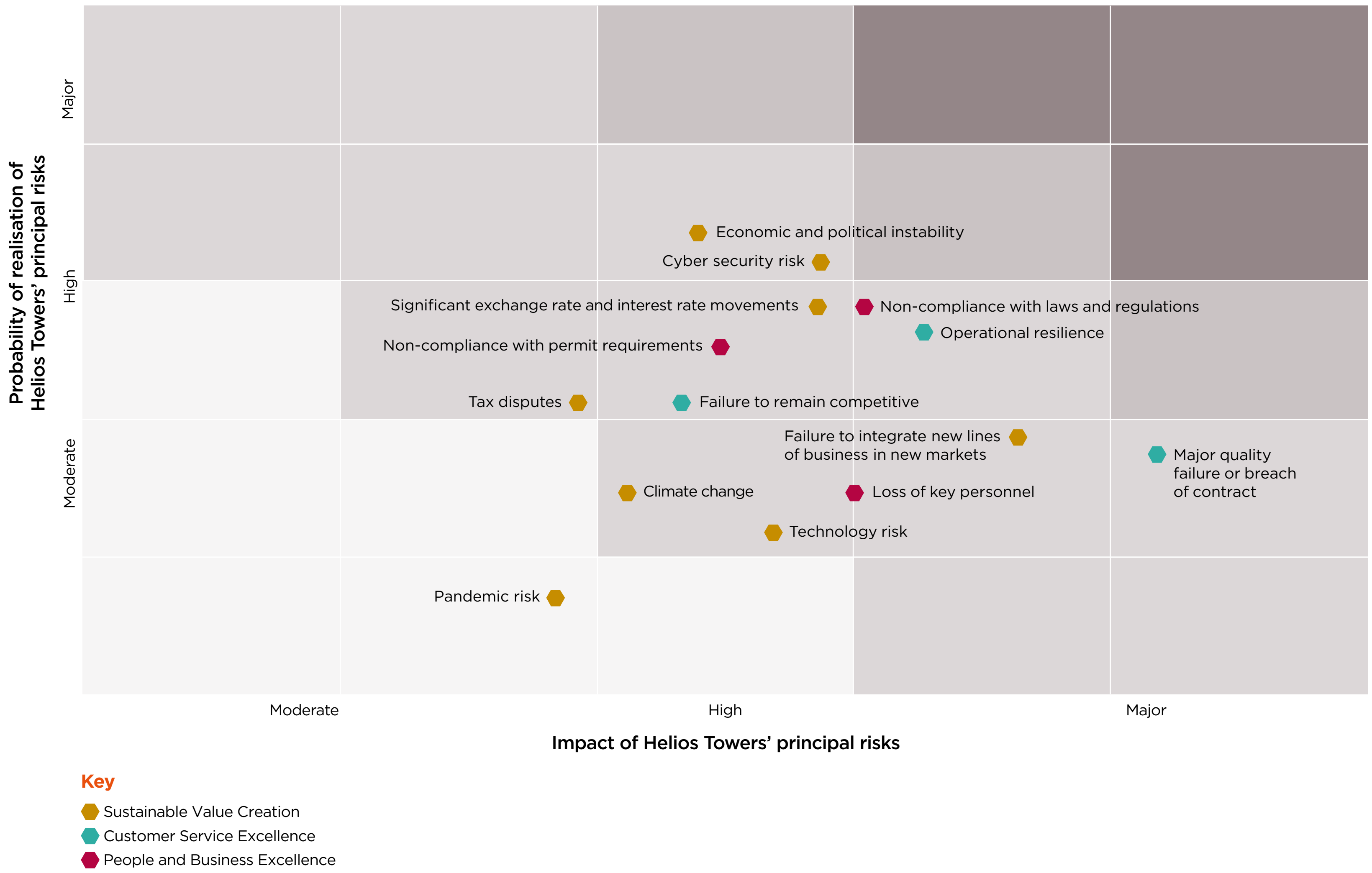
3rd line of defence
Independent assurance

Who is responsible?
- Internal Audit

Activity/controls
- Internal Audit risk assessment
- Approved Internal Audit plan
- Internal Audit reporting line to Audit Committee

Principal risks and uncertainties

Principal risks heatmap



Strategic Report
Governance Report
Financial Statements

Principal risks and uncertainties continued

Risk increasing | Risk decreasing | No change | New risk

Risk	Category	Description	Mitigation	Status
Major quality failure or breach of contract	Reputational Financial	The Group's reputation and profitability could be damaged if the Group fails to meet its customers' operational specifications, quality standards or delivery schedules. A substantial portion of Group revenues is generated from a limited number of large customers. The loss of any of these customers would materially affect the Group's finances and growth prospects. Many of the Group's customer tower contracts contain liquidated damage provisions, which may require the Group to make unanticipated and potentially significant payments to its customers.	– Continued skills development and training programmes for the project and operational delivery team; – Detailed and defined project scoping and life cycle management through project delivery and transfer to ongoing operations; – Contract and dispute management processes in place; – Continuous monitoring and management of customer relationships; and – Use of long-term contracting with minimal termination rights.	No change
Non-compliance with laws and regulations, such as: – Safety, health and environmental laws – Anti-bribery and corruption provisions	Compliance Financial Reputational	Non-compliance with applicable laws and regulations may lead to substantial fines and penalties, reputational damage and adverse effects on future growth prospects. Sudden and frequent changes in laws and regulations, their interpretation or application and enforcement, both locally and internationally, may require the Group to modify its existing business practices, incur increased costs and subject it to potential additional liabilities.	– Constant monitoring of potential changes to laws and regulatory requirements; – In-person and virtual training on Safety, Health and Environmental matters provided to employees and relevant third-party contractors; – Ongoing refresh of compliance and related policies including specific details covering: anti-bribery and corruption; anti-facilitation of Tax Evasion; anti-money laundering; – Compliance monitoring activities and periodic reporting requirements introduced; – Ongoing engagement with external lawyers and consultants and regulatory authorities, as necessary, to identify and assess changes in the regulatory environment; – Third-Party Code of Conduct communicated and annual certifications required of all high and medium risk third parties; – Supplier audits and performance reviews; – ISO Certifications maintained; – Regionalisation of the Compliance function and recruitment of additional resource; and – Internal audit function adding additional checks and balances.	No change
Economic and political instability	Operational Financial	A slowdown in the growth of, or a reduction in demand for, wireless communication services could adversely affect the demand for communication sites and tower space and could have a material adverse effect on the Group's financial condition and results of operations. There are significant risks related to political instability, security, ethnic, religious and regional tensions in each market where the Group has operations.	– Ongoing market analysis and business intelligence gathering activities; – Market share growth strategy in place; – Close monitoring of any potential risks that may affect operations; and – Business continuity and contingency plans in place to respond to any emergency situations.	No change

Principal risks and uncertainties continued

Risk	Category	Description	Mitigation	Status
Significant exchange rate and interest rate movements	Financial	Fluctuations in, or devaluations of, local market currencies or sudden interest rate movements where the Group operates could have a significant and negative financial impact on the Group's business, financial condition and results. Such impacts may also result from any adverse effects such movements have on Group third-party customers and strategic suppliers. If interest rates increase materially, the Group may struggle to meet its debt repayments.	– USD- and EUR-pegged contracts; – 'Natural' hedge of local currencies (revenue vs. opex); – Ongoing review of exchange rate differences and interest rate movements; – Maintain a prudent level of leverage; – Manage cash flows; and – Regular upstream of cash with the majority of cash held in hard currency, i.e. US Dollar and Sterling at Group.	
Non-compliance with permit requirements	Operational	The Group may not always operate with the necessary required approvals and permits for some of its tower sites, particularly in the case of existing tower portfolios acquired from a third party. Vagueness, uncertainty and changes in interpretation of regulatory requirements are frequent and often without warning. As a result, the Group may be subject to potential reprimands, warnings, fines and penalties for non-compliance with the relevant permitting and approval requirements.	– Inventory of required licences and permits maintained for each operating company; – Compliance registers maintained with any potential non-conformities identified by the relevant government authority with a timetable for rectification; – Periodic engagement with external lawyers and advisors and participation in industry groups; and – Active and ongoing engagement with relevant regulatory authorities to proactively identify, assess and manage actual and potential regulation changes.	
Loss of key personnel	People	The Group's successful operational activities and growth is closely linked to the knowledge and experience of key members of senior management and highly skilled technical employees. The loss of any such personnel, or the failure to attract, recruit and retain equally high calibre professionals could adversely affect the Group's operations, financial condition and strategic growth prospects.	– Talent identification and succession-planning exit for key roles; – Competitive benchmarked performance-related remuneration plans; and – Staff performance and development/support plans.	
Technology risk	Strategic	Advances in technology that enhance the efficiency of wireless networks and potential active sharing of wireless spectrum may significantly reduce or negate the need for tower-based infrastructure or services. This could reduce the need for telecommunications operators to add more tower-based antenna equipment at certain tower sites, leading to a potential decline in tenants, service needs and decreasing revenue streams. Examples of such new technologies may include spectrally efficient technologies which could potentially relieve certain network capacity problems or complementary voice over internet protocol access technologies that could be used to offload a portion of subscriber traffic away from the traditional tower-based networks.	– Strategic long-term planning; – Business intelligence; – Exploring alternatives; e.g. solar power technologies – Continuously improving product offering to enable adaptation to new wireless technologies; and – Applying for new licences to provision active infrastructure services in certain markets.	
Failure to remain competitive	Financial	Competition in, or consolidation of, the telecommunications tower industry may create pricing pressures that materially and adversely affect the Group.	– KPI monitoring and benchmarking against competitors; – Total cost of ownership (TCO) analysis for MNOs to run towers; – Fair and competitive pricing structure; – Business intelligence and review of competitors' activities; – Strong tendering team to ensure high win/retention rate; and – Continuous capex investment to ensure that the Group can facilitate customer needs quickly.	

Strategic Report
Governance Report
Financial Statements

Principal risks and uncertainties continued

Risk	Category	Description	Mitigation	Status
Failure to integrate new lines of business in new markets	Strategic Financial Operational	Multiple risks exist with entry into new markets and new lines of business. Failure to successfully manage and integrate operations, resources and technology could have material adverse implications for the Group's overall growth strategy and negatively impact its financial position and organisation culture.	– Pre-acquisition due diligence conducted with the assistance of external advisors with specific geographic and industry expertise; – Ongoing monitoring activities post-acquisition/agreement; – Detailed management, operations and technology integration plans; – Ongoing measurement of performance vs. plan and Group strategic objectives; and – Implementation of a regional CEO and support function governance and oversight structure.	
Tax disputes	Compliance Financial Operational Reputational	Our operations are based in certain countries with complex, frequently changing and bureaucratic and administratively burdensome tax regimes. This may lead to significant disputes around interpretation and application of tax rules and may expose us to significant additional taxation liabilities.	– Frequent interaction and transparent communication with relevant governmental authorities and representatives; – Engagement of external legal and tax advisors to advise on legislative/tax code changes and assessed liabilities or audits; – Engagement with trade associations and industry bodies and other international companies and organisations facing similar issues; – Defending against unwarranted claims; and – Strengthening of the Group Tax Team and continued recruitment of in-house tax expertise at both Group and OpCo levels.	
Operational resilience	Strategic Reputational Operational	The ability of the Group to continue operations is heavily reliant on third parties, the proper functioning of its technology platforms and the capacity of its available human resources. Failure in any of these three areas could severely affect its operational capabilities and ability to deliver on its strategic objectives.	– Ongoing enhancements to data security and protection measures with third-party expert support; – Additional investment in IT resource and infrastructure to increase automation and workflow of business as usual activities; – Third-party due diligence, ongoing monitoring and regular supplier performance reviews; – Alternative sources of supply are previously identified to deal with potential disruption to the strategic supply chain; – Ongoing review and involvement of the human resources department at an early stage in organisation design and development activities; and – Buffer stock maintained of critical materials for site delivery.	
Pandemic risk	Operational Financial	In addition to the risk to the health and safety of our employees and contractors, the ongoing impact of Covid-19 or other such pandemic could materially and adversely affect the financial and operational performance of the Group across all of its activities. The effects of a pandemic may also disrupt the achievement of the Group's strategic plans and growth objectives and place additional strain on its technology infrastructure. There is also an increased risk of litigation due to the potential effects of a pandemic on fulfilment of contractual obligations.	– Health and safety protocols established and implemented; – Business continuity plans implemented with ongoing monitoring; – Financial modelling, scenario building and stress testing; – Continuous scanning of the external environment; – Increased fuel purchases; and – Review of contractual terms and conditions.	

Principal risks and uncertainties continued

Risk	Category	Description	Mitigation	Status
Cyber security risk	Operational Financial Reputational	We are increasingly dependent on the performance and effectiveness of our IT systems. Failure of our key systems, exposure to the increasing threat of cybercrime attacks and threats, loss or theft of sensitive information, whether accidentally or intentionally, expose the Group to operational, strategic, reputational and financial risks. These risks are increasing due to greater interconnectivity, reliance on technology solutions to drive business performance, use of third parties in operational activities and continued adoption of remote working practices. Cyber attacks are becoming more sophisticated and frequent and may compromise sensitive information of the Group, its employees, customers or other third parties. Failure to prevent unauthorised access or to update processes and IT security measures may expose the Group to potential fraud, inability to conduct its business, damage to customers as well as regulatory investigations and associated fines and penalties.	– Ongoing implementation and enhancement of security and remote access processes, policies and procedures; – Regular security testing regime established, validated by independent third parties; – Annual staff training and awareness programme in place; – Security controls based on industry best practice frameworks, such as NCSC (www.ncsc.gov.uk/), and validated through internal Audit assessments; – Specialist security third parties engaged to assess cyber risks and mitigation plans; – Incident management and response processes aligned to ITIL® best practice – identification, containment, eradication, recovery and lessons learned; – New supplier risk management assessments and due diligence carried out; and – Pursuing ISO 27001 (Information security) certification.	
Climate change	Operational Financial Reputational	Climate change is a global challenge and therefore critical to our business, our investors, our customers and other stakeholders. Regulatory requirements and expectations of compliance with best practice are also evolving rapidly. A failure to anticipate and respond appropriately and sufficiently to climate risks or opportunities could lead to an increased footprint, disruption to our operations and reputational damage. Business risks we may face as a result of climate change relate to physical risks to our assets, operations and personnel (i.e. events arising due to the frequency and severity of extreme weather events or shifts in climate patterns) and transition risks (i.e. economic, technology or regulatory changes related to the move towards a low-carbon economy). Governments in our operating markets, in addition to increasing qualitative and quantitative disclosure requirements, may take action to address climate change such as the introduction of a carbon tax or mandate Net Zero requirements which could impact our business through higher costs or reduced flexibility of operations.	– Carbon reduction intensity target to 2030 with an ambition to decarbonise our emissions to Net Zero by 2040; – Monitoring changes to carbon legislation and regulations in all our markets; – Investing in solutions which reduce carbon footprint and reliance on diesel such as installing hybrid and solar solutions and connecting to grid power where possible; – Additional capital expenditure in carbon reduction innovation; – Factoring emissions and climate risk into strategy and growth plans. All operating companies' budgets and forecasts include calculated emissions to evaluate trends vs. our 2030 carbon target; and – Reporting in alignment with TCFD recommendations and improving our understanding of the financial and operational impacts of climate-related risks and opportunities on our business.	

Note: Principal risks identified, may combine and amalgamate elements of individual risks included in the detailed Group risk register.

TCFD disclosures

We fully support the aims of TCFD and are using the recommendations to guide our approach. In 2022, our focus was on strengthening governance and management oversight of climate-related issues to set a robust foundation for our overall approach to managing climate-related risks and opportunities. We also made progress on metrics and targets by improving the rigour of our carbon and climate data collection and disclosure.

Key areas of progress in 2022:

Governance:

- Integrating governance of climate-related risks and opportunities into our overall sustainable business governance structure.
- Engaging our Executive Leadership Team in assessing our physical and transition risks and starting to integrate these into business continuity planning.
- Integrating performance against our carbon target as a criteria for our Long Term Incentive Plan (see page 112).

Strategy and Risk management

- Conducting a review of the risk of climate change on our OpCos, through an assessment of both physical and transition risks and opportunities. See pages 70–71 for a summary of our process and results.

Metrics and targets:

- Gaining external assurance for Scope 1 and 2 emissions.
- Rebaselining our carbon footprint calculation to include new operational markets.

We acknowledge that despite making strides in some areas of TCFD disclosure, we have a long journey towards full alignment with the recommendations. We have focused our initial efforts and resources on two pillars of Governance and Metrics and targets to provide a strong foundation for the work we need to do to align to the Strategy and Risk management pillars over 2023–24. A number of recommendations in these pillars are interrelated and interdependent and we aim to make good progress on these in 2023.

Helios Towers plc has complied with the requirements of LR 9.8.6R by including climate-related financial disclosures aligned to the TCFD recommendations and Recommended Disclosures (Guidance for All Sectors) with the following seven exceptions, where we have partial disclosure:

- Strategy: a, b and c.
- Risk management: a, b, c.
- Metrics and targets: a.

We have explained next steps in the TCFD alignment column on the following pages to ensure future compliance. We are committed to improving our disclosure against the TCFD recommendations each year and will continue to report on our progress annually.

Fully | Partial

TCFD recommended disclosures	Summary of progress	TCFD consistency
Governance Disclose the organisation's governance around climate-related risks and opportunities		
a. Describe the Board's oversight of climate-related risks and opportunities	The Board has oversight of Helios Towers' climate-related risks and opportunities. The Board met six times during 2022, and climate-related issues were discussed at every meeting both as part of the Sustainable Business standing agenda item but also through operational updates from senior management. The Board oversees Helios Towers' Sustainable Business Strategy and its approach, delivery and performance. Our carbon target is a key part of the Sustainable Business Strategy, and in 2021 the Board approved our carbon target and roadmap (see Our strategic KPIs on page 19). The Board was kept updated on progress against targets, challenges and strategic plans throughout 2022 through briefings provided by our CFO, Group Head of Sustainability and Director of Operations and Engineering. The Board considers climate-related matters in areas such as major plans of action, annual budgets and business plans. For example, the Board reviewed and approved business plans and investments including the rollout of our Remote Monitoring System, our Project 100 investment in carbon reduction and innovation, as well as the results of our climate risk review as outlined on pages 70–71. See page 55 and pages 92–93 for Board considerations and activities in 2022. The Audit Committee, as delegated by the Board, monitors the nature and extent of risk exposure against the Group's risk appetite. The Committee is responsible for identifying, mitigating and managing risk as described on page 58, and this includes Climate Change, which is a Principal Risk. The Committee provides oversight of the effectiveness of our internal controls and risk management framework; it reviews our progress and plans on TCFD alignment, including approving our reporting on climate risks and opportunities and TCFD disclosures. It reviews and approves the Annual Report which includes progress on our strategy and carbon target. See page 104 for Audit Committee activity in 2022. In 2022, the Board established a Technology Committee to monitor and evaluate the impact of technological developments and innovations. The committee is responsible for the oversight of technology developments that may help us achieve our carbon target, as well as identify and manage key technology risks and opportunities. See page 91 for more details.	Fully

Strategic Report
Governance Report
Financial Statements

TCFD disclosures continued

TCFD recommended disclosures	Summary of progress	TCFD consistency
Governance Disclose the organisation's governance around climate-related risks and opportunities		
b. Describe management's role in assessing and managing climate-related risks and opportunities	Our Group CEO is accountable for the Company's Sustainable Business Strategy which includes our carbon roadmap and targets. The CEO is supported by a number of senior management on climate-related matters to implement our strategy. Our Group CFO oversees the assessment of climate risks and financial impacts, approving investment in carbon reduction initiatives and innovations, as well as overseeing the assurance of our carbon emissions and climate-related disclosures. Aligned to our governance of sustainable business, management responsibilities for climate-related risks and opportunities are integrated into the relevant business and functional areas (see Reporting Supplement for governance structure). The CEO and CFO are assisted by a number of senior management positions on climate-related matters: – Director of Operations and Engineering: A member of the Executive Committee and reporting to the CEO, leads on the delivery of our carbon roadmap. The function is responsible for identifying opportunities and innovations for lower-carbon power solutions to maximise power uptime while reducing our carbon emissions. – Group Head of Sustainability: A member of the Executive Leadership Team (ELT) reporting to the CFO, leads reporting on climate action, oversees the data assurance process and the climate risk assessment, working with different functions across the business to embed current and future climate-related considerations into business operations and planning. – OpCo Managing Directors, who are also members of the ELT, are responsible for managing physical climate-related risks, as well as some transition risks (e.g. market), and integrating these into business continuity planning, operational and risk management processes. – Group Functional Heads also play an important role in managing transition risks such as Group Head of Tax leading on carbon taxation-related risks. The CEO also chairs monthly Project 100 working group meetings involving the CFO and senior management from Operations, Engineering, Sustainability and Finance teams. The Group reviews progress on carbon reduction, investment in lower-carbon technologies, stakeholder feedback on climate-related issues and provides relevant updates to the Board. In 2022, our ELT, including Group Heads of Function and OpCo Managing Directors were involved in assessing climate risks and opportunities as well as current and future mitigations as part of the qualitative climate risk review conducted by the Sustainability team. See pages 70–71 for more information. Long-term incentive plan performance metrics include carbon reduction per tenant in line with our 2030 target. See page 134 for more information.	⬢

Strategic Report
Governance Report
Financial Statements

TCFD disclosures continued

TCFD recommended disclosures	Summary of progress	TCFD consistency
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material		
a. Describe the climate-related risks and opportunities the organisation has identified over the short-, medium- and long-term	Climate change was added to our Group risk register as a principal risk during 2021. A number of principal risks are directly or indirectly related to climate change. We conducted a specific climate risk assessment in 2022 where we identified material climate risks and opportunities across our markets over the short, medium and long term. For more on our initial qualitative risk review, our stakeholder engagement and the physical and transition risks identified with potentially material operational and financial impact, see pages 70–71. Physical indicators considered: 1) Flooding: both coastal and riverine. 2) Extreme temperature (defined as days over 35°C). 3) Extreme rainfall, which is classed as a day with rainfall over 50mm/day. 4) Cyclones which are classed as maximum sustained winds above 73mph, categorised and mapped by the NOAA historical hurricane tracks tool. 5) Wildfire. The risks associated with these indicators are detailed on page 70. For descriptions of transition risks and opportunities, see page 71. For risk and opportunity timeframes we have assessed short, medium or long term based on when we first expect our markets to be impacted by each risk type. We have considered most risks slightly beyond our standard long term of 10–15 years due to climate scenario modelling returning outputs for 2040 at the earliest. The expectation from our initial qualitative analysis is once a risk or opportunity appears, it will continue into the future, i.e. short term risks will continue to exist in the medium to long term. For the physical risks identified, the majority already impact our operations. One exception is extreme temperatures causing increased energy use being a medium-term risk. This is partly due to not having experienced the impact of extreme temperatures in the last five years compared to the other risks outlined, but also because we will be investing in hybrid solutions as part of Project 100.	**Next steps in 2023–24** – Define financial materiality threshold to assess risks and opportunities. – Conduct quantitative modelling on our select risks and opportunities. This will be location-specific for our towers to increase our understanding on climate risk exposure at a more granular level within our markets. We will subsequently assess the impacts to evaluate our current climate resilience and prioritise material risks.
b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	We have considered the potential operational and financial impact of physical and transition risks on pages 70–71. Climate action is key to our Sustainable Business Strategy and our carbon target is a strategic KPI for the business. With diesel being the largest operating cost at a tower site, reducing diesel use impacts both our carbon roadmap as well as our Adjusted EBITDA and portfolio free cash flow. As part of Project 100, we have identified a number of value accretive and carbon reducing initiatives. We use a ten-year rolling plan for financial planning that includes operational and capital expenditure. We consider material climate-related risks and opportunities through our strategy development and financial planning. For short-term climate risks that will affect our towers and power uptime (a key criteria used in our climate risk materiality analysis), we will allocate budget to the preventative maintenance of our power solutions, having back-up power in place and we commit resources to manage these risks. Our projections account for capital investments in low-carbon solutions to support the delivery of our carbon target. Operating companies' budgets and forecasts include a consideration of carbon emissions to better understand the impact of business decisions on our 2030 carbon target and long-term Net Zero ambition.	**Next steps in 2023–24** – Conduct a financial materiality review to prioritise risks and opportunities and use this to inform our financial planning process. – Integrate physical exposure risks into new market due diligence. – Further integrate climate risks into the functional and OpCo risk management process.

TCFD disclosures continued

TCFD recommended disclosures	Summary of progress	TCFD consistency
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material		
c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	As a business operating predominantly in Sub-Saharan Africa, a region which is particularly vulnerable to climate change, we already face operational disruptions from extreme weather events in our markets, and are building resilience through these experiences. See page 70 for more information and examples. Using publicly available data, we looked at historical climate records to confirm the current physical climate risks impacting our markets including coastal and river flooding, drought, water stress, and extreme temperature and rainfall days. We also looked at these risks using the IPCC's 'SSP1-2.6' scenario which models the world warming by 1.7°C between 2040–60. For extreme temperature, extreme rainfall, drought and rainfall we also looked at the IPCC's 'SSP2-4.5' and 'SSP5-8.5' scenarios to model a 2°C and 2.4°C temperature rise respectively by 2040. Due to lack of data availability, we were unable to conduct this same modelling for flooding. Both the low-degree SSP1-2.6 and high-degree SSP5-8.5 scenarios saw a large increase in extreme temperature days compared to present averages, however, in general the modelling showed that the change from present day to future did not vary drastically between high- and low-degree modelling. The results of the modelling have been used to inform discussions with OpCo Managing Directors and Operations teams to assess current and future resilience to physical climate risks. This initial scenario analysis has given us an indication of which markets are exposed to specific risks and how this may change over the next 20 years depending on an increase in global GHG emissions. Based on long-term projections, we anticipate that some of the risks we face today will become chronic, such as increased extreme temperature days and sea level rise. We recognise the need to deepen our analysis for a more comprehensive climate resilience assessment. Further work on climate scenario analysis will enable us to better assess the financial materiality of specific climate-related risks over the medium to long term. Additionally, we continue to invest in low-carbon solutions, which reduces our environmental impact as well as our customers' exposure to climate risk.	**Next steps in 2023–24** – Conduct tower-specific quantitative modelling for our key risks. Risks will be modelled against a low (below 2°C) and high (between 2.4-4°C) GHG emissions scenario in line with IPCC-recognised scenarios. – Review the financial implications of climate change on our business, including the resilience of our strategy to different climate scenarios.

TCFD disclosures continued

TCFD recommended disclosures	Summary of progress	TCFD consistency
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks		
a. Describe the organisation's processes for identifying and assessing climate-related risks	Climate change was identified as a principal risk through our risk identification and management process in 2021. Read more about our risk governance and risk heatmap on pages 58–59. We also started a more specific climate-related risk review in 2022. See page 70 for more information on the process for identifying and assessing climate-related risks. This provided us with a risk register summarising relevant physical and transition risks for each OpCo. Material climate risks are those that could potentially have a significant effect on our tower downtime, the safety of our people, partners and assets and on our costs. The assessment was based on our teams' knowledge and previous experience of climate-related impacts to our business. We will annually review this register with our OpCos to ensure they are still relevant and accurate. Read more about our process for assessing and managing climate risks through the year on page 70. Aligned to this, a number of climate-related risks also feature in OpCo Business Continuity Plans. In addition, we will continue our risk monitoring to ensure we capture any new or additional risks such as emerging regulatory requirements. We will continue to integrate climate-related risks and mitigations into our operational processes and controls. We have also considered the effects of climate-related matters on financial statements. See page 165 for more information.	**Next steps in 2023–24** – Conduct a financial materiality review to prioritise risks and opportunities and use this to inform our financial planning process. – Continue to review and update the climate risk register with the input and engagement of the ELT.
b. Describe the organisation's processes for managing climate-related risks	Climate change is a principal risk and as such is managed through the risk governance structure outlined on page 58. For the specific physical and transition risks we have identified through our assessment in 2022, we will be integrating these into OpCo and functional risk registers which will be reviewed biannually with the Executive Leadership Team. The Group CFO and Group Head of Sustainability updated the Board on the key physical and transition risks identified in 2022 and plans to prioritise mitigations over 2023–24.	**Next steps in 2023–24** – Define financial materiality threshold to assess risks and opportunities. – Further integrate medium-term climate risks into business continuity plans for each OpCo as well as integrate climate risks into functional and OpCo risk management process.

TCFD disclosures continued

TCFD recommended disclosures	Summary of progress	TCFD consistency
c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Climate change is a principal risk, and as such, is underpinned by our enterprise risk management process, which is the framework through which the Group identifies, assesses, prioritises, manages, monitors and reports risks. This process (see page 58) includes identifying Group-wide controls and actions to mitigate climate risks. The controls for our climate change impacts have evolved in line with our strategy and regulatory frameworks, and are in progress.	◐ **Next steps in 2023–24** – Further integrate climate-related risks into our risk management processes and business continuity plans. – Undertake a feasibility review on future mitigations for climate risks.
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities, where such information is material		
a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	We monitor the business impact of climate events we are already experiencing through some of our sustainable business KPIs, and use these for planning and budgeting. For example, after flooding, storms, cyclones and prolonged rainy seasons, we review the impact on our KPI of downtime per tower per week on operating costs and our carbon emissions. We also review the potential financial impact of transition risks such as the increasing cost of diesel and carbon taxation. South Africa is the only market where there is a carbon tax in place, and an independent review we commissioned in 2022 concluded that we fall well below the prescribed threshold of the Carbon Tax Act. Therefore, there is no mandatory obligation to report on emissions or submit any carbon tax returns. We report on metrics such as GHG emissions, carbon intensity per tenant and per tower, energy consumption and our investment in carbon reduction on pages 24–29. Long-term incentive plan performance metrics include carbon reduction per tenant in line with our 2030 target. See page 134 for more information. We explored internal carbon price mechanisms, specifically shadow price and internal mechanisms; including training sessions on the subject with our CFO and Finance and Sustainability teams. In 2023, we will be trialling measuring the US$/kWh along with $kgCO_2e$/kWh for different power solutions as metrics to support capex and opex decision-making processes.	◐ **Next steps in 2023–24** – Develop a plan to quantify the impact of material climate-related physical risks and transition risks on our revenues, asset and business activities.
b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Scope 1, 2 and 3 emissions are the key metrics we use to measure our emissions, manage climate-related risks and assess opportunities in the energy transition. For our carbon footprint disclosure see pages 28–29. See our Reporting Supplement for further details on methodology, basis of reporting and our Recalculation Policy.	⬢
c. Describe the targets used by the organisation to manage climate-related risks and opportunities, and performance against targets.	We address physical and transition climate risks by decarbonising our operational footprint. Our climate targets are focused on reducing carbon intensity; in late 2021, we set out an intensity target to reduce carbon emissions per tenant by 46% by 2030 against a 2020 baseline, and become a Net Zero business by 2040. Read more on pages 24–29.	⬢

TCFD disclosures continued

Understanding climate risk and impacts

While Africa is responsible for only 3% of global emissions, it is projected to be exposed to some of the most severe impacts of climate change.

To ensure a resilient business strategy, we have developed our understanding of the risk of climate change on our operating companies through our assessment of both physical and transition climate-related risks and opportunities in 2022.

To identify and assess physical and transition risks and opportunities, we conducted workshops with the ELT, the Operations function and an external carbon consultancy, likelihood and the potential magnitude of impact. We also conducted a review of climate records and projections for each of our markets using the World Bank Climate Change Knowledge Portal and other open-source databases for qualitative risk modelling. Read more about this in the Strategy section of our TCFD disclosure on page 66.

We assessed risks against the following timeframes:

- Short-term: 0–3 years
- Medium-term: 3–10 years
- Long-term: 10–15 years and beyond

Physical risks

Physical risks to our business arise from the increased frequency and severity of weather events, such as hurricanes and floods, or chronic shifts in weather patterns.

The modelling projects that by 2040, our markets in Africa will be exposed to increased frequency and severity of urban and river flooding, extreme temperature, extreme precipitation and wildfire.

Some markets will be exposed to additional physical risks, for example, cyclones and tropical storms in Madagascar and drought and cyclones in Oman.

The level of materiality of our physical risks is dependent on downtime caused, coupled with any structural damage caused. For example, storms and extreme precipitation can increase grid outages, which:

- increase operating and maintenance costs due to greater reliance on generators;
- create challenges for accessing and maintaining our sites; and
- potentially lead to customer connectivity interruptions.

The impact of these risks are currently low because they only temporarily impact our operations. However, over the long term, increased frequency and severity of these physical risks could also cause structural damage to our towers, leading to tower remediation or replacement.

For the climate risks we experience on an annual basis, such as rainy seasons, we create bespoke plans to mitigate the impact on downtime and on our operations. We will explore location-specific modelling to build our climate change resilience and further our understanding of future physical risks.

Risk description	Timeframe of first impact[1]	Potential financial and operational impact
Increased grid outages due to flooding, heavy rainfall events and tropical storms	Short-term	Increased operating and maintenance costs due to greater reliance on back-up power, including batteries and generators
Structural damage to our towers due to extreme weather events[2]	Short-term	Additional costs resulting from increased frequency of structural audits, repairs and asset replacements, as well as increased insurance premiums
No access to sites due to flooding, heavy rainfall or tropical storms and cyclones	Short-term	Increased downtime resulting in customer penalties (excluding force majeure events)
Tower collapse during severe tropical storms or cyclones	Short-term	Cost of asset replacement and potential damage to the surrounding area
Increased energy use during periods of extreme temperatures	Medium-term	Increased cost of energy consumption for cooling needed to maximise performance of equipment such as batteries

Climate change resilience

As we are already experiencing the effects of climate change in our markets, we have a number of controls and mitigations in place. We repair roads after flooding to help us access sites with the additional benefit of supporting the local community; we plan specific back-up power solutions for rainy seasons when we experience longer grid outages; and have temporary tower and power solutions such as Cells on Wheels (CoWs) during cyclones. We will be reviewing future mitigation options with our OpCos over 2023–24, such as investing in bespoke tower designs to withstand extreme conditions and enhanced drainage system checks at our sites. Our contracts typically contain force majeure clauses, excluding penalties for downtime caused by acts such as natural climate disasters.

1 The timeframe refers to when we anticipate first exposure to a physical climate risk. It is likely that we will continue to be exposed to these risks going forward, i.e. if we expect to be exposed to a risk in the short term then we will likely see these risks continuing in the medium and long term. We define (i) short-term as 0–3 years, capturing events that could affect the business almost immediately; (ii) medium-term as 3–10 years, because our medium-term strategic planning will typically consider 5-year roadmaps; (iii) long-term as 10–15 years, which aligns to the typical initial contract term we enter into with our customers. For climate risk modelling availability and our 2040 Net Zero ambition, we are looking beyond the 10–15 year timeframe.

2 This could be due to cyclones, tropical storms, soil changes from flooding, heavy rainfall or drought. Drought is determined on the water stress of the location using the Aqueduct Water Risk Atlas.

TCFD disclosures continued

Transition risks

Transition climate-related risks include any potential impact on the demand for our towers, power and mobile connectivity more broadly, as well as regulatory, technological and behavioural changes in the transition to a low-carbon economy.

We have controls in place across the business which build resilience against transition risks. Our carbon target and Net Zero ambition support us in reducing the exposure to policy and legal risk. Our finance and legal teams across the Group, as well as in local markets, ensure we are always up to speed on any new climate-related regulation.

The risks and opportunities included here are those with the greatest likelihood of occurring based on discussions with the Executive Leadership Team, which includes OpCo Managing Directors and Functional Heads with deep knowledge of the business, our stakeholders and the markets. We also conducted industry benchmarking, which involved reviewing peers and customers, to understand their transition risks which could also impact us.

The timeframes included here reflect when risks and opportunities are likely to emerge. We expect that they will continue after initial impact. For example, the cost and availability of batteries due to global demand will continue to be a risk in the long-term. We will continue to assess the potential impact of these risks and opportunities over 2023–24.

	Technology	Market	Reputational	Policy and legal
Risk	– Availability of, access to and cost of lower-carbon solutions (including renewable energy solutions, alternative fuels, etc.) Short-term – Cost and availability of batteries due to global demand Medium-term – Lack of skills to maintain new low-carbon technologies Medium-term	– Increasing cost and availability of diesel as a back-up power source Short-term – Dependence on improvements in national grid proliferation and large-scale infrastructure to support rollout of innovative technologies, e.g. hydrogen Medium-term	– Increased investor and customer demand and expectation around climate action, science-based targets and Net Zero Short-term	– Legislation restricting our ability to generate our own power Short-term – Increased carbon-related policy, regulation and taxation Medium-term
Opportunity	– Enhanced energy efficiency and reduced usage of generators will reduce operating costs Short-term – Opportunity to upskill the labour markets in our OpCos in relation to new technologies and transitioning away from diesel Medium-term	– Work with national grid providers to encourage greater access to electricity, for both our sites and the communities they serve Medium-term – Power Purchase Agreements which support our power needs as well as those of local communities Medium-term – Financial advantage by reducing fuel use more than peers Short-term	– Increased customer demand resulting from our proactive approach to reducing emissions including having strong management and reporting systems in place Short-term – Improved investment proposition, market valuation and access to capital as a result of our carbon roadmap and risk management Short-term	– Reduced impact of policy, regulation and taxation as a result of our carbon roadmap and investment in lower-carbon technologies Medium-term

Viability statement

1. Assessment of prospects: context

The Group's activities are long-term in nature, as is its business model. The Group is either the sole and/or leading independent operator in seven of its nine operating markets. The Group has demonstrated consistent and continued Adjusted EBITDA growth for the last five years, and from 2017 to 2022, operating loss has improved from US$(24) million to an operating profit of US$80 million. Our investment in new acquisitions as well as financing activity to support them across 2020 to 2022, in addition to the non-cash impact of the fair value movements of the embedded derivatives in the Group's bond and foreign exchange movements on intercompany borrowings, generated a loss before tax of US$162 million in 2022; pages 3–10 describe how the Group's business model will generate profits in future years as the tenancy ratio expands going forward.

The Group closed the year with a US$120 million cash and cash equivalents, in addition to US$375 million of undrawn debt facilities. In 2020 and 2021, the Group raised a range of financial instruments to support its expansion across 2021 and 2022, that included a convertible bond of US$300 million which carries a coupon of 2.875%, a US$975 million bond with a 7.000% coupon (that was also used to refinance the Group's existing debt) in addition to term loan facilities in Senegal and Oman.

Net leverage was 5.1x at the end of 2022, above the Group's medium-term target range of 3.5x-4.5x, following two years of record investment in which the Company effectively doubled its tower assets and diversified into four new attractive markets.

Discretionary capex is expected to be materially lower over 2023, and the business delevers through Adjusted EBITDA growth (assuming cash balances are held constant).

The Board continues to take a balanced approach to the Group's strategy and the focus is primarily on exercising opportunities for growth in new markets, strengthening revenue streams from existing assets and cost control management. Decisions relating to entry into new markets are made consistent with the Group's current risk appetite and are subject to robust commercial analysis, diligence and Board oversight and approval. Similar controls operate in relation to significant new customers and tower colocation opportunities.

The Group's focus is on growing its existing tower and tenant portfolio in existing markets. In addition, and over the medium term the Group expects to grow through inorganic expansion as well as identifying potential for new product development and related technologies. This is consistent with the Group's existing strategy and risk profile, which is overseen and considered by the Board.

2. Key assumptions and the assessment process

Group prospects are assessed through its strategic planning process, which is led by the CEO and the Executive Management team and involves all relevant functions such as Finance, Commercial, Operations, Legal and Compliance. The Board, through its regularly scheduled meetings, oversees this process. The Board's role is to assess whether the strategic plan's outputs take account of external dynamics including political, social, technological and macroeconomic factors. The output of this process is a set of objectives, financial forecasts and an assessment of any key risks that may impact delivery of the plan. The latest updates to this strategic plan were finalised in 2022. This considered the Group's current positions and business prospects for the next four years, focusing on potential market expansion, growth opportunities in existing markets and the scope for new product development.

Based on this analysis, detailed financial forecasts were prepared for a four-year period. The forecasts for the first year represent the Group's operating budget, which is subject to ongoing review and formal monitoring during the year. A similar level of detail is included in the second year of the forecast and this is flexed, based on the actual results obtained in year one. Forecasts for the remaining years are extrapolated from these first two years, based on the overall content of the strategic plan. We consider it reasonable to assume that debt refinancing will be available at existing levels in all plausible market conditions as the related debt matures, and therefore there will be no material change to the Group's capital structure over the period. In practice, the Group expects to refinance proactively, in a manner that optimises the Group's overall capital structuring whilst safeguard its liquidity. The forecasts take into account the Group's commitments with respect to the US$100 million capital spend required to meet its carbon target (see page 26).

The purpose of this summary is to set out the potential impact from key risks that could prevent the Group from achieving its strategy. Depending on the nature or impact of aspects of these principal risks, the Group's ability to continue in business in its current form could be affected, if these were realised. This was considered as part of the Group's viability assessment, outlined here.

While the Group's forecasts reflects the Directors' best estimates of the future prospects of the business, the Group has also considered a number of downside scenarios which reflect the principal risks of the Group, as explained on pages 59–63 of this Annual Report, by quantifying their potential financial impact and assessing the potential impact on planned delivery. All of the scenarios modelled represent 'severe but plausible' circumstances that could affect the Group, its operations, and its business activities.

Viability statement continued

3. Assessment of viability

The assessment of viability started with the available headroom as of 31 December 2022 and considered the plans and projections prepared as part of the forecasting cycle and related downside scenarios that reflect the principal risks of the Group.

The results of this stress-testing, and assessment of significant quantitative and qualitative factors, demonstrated that the Group would be able to withstand these impacts over the period of its financial forecasts, and have liquidity available to the Company. While in a downside scenario headroom has been assessed to be tight against its covenants, it does not breach its covenants. This is due to the inherent stability of its core business and by making necessary adjustments to its business-as-usual operational and activity plans.

The Group also considered a number of 'break-case' scenarios, hypothetically calculating how much a change in portfolio structure (i.e. sites going offline) would be required for the business to run out of cash and available debt facilities. Assuming the Group repaid facilities under which there are financial covenants, this testing highlighted that close to 50% of its portfolio would need to go offline for the business to be not able generate sufficient cash flows over a year to cover its fixed costs.

4. Viability statement

The Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over this four-year period, based on the assessment of prospects and viability detailed above.

5. Going concern

The Directors also considered it appropriate to prepare the Financial Statements on a going concern basis, as explained in Note 2a to the Group Financial Statements included in this Annual Report.

Approval of Strategic Report

This Strategic Report has been prepared in accordance with the requirements of the Companies Act 2006 and has been approved and signed for on behalf of the Board.

Tom Greenwood
Group CEO
15 March 2023

Alternative Performance Measures

The Group has presented a number of Alternative Performance Measures (APMs), which are used in addition to IFRS statutory performance measures.

The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the business. These APMs are consistent with how the business performance is planned and reported within the internal management reporting to the Board. Some of these measures are also used for the purpose of setting remuneration targets.

Adjusted EBITDA and margin

Definition

Management defines Adjusted EBITDA as loss before tax for the year, adjusted for finance costs, other gains and losses, interest receivable, loss on disposal of property, plant and equipment, amortisation of intangible assets, depreciation and impairment of property, plant and equipment, depreciation of right-of-use assets, deal costs for aborted acquisitions, deal costs not capitalised, share-based payments and long-term incentive plan charges, and other adjusting items. Other adjusting items are material items that are considered one-off by management by virtue of their size and/or incidence.

Adjusted EBITDA margin is calculated as Adjusted EBITDA divided by revenue.

Purpose

The Group believes that Adjusted EBITDA and Adjusted EBITDA margin facilitate comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest and finance charges), tax positions (such as the impact of changes in effective tax rates or net operating losses) and the age and booked depreciation on assets. The Group excludes certain items from Adjusted EBITDA, such as loss on disposal of property, plant and equipment and other adjusting items because it believes they facilitate a better understanding of the Group's underlying trading performance.

Reconciliation between APM and IFRS	**2022 US$m**	2021 US$m
Loss before tax	**(162.5)**	(119.4)
Adjustments applied to give Adjusted EBITDA		
Adjusting items:		
Deal costs[1]	**19.1**	19.3
Share-based payments and long-term incentive plan charges[2]	**4.5**	2.0
Loss on disposal of property, plant and equipment	**0.4**	0.5
Other gains and losses	**51.4**	28.0
Depreciation of property, plant and equipment	**144.6**	142.2
Amortisation of intangible assets	**12.6**	2.3
Depreciation of right-of-use assets	**21.3**	15.3
Interest receivable	**(1.8)**	(0.7)
Finance costs	**193.2**	151.1
Adjusted EBITDA	**282.8**	240.6
Revenue	**560.7**	449.1
Adjusted EBITDA margin	**50%**	54%

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 Includes associated costs.

Adjusted gross profit and Adjusted gross margin

Definition

Adjusted gross profit means gross profit, adding back site and warehouse depreciation, divided by revenue.

Adjusted gross margin means Adjusted gross profit divided by revenue.

Purpose

This measure is used to evaluate the underlying level of gross profitability of the operations of the business, excluding depreciation, which is the major non-cash measure otherwise reflected in cost of sales. The Group believes that Adjusted gross profit facilitates comparisons of operating performance from period to period and company to company by eliminating potential differences caused by the age and booked depreciation on assets. It is also a proxy for the gross cash generation of its operations.

Reconciliation between IFRS and APM	**2022 US$m**	2021 US$m
Gross profit	**194.8**	153.8
Add back: Site and warehouse depreciation	**158.1**	145.1
Adjusted gross profit	**352.9**	298.9
Revenue	**560.7**	449.1
Adjusted gross margin	**63%**	67%

Portfolio free cash flow

Definition

Portfolio free cash flow is defined as Adjusted EBITDA less maintenance and corporate capital additions, payments of lease liabilities (including interest and principal repayments of lease liabilities) and tax paid.

Purpose

Portfolio free cash flow is used to value the cash flow generated by the business operations after expenditure incurred on maintaining capital assets, including lease liabilities, and taxes. It is a measure of the cash generation of the tower estate.

Reconciliation between IFRS and APM	**2022 US$m**	2021 US$m
Cash generated from operations	**193.2**	195.9
Adjustments applied:		
Movement in working capital	**70.5**	25.4
Adjusting items:		
Deal costs[1]	**19.1**	19.3
Adjusted EBITDA	**282.8**	240.6
Less: Maintenance and corporate capital additions	**(20.3)**	(22.1)
Less: Payments of lease liabilities[2]	**(40.8)**	(31.0)
Less: Tax paid	**(20.3)**	(19.2)
Portfolio free cash flow	**201.4**	168.3

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 Payment of lease liabilities comprises interest and principal repayments of lease liabilities.

Gross debt, net debt and net leverage

Definition

Gross debt is calculated as non-current loans and current loans and long-term and short-term lease liabilities.

Net debt is calculated as gross debt less cash and cash equivalents. Net leverage is calculated as net debt divided by annualised Adjusted EBITDA[1].

Purpose

Gross debt is a prominent metric used by investors and rating agencies.

Net debt is a measure of the Group's net indebtedness that provides an indicator of overall balance sheet strength. It is also a single measure that can be used to assess the Group's cash position relative to its indebtedness. The use of the term 'net debt' does not necessarily mean that the cash included in the net debt calculation is available to settle the liabilities included in this measure.

Net leverage is used to show how many years it would take for a company to pay back its debt if net debt and Adjusted EBITDA are held constant. The Group's medium-term net leverage target is to be broadly in the range of 3.5-4.5x.

Reconciliation between IFRS and APM	**2022 US$m**	2021 US$m
External debt	**1,571.6**	1,295.5
Lease liabilities	**226.0**	181.9
Gross debt	**1,797.6**	1,477.4
Cash and cash equivalents	**119.6**	528.9
Net debt	**1,678.0**	948.5
Annualised Adjusted EBITDA[1]	**328.8**	264.0
Net leverage	**5.1x**	3.6x

1 Annualised Adjusted EBITDA calculated as per the Senior Notes definition as the most recent fiscal quarter multiplied by four, adjusted to reflect the annualised contribution from acquisitions that have closed in the most recent fiscal quarter. This is not a forecast of future results.

Return on invested capital

Definition

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.

Purpose

This measure is used to evaluate asset efficiency and the effectiveness of the Group's capital allocation.

Reconciliation between IFRS and APM	**2022 US$m**	2021 US$m (Restated)
Property, plant and equipment	**931.4**	708.2
Accumulated depreciation	**934.0**	833.3
Accumulated maintenance and corporate capital expenditure	**(224.8)**	(202.7)
Intangible assets	**583.5**	231.4
Accumulated amortisation	**50.4**	24.5
Accounting adjustments and deferred consideration for future sites	**(102.5)**	(93.2)
Total invested capital	**2,172.0**	1,501.5
Annualised portfolio free cash flow[1]	**223.8**	177.3
Return on invested capital	**10.3%**	11.8%

1 Annualised portfolio free cash flow is calculated as portfolio free cash flow for the respective period, adjusted to annualise the impact of acquisitions closed during the respective period.

Detailed financial review

Consolidated Income Statement

For the year ended 31 December

(US$m)	Year 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)
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 after tax	**(171.4)**	(156.2)
Loss attributable to:		
Owners of the Company	**(171.5)**	(156.2)
Non-controlling interests	**0.1**	–
Loss for the year	**(171.4)**	(156.2)
Loss per share:		
Basic loss per share (cents)	**(16)**	(15)
Diluted loss per share (cents)	**(16)**	(15)

Detailed financial review continued

Segmental key performance indicators

For the year ended 31 December

	Group		Tanzania		DRC		Congo Brazzaville		Ghana	
$ values are presented as US$m	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Sites at year end	**13,553**	9,560	**4,188**	4,005	**2,233**	2,062	**511**	459	**1,113**	1,040
Tenancies at year end	**24,492**	18,776	**9,422**	9,012	**5,215**	4,701	**715**	661	**2,216**	2,041
Tenancy ratio at year end	**1.81x**	1.96x	**2.25x**	2.25x	**2.34x**	2.28x	**1.40x**	1.44x	**1.99x**	1.96x
Revenue for the year	**$560.7**	$449.1	**$201.4**	$170.4	**$205.9**	$176.4	**$28.2**	$27.7	**$36.6**	$42.8
Adjusted gross margin[Δ]	**63%**	67%	**70%**	69%	**57%**	64%	**66%**	65%	**66%**	69%
Adjusted EBITDA[Δ] for the year[1]	**$282.8**	$240.6	**$133.7**	$113.2	**$104.4**	$101.0	**$13.8**	$13.1	**$20.7**	$25.8
Adjusted EBITDA margin[Δ] for the year	**50%**	54%	**66%**	66%	**51%**	57%	**49%**	47%	**57%**	60%

	South Africa		Senegal		Madagascar		Malawi		Oman	
$ values are presented as US$m	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Sites at year end	**369**	272	**1,347**	1,232	**508**	490	**765**	–	**2,519**	–
Tenancies at year end	**631**	464	**1,439**	1,303	**605**	594	**1,232**	–	**3,017**	–
Tenancy ratio at year end	**1.71x**	1.71x	**1.07x**	1.06x	**1.19x**	1.21x	**1.61x**	–	**1.20x**	–
Revenue for the year	**$9.5**	$6.0	**$36.8**	$23.4	**$15.1**	$2.4	**$23.6**	–	**$3.6**	–
Adjusted gross margin[Δ]	**74%**	75%	**72%**	64%	**49%**	50%	**40%**	–	**73%**	–
Adjusted EBITDA[Δ] for the year[1]	**$4.5**	$2.6	**$22.0**	$12.7	**$5.7**	$0.9	**$7.2**	–	**$2.3**	–
Adjusted EBITDA margin[Δ] for the year	**48%**	44%	**60%**	54%	**38%**	37%	**30%**	–	**64%**	–

1 Group Adjusted EBITDA for the year includes corporate costs of US$31.5 million (2021: US$28.7 million).

Strategic Report
Governance Report
Financial Statements

Total tenancies as at 31 December

	Group		Tanzania		DRC		Congo Brazzaville		Ghana	
	2022	2021	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Standard colocations	**9,611**	8,256	**4,524**	4,432	**2,766**	2,536	**172**	179	**762**	752
Amendment colocations	**1,328**	960	**710**	575	**216**	103	**32**	23	**341**	249
Total colocations	**10,939**	9,216	**5,234**	5,007	**2,982**	2,639	**204**	202	**1,103**	1,001
Total sites	**13,553**	9,560	**4,188**	4,005	**2,233**	2,062	**511**	459	**1,113**	1,040
Total tenancies	**24,492**	18,776	**9,422**	9,012	**5,215**	4,701	**715**	661	**2,216**	2,041

	South Africa		Senegal		Madagascar		Malawi		Oman	
	2022	2021	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Standard colocations	**240**	187	**89**	70	**93**	100	**467**	–	**498**	–
Amendment colocations	**22**	5	**3**	1	**4**	4	**–**	–	**–**	–
Total colocations	**262**	192	**92**	71	**97**	104	**467**	–	**498**	–
Total sites	**369**	272	**1,347**	1,232	**508**	490	**765**	–	**2,519**	–
Total tenancies	**631**	464	**1,439**	1,303	**605**	594	**1,232**	–	**3,017**	–

Revenue

Revenue increased by 24.8% to US$560.7 million in the year ended 31 December 2022 from US$449.1 million in the year ended 31 December 2021. The increase in revenue was largely driven by the 30.4% increase in tenancies from 18,776 as of 31 December 2021 to 24,492 as of 31 December 2022, due to strong organic tenancy growth across the group, full year of operations in Senegal and Madagascar and the addition of 1,098 tenancies in Malawi in Q2 and 3,017 tenancies in Oman in Q4 2022.

Cost of sales

	Year ended 31 December			
		% of Revenue		% of Revenue
(US$m)	**2022**	**2022**	2021	2021
Power	**131.3**	**23.4%**	85.4	19.0%
Non-power	**76.5**	**13.6%**	64.8	14.4%
Site and warehouse depreciation	**158.1**	**28.2%**	145.1	32.4%
Total cost of sales	**365.9**	**65.3%**	295.3	65.8%

The table below shows an analysis of the cost of sales on a country-by-country basis for the year ended 31 December 2022 and 2021.

	Group		Tanzania		DRC		Congo Brazzaville		Ghana	
(US$m)	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Power	**131.3**	85.4	**33.1**	25.9	**61.1**	40.1	**3.0**	3.3	**8.7**	9.0
Non-power	**76.5**	64.8	**27.6**	26.8	**28.1**	23.3	**6.6**	6.5	**3.7**	4.3
Site and warehouse depreciation	**158.1**	145.1	**58.8**	53.2	**55.8**	53.7	**8.2**	10.5	**6.3**	8.4
Total cost of sales	**365.9**	295.3	**119.5**	105.9	**145.0**	117.1	**17.8**	20.3	**18.7**	21.7

	South Africa		Senegal		Madagascar		Malawi		Oman	
(US$m)	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Power	**2.0**	1.3	**5.9**	5.0	**5.5**	0.8	**11.4**	–	**0.6**	–
Non-power	**0.4**	0.2	**4.5**	3.3	**2.2**	0.4	**2.9**	–	**0.5**	–
Site and warehouse depreciation	**3.9**	2.9	**17.5**	16.1	**3.4**	0.3	**2.0**	–	**2.2**	–
Total cost of sales	**6.3**	4.4	**27.9**	24.4	**11.1**	1.5	**16.3**	–	**3.3**	–

Cost of sales increased to US$365.9 million in the year ended 31 December 2022 from US$295.3 million in the year ended 31 December 2021, due primarily to a full year of operations in Senegal and Madagascar and the acquisition of passive infrastructure assets in Malawi, and organic site growth, which led to an increase in site and warehouse depreciation. In addition, rising power prices across the Group, especially in DRC where there were higher fuel costs, resulted in power costs increasing year on year. As a result, the Adjusted gross margin reduced by 4% to 63%.

Administrative expenses

Administrative expenses increased by 21.0% to US$114.1 million in the year ended 31 December 2022 from US$94.3 million in the year ended 31 December 2021. Year-on-year administrative expenses as a percentage of revenue has decreased by 0.7%. The increase in administrative expenses is primarily due to the impact of acquisitions that increased amortisation and other administrative costs.

	Year ended 31 December			
		% of Revenue		% of Revenue
(US$m)	**2022**	**2022**	2021	2021
Other administrative costs	**70.0**	**12.5%**	58.3	13.0%
Depreciation and amortisation	**20.3**	**3.6%**	14.7	3.3%
Adjusting items	**23.8**	**4.2%**	21.3	4.7%
Total administrative expense	**114.1**	**20.3%**	94.3	21.0%

Adjusted EBITDA

Adjusted EBITDA was US$282.8 million in the year ended 31 December 2022 compared to US$240.6 million in the year ended 31 December 2021. The increase in Adjusted EBITDA between periods is primarily attributable to the changes in revenue, cost of sales and administrative expenses, as discussed above. Please refer to the Alternative Performance Measures section for more details and Note 4 of the Group Financial Statements for a reconciliation of aggregate Adjusted EBITDA to loss before tax.

Other gains and losses

Other gains and losses recognised in the year ended 31 December 2022 was a loss of US$51.4 million, compared to a loss of US$28.0 million in the year ended 31 December 2021. This is mainly related to the non-cash US$51.5 million fair value movement of the embedded derivative valuation of the put and call options embedded within the terms of the Senior Notes. See Note 26 of the Group Financial Statements

Finance costs

Finance costs of US$193.2 million for the year ended 31 December 2022 included an interest cost of US$115.4 million that reflects interest on the Group's debt instruments, fees on available Group and local term loans and RCF facilities, withholding taxes and amortisation. The increase in foreign exchange differences from US$21.6 million in 2021 to US$52.3 million in 2022 primarily reflects fluctuations of the Malawian Kwacha, Ghanaian Cedi and Central African Franc which declined against the US Dollar during the year.

	Year ended 31 December	
(US$m)	**2022**	2021
Foreign exchange differences	**52.3**	21.6
Interest cost	**115.4**	110.2
Interest cost on lease liabilities	**25.5**	19.3
Total finance costs	**193.2**	151.1

Tax expense

Tax expense was US$8.9 million in the year ended 31 December 2022 as compared to US$36.8 million in the year ended 31 December 2021. The decrease is predominantly driven by exceptional corporate income tax in 2021 of US$29.1 million for change of control purposes which did not recur in 2022.

Though entities in Congo Brazzaville and Senegal have continued to be loss-making for tax purposes, minimum income taxes and/or asset based taxes were levied, as stipulated by law in these jurisdictions. DRC, Ghana, Madagascar, Tanzania and two entities in South Africa are profitable for tax purposes and subject to income tax thereon.

Contracted revenue

The following table provides our total undiscounted contracted revenue by country as of 31 December 2022 for each year from 2023 to 2027, with local currency amounts converted at the applicable average rate for US Dollars for the year ended 31 December 2022 held constant. Our contracted revenue calculation for each year presented assumes:

- no escalation in fee rates;
- no increases in sites or tenancies other than our committed tenancies;
- our customers do not utilise any cancellation allowances set forth in their MLAs;
- our customers do not terminate MLAs prior their current term; and
- no automatic renewal.

	Year ended 31 December				
(US$m)	2023	2024	2025	2026	2027
Tanzania	208.3	208.7	209.1	141.8	116.2
DRC	231.2	230.7	201.5	172.7	139.8
Congo Brazzaville	20.9	20.9	15.5	11.5	11.4
Ghana	26.2	23.7	23.9	24.0	24.0
South Africa	8.3	8.3	8.2	7.9	7.6
Senegal	37.5	37.0	38.7	40.4	45.0
Madagascar	12.4	12.4	13.0	15.9	15.9
Malawi	18.4	18.4	18.4	18.5	18.5
Oman	45.2	44.0	44.0	44.0	44.0
Total	608.4	604.1	572.3	476.7	422.4

The following table provides our total undiscounted contracted revenue by key customers as of 31 December 2022 over the life of the contracts with local currency amounts converted at the applicable average rate for US Dollars for the year ended 31 December 2022 held constant. As at 31 December 2022, total contracted revenue was US$4.7 billion, of which 98.9% is from multinational MNOs, with an average remaining life of 7.6 years.

(US$m)	Total committed revenues	% of total committed revenues
Multinational MNOs	4,653.0	98.9%
Other	52.0	1.1%
Total	**4,705.0**	**100.0%**

Management cash flow

(US$m)	Year 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)
Corporate taxes paid	**(20.3)**	(19.2)
Portfolio free cash flow[2]	**201.4**	168.3
Cash conversion %[3]	**71%**	70%
Net payment of interest[4]	**(97.7)**	(93.3)
Levered portfolio free cash flow	**103.7**	75.0
Discretionary capital additions[5]	**(745.0)**	(373.3)
Adjusted free cash flow	**(641.3)**	(298.3)
Net change in working capital[6]	**(86.5)**	(11.6)
Cash paid for exceptional and one-off items, and proceeds on disposal of assets[7]	**7.2**	(75.1)
Free cash flow	**(720.6)**	(385.0)
Transactions with non-controlling interests	**(11.8)**	–
Net cash flow from financing activities[8]	**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 comprises 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.
3 Cash conversion % is calculated as portfolio free cash flow divided by Adjusted 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 including movements in working capital related to capital expenditure.
7 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. Non-recurring taxes were US$29 million in 2021 and were fully-funded by Helios Towers' pre-IPO shareholders.
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.

Cash conversion has increased slightly from 70% for the year ended 31 December 2021 to 71% for the year ended 31 December 2022. This is driven by Adjusted EBITDA growing faster than corporate taxes paid and maintenance and corporate additions declining year-on-year. Net change in working capital decreased by US$74.9 million year-on-year due to timing of cash payments and an increase in supplier advance payments made to secure capex and fuel for our ongoing growth in tenancies.

The Group's Consolidated Statement of Cash Flows is set out on page 155.

Cash flows from operations, investing and financing activities

Cash generated from operations reduced by 1.4% to US$193.2 million (2021: US$195.9 million) due to working capital movements, offset by the increase in Adjusted EBITDA. Net cash used in investing activities was US$381.5 million for the year ended 31 December 2022, down from US$407.6 million in the prior year. The decrease was primarily a result of less cash paid for acquisitions in the year, offset by an increase in capital expenditure due to organic growth in sites during the year. Net cash used in financing activities during the year was US$74.6 million, which primarily related to loan drawdowns and equity payments from minority shareholders in South Africa, Oman and Malawi.

Cash and cash equivalents

Cash and cash equivalents decreased by US$409.3 million year-on-year to US$119.6 million at 31 December 2022 (2021: US$528.9 million), primarily due to planned expenditure relating to acquisitions and organic growth.

Capital expenditure

The following table shows our capital expenditure additions by category during the year ended 31 December:

	2022		2021	
	US$m	**% of total capex**	US$m	% of total capex
Acquisition	**557.4**	**72.9%**	237.6	60.1%
Growth	**171.2**	**22.4%**	117.9	29.8%
Upgrade	**16.3**	**2.1%**	17.8	4.5%
Maintenance	**17.9**	**2.3%**	20.3	5.1%
Corporate	**2.5**	**0.3%**	1.8	0.5%
Total	**765.3**	**100.0%**	395.4	100.0%

Acquisition capex in the year ended 31 December 2022 relates primarily to the acquisitions in Malawi and Oman, excluding the fair value of assets and liabilities acquired and goodwill recognised under IFRS 3. See Note 31 of the Group Financial Statements.

Trade and other receivables

Trade and other receivables increased from US$191.5 million at 31 December 2021 to US$246.8 million at 31 December 2022, primarily due to increases from new markets entered, contract assets and VAT and WHT receivables.

Trade and other payables

Trade and other payables decreased from US$247.5 million at 31 December 2021 to US$244.7 million at 31 December 2022 respectively. The composition of the balance changed year-on-year, with an increase in both trade payables and accruals due to acquisitions in the year being offset by a decrease in deferred income and deferred consideration.

Loans and borrowings

As of 31 December 2022 and 31 December 2021 the HT Group's outstanding loans and borrowings, excluding lease liabilities, were US$1,571.6 million (net of issue costs) and US$1,295.5 million respectively, and net leverage was 5.1x and 3.6x respectively. Indebtedness and leverage as at 31 December 2022 reflect the US$975 million Senior Notes refinance which was completed during the year ended 31 December 2020, US$300 million of convertible bonds issued in March 2021 with a coupon of 2.875% due in 2027. During 2022, indebtedness increased by US$247.9 million, pursuant to the acquisitions in Malawi and Oman. Further details of loans and borrowings are provided in Note 20 of the Group Financial Statements.

Governance Report

Chair's introduction to the Governance Report

Sir Samuel Jonah KBE, OSG
Chair

Number of Board members
as at 31 December 2022

10

Employee Engagement Survey response rate

100%

2020: 93%

Dear Shareholder
I am pleased to present Helios Towers' Corporate Governance Report for the year ended 31 December 2022.

This report sets out our governance framework, the operation of the Board and its Committees, the Board's activities and our engagement with stakeholders. Each element contributes to, and enables, the Board and the Executive Leadership Team to promote the long term sustainable success of the Company for the benefit of each of its stakeholders. The Board and the Executive Leadership Team set the tone from the top, reflect the Company's purpose, values, culture and high standards of business conduct, all of which are emulated across the Group. The Board collaborates, supports, advises and challenges management on key strategic decisions, whilst monitoring the performance of the Group. Some of the Board's strategic decisions are outlined in the Section 172(1) Statement on pages 53–56, showing how our Board interacts with management and stakeholders to contribute to the success of the business.

Employee Engagement

Following the inaugural Employee Engagement Survey in 2020, the Board and I were delighted with the 100% response rate we received in 2022. This is clearly an initiative that our colleagues feel is well worth contributing to, and they give us invaluable insights to consider. The Board was briefed on, and discussed, the action plans in place to make improvements where necessary, with the Executive Leadership Team providing regular updates and feedback to both colleagues and the Board.

We discuss employee engagement in more detail on page 33. This very positive energy internally was complemented by some very welcome external recognition, with the Company winning the 'Outstanding Workplace Award 2022' from People Insights. We see this as testament to the inclusive nature of our 'One Team, One Business' culture.

Board composition

At the Annual General Meeting (AGM) in April 2022, Tom Greenwood succeeded Kash Pandya as CEO, when Kash retired from the role and took up a new position as Non-Executive Deputy Chair. This followed a transition period from August 2021 up to the date of the AGM. In August 2022, Kash took the decision to stand down from his role as Non-Executive Deputy Chair to pursue other non-executive opportunities. On behalf of the Board, I would like to thank Kash for his invaluable contribution, commitment and leadership of the Company, both as CEO and Non-Executive Deputy Chair, over the last seven years. Kash had a significant impact on the success of the Company and we wish him every success in his future endeavours.

In March 2022, David Wassong stepped down as a Non-Executive Director of the Company and was replaced by Newlight Partners LP (Newlight), the exclusive investment manager to Quantum Strategic Partners Ltd (Quantum), with Helis Zulijani-Boye. As a party to the Shareholders' Agreement, Quantum, is entitled to appoint and replace a shareholder representative as a Director of the Company for such time as it continues to hold more than 10% of the voting rights of the Company. I would like to take this opportunity to welcome Helis to the Board, and thank David for his long and valued contribution in building the successful business we are today, having been a Director of the Company since its creation in 2010.

The Board and Executive Management set the tone from the top, reflect the Company's purpose, values, and culture and high standards of business conduct, all of which are emulated across the Group.

Board visit to Ghana

As we discuss in more detail on page 95, in August 2022 the Board was given a warm welcome by our colleagues in Ghana. We held a Board meeting there and, importantly, took the opportunity to meet and hear from the local senior management team and the wider workforce. Our Non-Executive Director for workforce engagement, Sally Ashford, along with our Director of Human Resources, Doreen Akonor, held 'Voice of the Employee' feedback sessions and reported the results back to the Board. The Board recognises the importance and values the outcomes of these sessions, and looks forward to continuing them across the business during 2023.

External evaluation of the Board

As the Company listed in October 2019, 2022 was the third year of our evaluation process and in accordance with the UK Corporate Governance Code, we were required to carry out an external evaluation of the Board and its Committees. Following a tender process, Independent Audit Limited was appointed to carry out the external evaluation, and the process and outcomes can be found on pages 101–102. I am pleased to report that the Board and its Committees continue to operate effectively and work alongside senior management in a cohesive manner. The outcomes and actions from the external evaluation, as explained on page 102, will be considered and implemented during 2023.

Governance highlights

Directors' Remuneration Policy

We are also now in our third year of the three year cycle for the Directors' Remuneration Policy. The Remuneration Committee reviewed our existing policy, which was last approved at the Company's 2020 AGM. The revised Directors' Remuneration Policy is explained in the Directors' Remuneration Report on pages 109–137. We will be putting it to the AGM in April 2023 for shareholder approval, as required by the UK Corporate Governance Code.

Looking ahead

The Board will continue during 2023, and beyond, to support management in achieving the Company's Sustainable Business Strategy and ensuring the business as a whole continues to act in a sustainable manner, whilst upholding the highest standards of business conduct.

I look forward to continuing to work with the Board and colleagues in 2023, and to meeting shareholders at our 2023 AGM.

Sir Samuel Jonah KBE, OSG
Chair

UK Corporate Governance Code compliance

The Board is committed to the Company's compliance with the UK Corporate Governance Code 2018 (the Code), which is available to view on the website of the Financial Reporting Council (FRC) at frc.org.uk. As of 31 December 2022, the Board confirms that the Company has applied the principles, and complied with the provisions, set out in the Code. The Governance Report, together with the Audit Committee and Directors' Remuneration Reports, describes how the Company has implemented the requirements of the Code.

The Board is mindful of the current composition of the Board, which reflects the rights of the Company's largest shareholder, Quantum Strategic Partners Ltd, to appoint a Director to the Board under the Shareholders' Agreement. Lath Holdings Ltd's right to appoint a Director fell away in 2021 when its shareholding fell below 10%.

However, Temitope Lawani (Lath's Non-Executive Director) was invited to stay on the Board. Further information on the independence of Board members and the Shareholders' Agreement can be found on page 96.

The following table shows where shareholders can find information in this report about the Company's application of the principles of, and compliance with, the provisions of the Code.

Board of Directors

as at 31 December 2022

Key to Committees

- (A) Audit Committee
- (N) Nomination Committee
- (R) Remuneration Committee
- (T) Technology Committee
- Committee Chair (filled hexagon)

Sir Samuel Jonah KBE, OSG

Chair

Appointed to the Board
12 September 2019

Committees
N (Chair) R

Sir Samuel has extensive listed company experience, having served on the boards of Vodafone Group plc and Lonrho plc. He is Chair of Roscan Gold Corporation Inc. and a NED of Grit Real Estate Income Group Limited.

He obtained a Master's in Management from Imperial College London.

Other current appointments
Grit Real Estate Income Group Limited, listed on the Johannesburg and London Stock Exchanges

Roscan Gold Corporation Inc. listed in Canada on the TSX Venture Exchange

Tom Greenwood

Group Chief Executive Officer

Appointed to the Board
12 September 2019

Committees
T

Tom was appointed Group CEO in April 2022, having previously held numerous Group roles including COO, CFO and Finance Director. He has overseen all 15 major M&A transactions, the inaugural bond, and the Initial Public Offering on the London Stock Exchange.

Tom is a qualified Chartered Accountant of the Institute of Chartered Accountants of England and Wales.

Other current appointments
None

Manjit Dhillon

Group Chief Financial Officer

Appointed to the Board
1 January 2021

Committees
T

Manjit was appointed Group CFO in January 2021, after holding the positions of interim CFO and Head of Investor Relations and Corporate Finance. He has overseen capital raisings of c.US$3.5 billion, and the acquisitions of multiple tower portfolios. He is also Head of the London office.

Manjit is a qualified Chartered Accountant of the Institute of Chartered Accountants of England and Wales.

Other current appointments
None

Magnus Mandersson

Senior Independent Non-Executive Director

Appointed to the Board
12 September 2019

Committees
A N T (Chair)

Magnus has 26+ years of experience in the telecommunications and media sectors. He worked at Telefonaktiebolaget LM Ericsson for 14 years and was Executive Vice President.

Magnus has a BSc in Business Administration from Lund University.

Other current appointments
Chair of Tampnet AS and Karnov Group AB listed on NASDAQ

Board member of Albert Immo Holding S.à.r.l., PMM Advisors S.A. and Interogo Foundation

Alison Baker

Independent Non-Executive Director

Appointed to the Board
12 September 2019

Committees
A (Chair) R

Alison has 26+ years of experience in auditing, capital markets and assurance services and was previously a partner at PwC LLP and EY LLP.

Alison is a qualified Chartered Accountant of the Institute of Chartered Accountants of England and Wales.

Other current appointments
SID of Rockhopper Exploration Plc listed on the London Stock Exchange

NED of Endeavour Mining Plc listed on the London and Toronto Stock Exchanges

NED of Capstone Copper Corp listed on the Toronto Stock Exchange

Board of Directors continued

Read more
heliostowers/who-we-are/leadership/board-of-directors/

Richard Byrne
Independent
Non-Executive Director

Appointed to the Board
12 September 2019

Committees
A R T

Richard was previously a director of Helios Towers, Ltd. from 2010 and co-founded TowerCo in 2004, serving as President and CEO.

Prior to TowerCo, Richard was President of the tower division of SpectraSite Communications, Inc., and served as National Director of Business Development at Nextel Communications Inc. He was also Director of the Wireless Infrastructure Trade Association in the US.

Other current appointments
None

Helis Zulijani-Boye
Non-Executive Director

Appointed to the Board
9 March 2022

Committees
T

Helis is Managing Director of Newlight Partners LP, an independent investment manager.

She has 15+ years experience in private equity and investment banking, having previously worked at the Charterhouse Group, the Carlyle Group and JP Morgan.

Helis holds a BA in Economics and a Citation in German Language from Harvard University.

Other current appointments
Director of Ciklum, BayoTech and ASSIST

Temitope Lawani
Non-Executive Director

Appointed to the Board
12 September 2019

Committees
N

Temitope is co-founder and was Managing Partner of Helios Investment Partners, and is now co-Chief Executive and Director of Helios Fairfax Partners Corporation. He has 26+ years of principal investment experience.

Temitope holds a BSc in Chemical Engineering, a Juris Doctorate (cum laude) and MBA from Harvard University.

Other current appointments
NED of Pershing Square Holdings Ltd listed on the London Stock Exchange

Co-Chief Executive/Director of Helios Fairfax Partners Corporation listed on the Toronto Stock Exchange

Sally Ashford
Independent
Non-Executive Director and Non-Executive Director for workforce engagement

Appointed to the Board
15 June 2020

Committees
N R

Sally has 30+ years HR experience. She is currently Group HR Director for Informa plc and has worked in a variety of senior HR roles in the Telecoms industry at BT, O2 and Telefonica. Prior to Infoma plc, she was Chief HR Officer for Royal Mail.

Sally holds a BSc in Management Science from the University of Manchester and a Master's in Industrial Relations from the University of Warwick.

Other current appointments
None

Carole Wamuyu Wainaina
Independent
Non-Executive Director

Appointed to the Board
13 August 2020

Committees
A N

Carole is Senior Advisor to the CEO at the Africa50 Infrastructure Fund. She was previously Assistant Secretary General at the United Nations in the Department of Management and also spent 13 years with the Coca Cola Company.

Carole holds a Bachelor of Business degree from the University of Southern Queensland.

Other current appointments
NED for Equatorial Coca-Cola Bottling Company

Non-Executive board member of Nairobi International Finance Centre

NED of Olam Food Ingredients

Board and Committee attendance

Directors' attendance at scheduled Board and Committee meetings during 2022 is set out below. Non-attendance at Board or Committee meetings reflects a Director's pre-existing commitments or illness. Some Directors also attended Committee meetings as invitees during the year. In addition, and not reflected in the table below, a number of meetings of a sub-Committee of the Board were held during the year to discuss and approve time-critical matters.

Director	Board (6)	Audit Committee (6)	Nomination Committee (2)	Remuneration Committee (8)
Sir Samuel Jonah	6		2	8
Kash Pandya[1]	3			
Tom Greenwood	6			
Manjit Dhillon	5			
Magnus Mandersson	5	5	2	
Alison Baker	6	6		8
Richard Byrne	6	6		8
David Wassong[2]	–			
Helis Zulijani-Boye[2]	5			
Temitope Lawani	5		2	
Sally Ashford	6		2	7
Carole Wamuyu Wainaina	6	5	2	

1 Kash Pandya stepped down as Non-Executive Deputy Chair and as a Director of the Company on 17 August 2022.
2 On 9 March 2022, David Wassong stepped down as a Non-Executive Director of the Company and was replaced with Helis Zulijani-Boye by Newlight. Helis attended the 9 March 2022 Board meeting, prior to her appointment as a Non-Executive Director.

Executive Committee

as at 31 December 2022

Tom Greenwood
Group Chief Executive Officer

Manjit Dhillon
Group Chief Financial Officer

Philippe Loridon
Regional CEO – Middle East, East & West Africa

Sainesh Vallabh
Regional CEO – Southern Africa and Group Commercial Director

Fritz Dzeklo
Regional CEO – Central Africa

Beki Muinde
Director of Business Development and Regulatory Affairs

Allan Fairbairn
Director of Delivery and Business Excellence

Lara Coady
Director of Operations and Engineering

Doreen Akonor
Director of Human Resources

Nick Summers
Director of Property and SHEQ

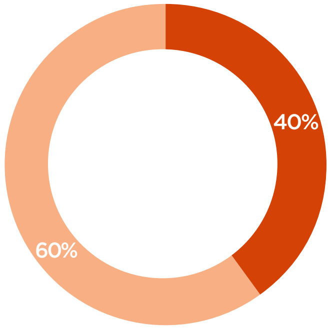
Paul Barrett
General Counsel and Company Secretary

Biographies of the Executive Committee, Regional Directors, Country Managing Directors and Functional Specialists can be found at heliostowers.com/who-we-are/leadership/executive-leadership-team/

Strategic Report
Governance Report
Financial Statements

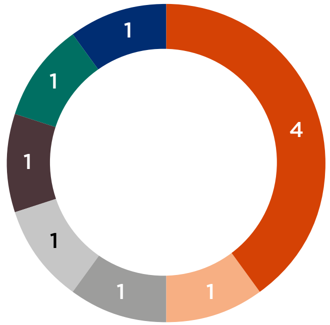
Board diversity at a glance
as at 31 December 2022

Gender of the Board

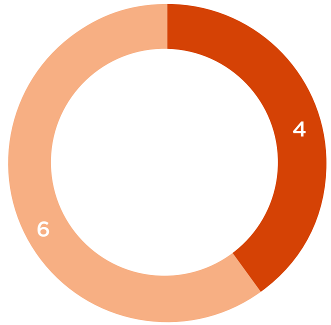


Average age of Directors

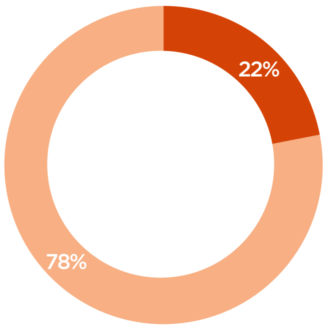
Directors' nationalities



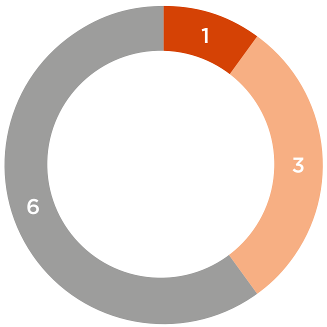
Directors' ethnicity (number of Directors)



Gender of senior management and direct reports[1]

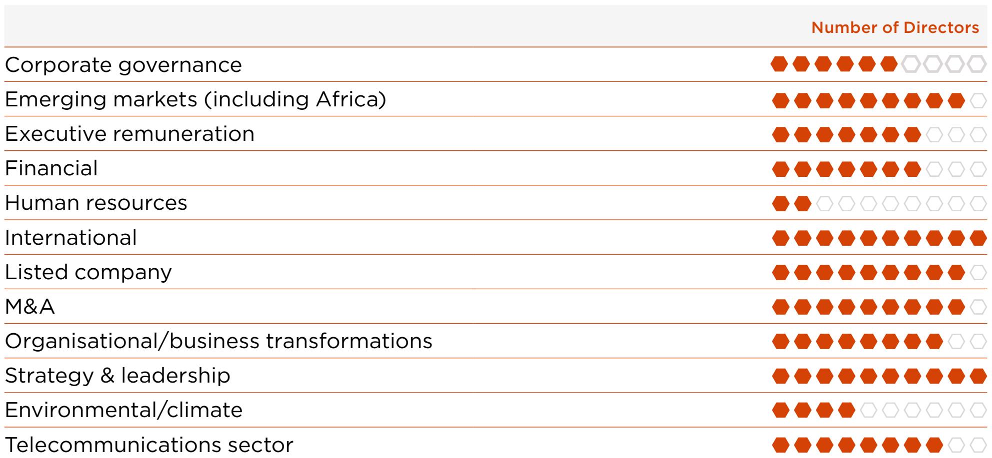


Directors' tenure



1 The definition of senior management and direct reports in this instance relates to the Code.

Board skills and experience



Strategic Report
Governance Report
Financial Statements

Governance framework

Governance framework

The Company has an established governance framework that facilitates effective decision-making and oversight by the Board and its Committees, which is integral to the successful delivery of the Company's strategy and to maintaining the highest standards of corporate governance.

The Board has a Schedule of Matters Reserved for the Board, which was reviewed and approved by the Board during 2022, and has delegated responsibility for certain matters to the Committees of the Board. Each Committee has terms of reference setting out roles and responsibilities, and these were reviewed and approved by each Committee and the Board during the year. Both the Schedule of Matters Reserved for the Board and Committee terms of reference can be found at heliostowers.com/investors/corporate-governance/documents/. During 2022, a Technology Committee was established and one meeting held, to provide further focus on technological developments impacting the Company.

The roles and responsibilities of the Board, its Committees and Board members are explained opposite.

Further detail on the roles and responsibilities of the Directors can be found at heliostowers.com/investors/corporate-governance/documents/. The biographies of the Board can be found on **pages 87-88.**

Board

The Board is responsible for the long term sustainable success of the Company, ensuring leadership through effective oversight and setting the strategic direction for the Group. It shapes the Group's purpose, values and culture, promotes corporate governance and oversees the implementation of appropriate risk management systems and processes to identify, manage and mitigate the Group's principal risks and uncertainties.

Chair

The Chair leads the Board and is responsible for its overall effectiveness. He ensures the Board is forward thinking and has an emphasis on strategy, performance, value, culture, stakeholders and accountability. He promotes a culture of openness and debate, and fosters relationships between the Non-Executive Directors and the Executive Leadership Team. The Chair ensures the Board determines the nature and extent of significant risks that the Company is willing to embrace. He also ensures effective communication and engagement by the Group with its stakeholders.

Senior Independent Director

The Senior Independent Director (SID) acts as a sounding board for the Chair and serves as an intermediary for the other Directors. He leads the process for evaluating the performance of the Chair, meetings with the Non-Executive Directors without the Chair present and acts as an additional contact for shareholders.

Company Secretary

The Company Secretary provides advice and support in relation to legal and corporate governance matters to the Board, its Committees, the Chair and Directors individually. He ensures the Board has access to the Company's policies and procedures, receives information in a timely manner, facilitates inductions for new Directors and coordinates the Board evaluation process in conjunction with the Chair and the Nomination Committee.

Executive Directors

Group Chief Executive Officer (Group CEO): The Group CEO manages the Group on a day-to-day basis and develops and proposes Group strategy, annual budgets, business plans and commercial objectives to the Board. He leads and monitors the Executive Leadership Team in the day-to-day management of the Group. He also identifies and executes acquisitions and disposals, examines all business investments and major capital expenditure proposed by the Group, and makes recommendations to the Board.

Group Chief Financial Officer (Group CFO): The Group CFO develops and executes the Group strategy along with the Executive Leadership Team, and develops and leads the Finance function. He also develops and maintains systems of financial internal control and manages the organic and inorganic growth of the Group. He engages with the global investor and analyst communities and manages the Company's capital resources to enable expansion and M&A. The IT and Sustainability functions both report into the Group CFO.

Non-Executive Directors

The Non-Executive Directors provide independent views, judgement, constructive challenge and specialist advice at Board and Committee meetings, and to the Executive Leadership Team. They oversee the delivery, and scrutinise the achievement, of the Group's strategy and satisfy themselves of the integrity of financial information, and the robustness of internal controls and risk management systems. The Non-Executive Director for workforce engagement engages with employees across the Group, holding 'Voice of the Employee' sessions and providing feedback to the Board.

Committees

Audit Committee

Responsible for monitoring the integrity of financial and narrative reporting, reviewing the effectiveness of the Group's internal controls, risk management systems and the effectiveness of internal and external auditors.

Nomination Committee

Responsible for assisting the Board in discharging its responsibilities relating to the size, structure and composition of the Board and its Committees. The Nomination Committee also ensures a balance of skills, knowledge and experience of both the Board and senior executives and assists the Board on matters such as diversity and inclusion, succession planning, conflicts of interest and independence.

Remuneration Committee

Responsible for establishing the Company's remuneration policy and making recommendations to the Board on the remuneration of the Executive and Non-Executive Directors and certain senior managers.

Disclosure Committee

Responsible for the identification and disclosure of inside information.

Technology Committee

Responsible for monitoring and evaluating current and future trends in technology, the impact of the development and innovation of technology on the Company, and the identification and management of key technology risks.

Executive Committee

Responsible for the day-to-day operations and management of the Group and the implementation of the Group's strategy.

Strategic Report
Governance Report
Financial Statements

Board leadership and Company purpose

The Company's purpose, values and culture

The Company's purpose, values and culture and Sustainable Business Strategy are aligned to ensure the continued long term growth of the business and achievement of its strategic targets. The Board promotes the Company's values of integrity, partnership and excellence, working as 'One Team, One Business' and assesses, monitors and promotes the culture of the Group, setting the tone from the top.

Culture and the Company's values are embedded across the whole Group. Culture is discussed at Board meetings, including feedback from the 'Voice of the Employee' sessions. The Audit Committee regularly discusses culture and compliance issues and reports to the Board as and when necessary. The Board encourages and supports management across the Group to hold strategy workshops to ensure colleagues are able to participate and contribute to the Company's strategic targets. In addition, the culture of continued improvement encourages colleagues to advance their careers through learning and development opportunities.

Board activities

The Company's Section 172(1) Statement on pages 53–56 includes some of the key strategic decisions made by the Board during the year ended 31 December 2022. The following provides a summary of the principal matters considered and key considerations addressed by the Board. Attendance by Directors at Board and Committee meetings can be found on page 88.

M&A transactions

s172(1) factors

Discussed in-depth and approved:

- the closure of the acquisition of Airtel Africa's passive infrastructure company in Malawi;
- the closure of the acquisition of Omantel Telecommunications Company's (S.A.O.G) passive infrastructure assets in Oman; and
- the decision to discontinue discussions relating to the potential acquisition of Airtel Africa's passive infrastructure operations in Chad.

Strategy, business development and operational performance

s172(1) factors

- Discussed in-depth reviews, and was provided with updates, on progress implementing the Company's Sustainable Business Strategy.
- Reviewed operational performance across the operating companies.
- Discussed carbon emissions developments and climate risks and opportunities across the Group.
- Discussed approach and ambition for strategic community investment.
- Discussed updates from the sales, marketing, operations, engineering and technology teams.
- Reviewed and approved quarterly, half-year and full-year financial results, including their release to the market.
- Received updates from tax, finance, legal, investor relations and technology functions.
- Reviewed and approved the 2021 Annual Report and Financial Statements and 2021 Sustainable Business Report.

Financing

s172(1) factors

- Reviewed and approved the budget for the 2022 financial year.
- Reviewed and approved operating company financing and funding.

Safety, health, environment and quality (SHEQ)

s172(1) factors

- Received updates on SHEQ activities across the Group.
- Discussed in-depth updates on health and safety performance across the Group.

Culture, people development, engagement and succession planning

s172(1) factors

- Received reports on the discussions, outputs and actions from 'Voice of the Employee' sessions.
- Reviewed and discussed the results of the 2022 Employee Engagement Survey and discussed actions to be taken during 2023.
- Received reports on employee engagement activities and action plans.
- Reviewed and discussed the results of the Company-wide Gender Equality survey.
- Discussed and reviewed development and succession planning activities within the Group, including leadership and management development training.

Site leases and permits

s172(1) factors

- Received updates on leases and site permits from across the Group.

The Board's standing agenda items

SHEQ

Sustainable Business update

Business development update

Operational performance update

Financial and investor relations updates

'Voice of the Employee' updates

Legal and Company Secretarial reports

Reports and updates from the Chairs of the Audit, Nomination, Remuneration and Technology Committees

Annual Board training

Key

- Likely consequences of any decision in the long term
- The interests of the Company's employees
- The need to foster the Company's business relationships with suppliers, customers and others
- The impact of the Company's operations on the community and the environment
- The desirability of the Company maintaining a reputation for high standards of business conduct
- The need to act fairly between members of the Company

Stakeholder engagement

The Board challenges and oversees the Company's engagement with its stakeholders, comprised of colleagues, customers, partners, investors and the communities in which the Company operates. Information on the Company's engagement with these stakeholders can be found in the business model on pages 3–10. Principally Executive Directors and the Executive Leadership Team carry out engagement activities with the Company's stakeholders and frequently report to the Board on outcomes and any potential concerns raised.

The table opposite shows the information that is received by the Board and the Board's direct engagement, where appropriate, with stakeholders.

Key to stakeholders

- Customers
- Our people and partners
- Community and environment
- Investors

Workforce

Information received by the Board

- The Group CEO and Director of Human Resources presented the results of the 2022 Employee Engagement Survey to the Board, including the action plans to make improvements where necessary.
- Reports on the discussions, outputs and actions from the 'Voice of the Employee' sessions.
- Updates on employee activities from the Director of Human Resources, including details on the HT SharingPlan and learning and development and succession planning.

Direct Board engagement

- The Executive Directors run town hall meetings, where colleagues are provided with updates on the Company's financial results, and are able to ask questions.
- The Board carry out operating company visits each year (most recently to Ghana) to meet senior management and the wider workforce.
- The Non-Executive Director for Workforce Engagement, Sally Ashford, along with the Director of Human Resources, regularly hold 'Voice of the Employee' sessions with senior management and the wider workforce.

Customers

Information received by the Board

- Reports on activities carried out with the Group's customers.

Direct Board engagement

- Engagement with customers is carried out through senior management, and teams in the operating companies.

Partners

Information received by the Board

- Reports on activities carried out with the Group's partners.

Direct Board engagement

- Engagement with supplier partners is carried out through senior management,

Community

Information received by the Board

- Information relating to work that is carried out to support local communities (further details can be found on page 23).

Direct Board engagement

- Engagement with communities is carried out through senior management, and teams in the operating companies.

Environment

Information received by the Board

- Carbon footprint data, assurance and external reporting.
- Carbon reduction strategies for each operating company.
- Results from the climate risk review highlighting physical and transition risks and opportunities, including a plan for further analysis in line with TCFD recommendations.
- Reports on the requirements of the Net Zero Standard and plans to develop a Net Zero roadmap.
- Information on management's engagement with customers on carbon, as well as industry leadership activities.

Direct Board engagement

- Engagement activities are carried out by the sustainability and operations teams and the outcomes are reported at each Board meeting.
- The sustainability and operations teams report directly to Executive Board members.

Investors

Information received by the Board

- The Executive Directors and the Head of Investor Relations regularly report to the Board on the outcomes of investor engagement activities performed throughout the year. These include formal roadshows, conferences, meetings, calls, quarterly results presentations and Q&As.
- The Investor Relations Report is a standing item at all Board meetings.

Direct Board engagement

- All Directors, including the Chair and Committee Chairs, are available to answer shareholders' questions at the AGM, and on any significant matters during the year. They are also available year-round for meetings with investors.
- Direct engagement with the Company's institutional investors by the Remuneration Committee Chair, who subsequently reported back to the Remuneration Committee and the Board as required.
- Engagement with institutional investors on a day-to-day basis is carried out by the investor relations team and the outcomes are reported to the Board at each meeting. This engagement is shown in more detail on page 94.

Investor relations activities during the year

Q1

Meetings with institutional investors:
- Hosted two non-deal roadshows
- Participated in four investor conferences
- Ad hoc meetings on request

Webcast presentations and Q&As for full-year results

Number of institutions met

84

Investor meetings

45

Q2

Meetings with institutional investors:
- Hosted one non-deal roadshow targeted at US-based investors
- Participated in seven investor conferences
- Took part in two fireside chats
- Ad hoc meetings on request

Webcast presentations and Q&As for Q1 results

Annual General Meeting

Capital Markets Day 2022

Number of institutions met

132

Investor meetings

70

Q3

Meetings with institutional investors:
- Hosted two non-deal roadshows including one ESG roadshow
- Participated in three investor conferences
- Took part in two fireside chats
- Ad hoc meetings on request

Webcast presentations and Q&As for H1 results

Number of institutions met

157

Investor meetings

70

Q4

Meetings with institutional investors:
- Hosted two non-deal roadshows
- Participated in two investor conferences
- Took part in one fireside chat
- Ad hoc meetings on request

Webcast presentations and Q&As for Q3 results

Number of institutions met

50

Investor meetings

39

Board leadership and Company purpose continued

Annual General Meeting

The 2022 AGM was held at 10.00 a.m. on Thursday 28 April 2022 at Linklaters, One Silk Street, London, EC2Y 8HQ as an open meeting, and shareholders were encouraged to attend and vote in person. All resolutions were passed on a poll by the requisite majority. The results of the 2022 AGM can be found at heliostowers.com/investors/shareholder-centre/general-meetings/.

The 2023 AGM will be held at 10.00 a.m. on Thursday 27 April 2023 at Linklaters, One Silk Street, London, EC2Y 8HQ as an open meeting and shareholders are encouraged to attend and vote in person.

The Notice of AGM will be sent to all shareholders as a separate document and will be available at heliostowers.com/investors/shareholder-centre/general-meetings/. The Notice will set out the resolutions to be proposed at the AGM, together with an explanation of each one.

First Capital Markets Day

In May 2022, the Company hosted its first Capital Markets Day since listing as a public company in October 2019.

The key objectives for the event were to highlight the Company's refreshed five-year strategy, provide insight into the Company's enlarged platform and for the Executive Leadership Team to engage with analysts and investors. The latter was particularly important to the Company, given the preceding two years for many was spent during Covid-19 related lockdowns, and so the Executive Leadership Team met with many of the Company's shareholders in-person for the first time.

The event was well-attended, with 70 in-person participants and 113 people dialling in virtually, in total representing more than 50% of the shareholder base.

Feedback on the event has been positive, the updated strategy was well understood and investors were impressed by the strength of the Executive Leadership Team.

Further detail on the Capital Markets Day can be found at www.investis-live.com/heliostowers/624d56fba330680c004d65ec/opij

Board visit to Ghana

In August 2022, the Board visited the operating company in Ghana and met with senior management and the wider workforce.

The Company, along with the designated Non-Executive Director for workforce engagement, Sally Ashford, have held 'Voice of the Employee' engagement sessions across the Group over the last two years, allowing employees to talk openly and directly with a Board representative.

These sessions had been held virtually due to Covid-19 restrictions, but in August, the first face-to-face sessions were held between Sally Ashford, the Director of Human Resources, Doreen Akonor, members of the Ghana management team and the wider workforce during the visit to Ghana.

These sessions provided the Board with first-hand insights into the positive culture, teamwork and leadership in place in Ghana. The Board was also briefed on any improvements or actions that may be required, and that could be implemented Group-wide as a result of these sessions.

Division of responsibilities

The Board has a suitable combination of Executive and Non-Executive Directors and the roles of Chair and Group CEO are exercised by separate individuals and are clearly defined. The Company's Division of Responsibilities Statement, setting out the roles and responsibilities of Board members, was reviewed and approved by the Board in December 2022 and is available at heliostowers.com/investors/corporate-governance/documents/ and summarised on page 91.

The Board's role is to promote the long term sustainable success of the Company in accordance with good corporate governance, and to set the Group's culture, purpose and values. It oversees the Group's operations, ensuring that internal controls and risk management are in place for the Group to meet its objectives. The Schedule of Matters Reserved for the Board can be found at heliostowers.com/investors/corporate-governance/documents/.

The day-to-day operations of the Company are delegated to the experienced and dedicated Executive Leadership Team, who promote the Group's strategy and its implementation, and reinforce the Company's culture, purpose and values. The Executive Leadership Team meets regularly to discuss the ongoing management of the Group, and any significant matters are escalated to the Board in a timely manner. Biographies of the Executive Leadership Team can be found on the website at heliostowers.com/who-we-are/leadership/executive-leadership-team/.

Shareholders' Agreement

Shortly before the Company's listing in 2019, certain founders and early investors entered into a Shareholders' Agreement with the Company, which included specific governance rights. Quantum has the right to appoint a Director to the Board for such time as it and its associates are entitled to exercise or control 10% or more of the voting rights in the Company. Quantum has taken up this right. Lath enjoyed the same right until 30 June 2021, when its shareholding fell below 10%. Notwithstanding that Lath's right had therefore fallen away, the Board invited Lath's Director, Temitope Lawani, to remain on the Board in view of the skills and experience that he brings, and he agreed to do so. In view of this, Temitope is no longer considered a shareholder-appointed Non-Executive Director.

Directors' conflicts of interest

The Board is able to authorise and approve any potential conflicts of interest in accordance with the Company's Articles of Association. There is a formal procedure whereby the Directors first make the Chair and Company Secretary aware of any new external interests and any actual or perceived conflicts of interest. The Board then considers each interest or conflict on its own merit in conjunction with any existing external appointments held by the Director, to ensure that the Director's independent judgement is not compromised. The Company Secretary records the outcome of the Board's decision and any approval in the Board minutes, and retains a record of all potential conflicts of interest for both the Board and the Executive Leadership Team.

Time commitment and external appointments

The Board takes into account any other demands on Directors' time when making new appointments to the Board. Prior to an appointment, any significant commitments are disclosed to the Chair and the Nomination Committee, with an indication of the time involved. On appointment to the Board, the average time commitment of each Director is clearly set out in their letter of appointment and Directors are expected to devote sufficient additional time as may be required to fulfil their roles. The Directors have external interests as noted on pages 87–88 and the nature and number of their external directorships is closely monitored. This ensures that any additional appointments do not adversely impact the time commitment to their role with the Company, or breach the over-boarding limit endorsed by the proxy advisory firms. There is a clear and formal process for the approval of all Directors' external appointments, including approval by the Chair in the first instance, followed by Board approval. The Company Secretary retains records of all external interests held by each of the Directors. The Board believes that other commitments held by the Directors enhance the capability, skills and knowledge of the Board and is satisfied with the number of external directorships held by each of the Directors.

Independence

As noted on pages 87–88, the Board is comprised of the Chair, who was independent on appointment; five independent Non-Executive Directors (Sally Ashford, Alison Baker, Richard Byrne, Magnus Mandersson and Carole Wainaina) who are independent in judgement and character, and two non-independent Non-Executive Directors (Temitope Lawani and Helis Zulijani-Boye). Following careful consideration by the Nomination Committee and the Board during the year, the Board continues to regard Richard Byrne as independent, notwithstanding his membership as a Director of a Group company since 2010, and considers his continued membership of the Board is in the best interests of the Company. The Board is satisfied that Richard continues to demonstrate independence in carrying out his role as a Non-Executive Director and Chair of the Remuneration Committee. The Board considers that he continues to be independent in his character and perspective, and that there are no relationships or circumstances which are likely to affect, or could appear to affect, his judgement. Helis Zulijani-Boye, as a shareholder representative Non-Executive Director nominated by Newlight, was appointed to the Board under the Shareholders' Agreement on 9 March 2022 and is not regarded as independent by the Board. Temitope Lawani is no longer a shareholder representative Director, as Lath's shareholding fell below 10% in 2021, and remains on the Board as a non-independent Non-Executive Director. Details of the Shareholders' Agreement can be found opposite.

Division of responsibilities continued

Company Secretary and legal advice

All Directors have access to the advice and support of the Company Secretary, who ensures that the Board receives information to enable it to function efficiently and effectively, and whose responsibilities are outlined on page 91. In addition, all Directors may take independent professional advice at the expense of the Company to carry out their duties, if they believe it is necessary.

Tax strategy

The Group is committed to complying with its statutory obligations in relation to the payment of tax, including full disclosure of all relevant facts to the appropriate tax authorities. Whilst the Board has ultimate responsibility for the Group's tax strategy, the day-to-day management rests with the Group CFO and the Group Head of Tax and Treasury, who reports directly to the Group CFO. Further information on the Group's tax strategy is available on the Company's website at heliostowers.com/investors/corporate-governance/policies/.

Risk management and internal control

The Board has overall responsibility for the Group's risk management and internal controls, setting its risk strategy, risk appetite and monitoring risk exposure consistent with strategic priorities. The Board has delegated responsibility for these duties to the Audit Committee, which regularly reports to the Board. The Group has a risk management framework and an established Group-wide system of risk management and internal control, both of which are regularly reviewed by the Audit Committee and the Board. This enables management and the Board to evaluate and manage the Group's emerging and principal risks and uncertainties. As part of the regular review, particular consideration is given to the effectiveness of the risk management and internal control system and to material financial, operational, compliance and sustainability (including climate) risks and controls, and the appropriate mitigating steps.

The Board confirms that throughout 2022, and up to the date of approval of this Annual Report and Financial Statements, there have been rigorous processes in place to identify, evaluate and manage the emerging and principal risks and uncertainties faced by the Group, further details of which can be found in the Risk Management and principal risk and uncertainties on pages 58–63. The Audit Committee's Report can also be found on pages 103–108, detailing its risk management and internal control activities during the year.

Composition, succession and evaluation

Board composition

As at 31 December 2022, the Board comprised of ten members: the Chair, Group CEO, Group CFO and seven Non-Executive Directors, five of whom are considered independent by the Board and under the requirements of the Code. The Board has 40% female representation and four directors from non-white ethnic groups. The composition of the Board changed during 2022: on 17 August 2022, Kash Pandya stepped down as Non-Executive Deputy Chair and as a Director of the Company, and on 9 March 2022, David Wassong stepped down as a Non-Executive Director of the Company. He was replaced with Helis Zulijani-Boye by Newlight, pursuant to the Shareholders' Agreement. Further information on the Shareholders' Agreement can be found on page 96.

The Nomination Committee Report explains the Committee's work in leading a formal, rigorous and transparent process for appointing a new Director to the Board, taking into consideration succession plans, skills, experience, knowledge and diversity in all forms. Further details regarding Board composition and diversity are outlined in the Nomination Committee Report on pages 99– 100.

All Directors are subject to annual re-election at the AGM and Non-Executive Directors are expected to serve no more than three three year terms, providing a total of nine years' service. Non-Executive Directors receive letters of appointment on joining the Board and these are available for shareholders to view at the Company's registered office, and before and after the AGM.

Training and induction

Following their appointment to the Board, all Non-Executive Directors receive a formal, tailored and comprehensive induction, including one-to-one meetings with the Chair, Group CEO and Group CFO, and the other Non-Executive Directors and the Company Secretary. Meetings are also arranged with the Executive Leadership Team to gain insight and operational understanding of the business. Site visits are encouraged and carried out wherever possible, usually in conjunction with the rest of the Board.

Each year, training on recent and relevant topics is provided to all Board members, and additional training needs are recognised and addressed as appropriate during the year. Board members are aware that it is essential that their skills and knowledge are kept up to date, and that they retain an awareness of recent and upcoming developments on matters that are relevant to the Company and individual Directors. During the year, Linklaters LLP provided Board members with training on the UK Bribery Act, the US Foreign Corrupt Policies Act and the corresponding sanctions and exemptions, the UK Market Abuse Regulation, focusing on a case study, and Listing Regime developments.

Helis Zulijani-Boye

Helis Zulijani-Boye was appointed to the Board on 9 March 2022, as a Non-Independent Non-Executive Director. Helis induction included:

- calls with the Chair and the Group CEO prior to her appointment;
- one-to-one meetings with the Chair and the Executive Directors, comprising the Group CEO, the Chief Operating Officer at the time, and the Group CFO;
- one-to-one meetings with the other Non-Executive Directors and the Company Secretary;
- meetings with the Executive Leadership Team; and
- Board visits to Ghana and Oman.

Nomination Committee Report

Sir Samuel Jonah KBE, OSG
Chair, Nomination Committee

Committee membership and attendance

Member	Attendance (2)
Sir Samuel Jonah, KBE, OSG (Chair)	2
Magnus Mandersson	2
Temitope Lawani	2
Sally Ashford	2
Carole Wamuyu Wainaina	2

Women on the Board

40%

2021: 27%

Dear Shareholder,
I am pleased to present the report of the Nomination Committee (the Committee) for the year ended 31 December 2022.

Role of the Committee

The role of the Committee is to:

- regularly review the structure, size and composition of the Board and its Committees, ensuring the right balance of skills, experience and knowledge for the future needs of the Group, and identify and nominate candidates for Board approval to fill Board vacancies;
- ensure plans are in place for the orderly succession to the Board and senior management positions, and oversee the development of a diverse pipeline for succession;
- oversee, with the Chair, the annual evaluation of the performance of the Board, its Committees and individual Directors; and
- consider and review the Company's policy on diversity and progress against that policy, and work with human resources to set and meet diversity objectives and strategies.

The Committee's terms of reference can be found at heliostowers.com/investors/corporate-governance/documents/.

Key activities during 2022

The Committee met twice during 2022 to consider and, where appropriate, approve the following key matters:

- Independence of the Non-Executive Directors;
- Board gender diversity;
- Re-election of Directors;
- Board succession planning;
- Approval of Independent Audit Limited to assist with, and review the outcome of, the 2022 External Board Evaluation process; and
- Approval of the Nomination Committee Report for the 2021 Annual Report and Financial Statements.

Diversity, Equity and Inclusion (DEI)

The Company has a Diversity and Inclusion (D&I) policy in place, which applies to the Board, its Committees, Executive Leadership Team and the wider workforce, to promote diversity across the Group. The Committee is fully committed to ensuring that the Company upholds the objective of the policy to foster a diverse and tolerant culture, where all employees are provided with development opportunities in a diverse, inclusive and collaborative work environment. The Committee keeps the policy, its objectives and implementation under review and an in-depth review of the policy, to further align with the Company's DEI ethos, will be carried out in 2023. The Committee also recognises that the continued success of the Company depends on the recruitment of the best people, based purely on merit, leading to a diverse and talented workforce.

The Board and the Committee promote the Company's gender and wider DEI strategy to drive better decision-making, stronger business performance, incremental value creation for the Company's stakeholders and to contribute to broader socio-economic progress in the Company's markets. Both also recognise that the Company operates in a challenging sector as it seeks to build a gender-diverse workforce, in particular where the safety and security of women is a concern in remote field-based roles. Nevertheless, the Board and the Committee actively encourage, in line with our values and strategy, attracting and retaining the best female talent and creating an environment where women want to build long term careers with the Company. A mentoring programme for women across the Group was introduced during 2022, led by three of the female Non-Executive Directors (Alison Baker, Sally Ashford and Carole Wainaina), with the first meeting taking place in late 2022, where the Non-Executive Directors shared their career experience. Further sessions are planned for 2023 on topics such as leadership, conflict and risk. The Impact Report on pages 30–35 provides information regarding DEI, the leadership and mentoring programme for women, updates to our Group policies and the Company's focus on bridging the gender gap in our industry.

During 2022, the Committee held in-depth discussions on the Board's gender diversity and the targets required by the Hampton-Alexander Review. It concluded that the gender diversity of the Board fulfilled governance requirements. However, the Committee will keep gender diversity (and diversity more generally) under constant review alongside the assessment of the composition of the Board.

The Board is aware of the FTSE Women Leaders Review (FTSE WLR) recommendations and the FCA's Listing Rules requiring listed companies to state their compliance with specific board diversity targets. As at 31 December 2022, and following the changes to the Board outlined on page 98, female representation on the Board stood at 40% and, as such, complied with the FTSE WLR recommendation and FCA's target.

Nomination Committee Report continued

As at 31 December 2022, the Board is proud to have four Directors from non-white ethnic groups, exceeding both the FCA's target and Parker Review requirement for FTSE 250 companies to have one director from a non-white ethnic group by 2024.

The Board is mindful of the FTSE WLR recommendation and FCA target to have a female director in one of the senior board positions (Chair, SID, CEO, CFO) and will consider this as part of the Company's succession planning process outlined below, when a vacancy arises.

There have been no changes to the Board between 31 December 2022 and the date of this report that would affect the Company's ability to meet one or more of the above recommendations or targets.

The Company is disclosing the numerical data in accordance with LR 9.8.6R(10) and 14.3.33R(2) on a voluntary basis as at 31 December 2022. The Company has collated this data through established internal human resources processes.

Gender

	Number of Board members[1]	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of Executive Management[2]	Percentage of Executive Management[2]
Men	6	60%	4	8	73%
Women	4	40%	0	3	27%

Ethnicity

	Number of Board members[1]	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of Executive Management[2]	Percentage of Executive Management[2]
White British or other white	6	60%	2	6	55%
Asian/Asian British	1	10%	1	1	9%
Black/African/Caribbean/ Black British	3	30%	1	2	18%
Mixed or Multiple or other ethnic group	–	–	–	2	18%

1 The CEO and CFO are included in both the Board and Executive Management figures.
2 Executive Management refers to the Executive Committee as described on page 89 and whose biographies can be found at heliostowers.com/who-we-are/leadership/executive-leadership-team/.

Succession planning and appointments

The Committee and the Board are committed to both succession planning and personal development, which are aligned with the Company's Sustainable Business Strategy. The Committee regularly reviews, and is kept up to date by the Director of Human Resources with changes to succession planning for senior management positions, and ensures plans are in place for immediate, medium and long term successors. People development is another area of focus, in order to create a diverse pipeline of talent and to develop that talent through opportunities arising through leadership and executive training and development, and skills or subject-specific training across the Group.

In addition, the Committee regularly reviews the structure, size and composition of the Board, taking into account skills, experience, diversity in all its forms, length of service and independence of the Directors. This is to ensure the Board has the right mix of capabilities to support the Executive Leadership Team and the wider workforce to deliver the Company's strategy and the future needs of the business. During 2022, the Committee discussed at length the Board's current composition and capabilities, and assessed what may be required in the next three to five years. These discussions will continue throughout 2023.

A rigorous and formal process is carried out for all Board appointments with the Committee recommending any new Director to the Board for approval. No new appointments were made during 2022. However, following his retirement as CEO in April 2022 and subsequent appointment as Non-Executive Deputy Chair, Kash Pandya stepped down from the latter role on 17 August 2022 , in order to pursue other non-executive opportunities. The Committee concluded at that time that the mix of skills, experience and diversity remaining on the Board was sufficient for the future needs of the Company and decided not to appoint a Non-Executive Deputy Chair to replace Kash. On 9 March 2022, David Wassong resigned as a Non-Executive Director and was replaced with Helis Zulijani-Boye, a Managing Director of Newlight, in a change made pursuant to the Shareholders' Agreement, noted on page 96.

Information on the Board's diversity, skills, experience and tenure can be found on page 90.

Independence

The Committee has reviewed the composition of the Board and carried out an assessment of the independence of the Non-Executive Directors in accordance with Provision 10 of the Code. It concluded that Magnus Mandersson, Alison Baker, Sally Ashford and Carole Wainaina each remained independent and that Temitope Lawani and Helis Zulijani-Boye were non-independent due to their appointments under the Shareholders' Agreement, details of which are set out on page 96. In relation to Richard Byrne, the Committee concluded that, although he had been a Director of a Group company since 2010, he continued to demonstrate the qualities of independence in carrying out his role as a Non-Executive Director. He provided appropriate challenge to the Executive Directors and the Executive Leadership Team, exercising independent judgement and being a key contributor in Board and Committee meetings.

The Committee therefore continue to consider Richard Byrne to be independent. The Committee is satisfied that all Directors stand for re-election at the AGM in April 2023.

Board evaluation

The Company is required to carry out an external Board evaluation every three years under the Code and did so during 2022, following internal evaluations in 2020 and 2021. The Committee is responsible for the completion of formal evaluations of the Board and its Committees each year. The evaluation process provides an opportunity for the Board and its Committees to gain meaningful insight into their performance, composition and how well members worked together during the year.

The Chair acts on the results of the Board evaluation, shares these with the Board for discussion, and works with the Company Secretary to ensure any strengths are recognised, and any focus or action areas are considered and implemented during the next financial year.

2021 internal Board evaluation: actions taken in 2022

The following actions were taken during 2022 in relation to the outcomes from the 2021 internal evaluation:

	Issues identified in 2021	Actions taken in 2022
1	Ensuring the Board agendas focus on the key areas for discussion and the issues that really matter to the Company.	The Company Secretary carried out a review of Board agendas to ensure key focus areas are included for discussion. Summary papers have been introduced to ensure specific points for discussion and/or approval are emphasised, thus ensuring meaningful debate on those matters which are most relevant to the Company.
2	Whether the Board would prefer position tables for effective discussion, highlighting the questions the Board should consider and spend its time working through.	Board papers have been reviewed and streamlined in order to facilitate more effective decision-making by the Board.
3	Continuing to leverage the expertise and experience of individual Directors to maximise the value they bring to the business.	Executive Directors work closely with the Non-Executive Directors, who mentor members of the Executive Leadership Team, allowing the Company to utilise the experience of the Non-Executive Directors.
4	Whether the Board would benefit from greater discussion on risk acceptance and risk management.	The Audit Committee Chair continues to report to the Board on risk matters discussed by the Audit Committee. The Chair ensures there is adequate time for debate on risk acceptance and management matters at Board meetings.
5	Whether more time should be given to the discussion of changes in the external environment, particularly macroeconomic and competitor shifts, and the opportunities and challenges presented by technological trends.	The Board has established a Technology Committee. Although not a committee of the Board, it reports into the Board and consists of the SID as Chair, two Non-Executive Directors, the Executive Directors, the Regional CEO–Southern Africa and Group Commercial Director, the Director of Operations and Engineering and the New Product Development Director.

2022 External evaluation

The Committee appointed Independent Audit Limited (IAL), following a thorough tender process, to carry out an external evaluation in 2022. IAL is an independent consultancy, who worked with the company secretarial team for the first time in 2021 to complete the internal evaluation (details can be found on page 97 of the 2021 Annual Report), and has no other connection with the Company.

The scope of the external evaluation was to review the effectiveness of the Board and its Committees. As part of the external evaluation process, IAL observed one Board meeting and the Audit and Remuneration Committee meetings during August and October 2022 and carried out one-to-one interviews with each Board member, the Company Secretary and one member of the Executive Committee who regularly attends Board meetings. As part of their review, IAL considered the skills, experience and contributions made by each Board member, and any issues raised were discussed with the Chair and/or SID. IAL also carried out a review of Board and Committee papers. The Company Secretary provided IAL with access to papers and set up interviews on behalf of IAL. IAL's findings were initially discussed with the Chair and Company Secretary, and then circulated to all Board members.

IAL presented the outcomes from the external evaluation to the Board for its consideration and discussion and answered questions from Directors at the December Board meeting. The Board will consider the conclusions of the evaluation and implement initiatives where practical to do so, to further enhance Board effectiveness during 2023.

Findings

It was recognised that the Board works well together and acts as a cohesive group, having responded positively to virtual meetings and the transition to a new Group CEO in 2022. There are orderly discussions with good relationships formed, particularly between the Chair and the Group CEO, and the skills and knowledge of the Board are broad in range. The Group CEO has a strong working relationship on an individual basis with Board members, who have confidence in the Executive Leadership Team. The Board has a good understanding of the business and strategy, having gained valuable insights from personal visits to operating companies, and through briefing sessions.

The Company is a people-centric business, which is reflected in the Boardroom where people-related issues get prominence and prompt discussions from all Directors. The Committees are well run by their respective Chairs, and detailed oversight of key areas is managed at Committee level, with reporting to the Board on all approvals and significant issues communicated by the Chairs.

Outcomes and actions

Whilst the Board has built a solid foundation, it recognises that there is room for improvement, which could be gained by:

- a move from operational involvement to strategic implementation and direction, with the Board developing a sharper focus on the strategic drivers of the Company's success, whilst continuing to advise and support the Executive Leadership Team;
- agreeing the Board's focus areas and priorities, so as to create space for fuller discussions;
- resetting Board agendas to focus more on strategic rather than operational matters; and
- structuring Board papers to be more focused on discussion points and analytical narrative.

The Committee will work with the Chair and Company Secretary to embed the outcomes and implement the required actions during 2023.

2022 External evaluation process

June:
The Committee considered various providers and approved the appointment of IAL.

August:
IAL observed the Audit and Remuneration Committee meetings.

September – October:
- IAL observed the October Board meeting.
- IAL interviewed all members of the Board, the Company Secretary and one member of the Executive Committee.
- IAL reviewed all Board and Committee papers for the previous 12 months.

December:
- IAL presented the results of their evaluation to the Board.
- The Board discussed the results of the evaluation at length and agreed actions for improvement during 2023.

Sir Samuel Jonah KBE, OSG
Chair, Nomination Committee
15 March 2023

Strategic Report
Governance Report
Financial Statements

Audit Committee Report

Alison Baker
Chair of the Audit Committee

Committee membership and attendance

Member	Attendance (6)
Alison Baker	6
Magnus Mandersson	5
Richard Byrne	6
Carole Wamuyu Wainaina	5

Time spent on each area of responsibility during meetings in FY22

%

Dear Shareholder,
I am pleased to present our Audit Committee (the Committee) Report for the year ended 31 December 2022.

Role of the Committee

The role of the Committee is to:

- provide effective governance and monitor the integrity of the Group's financial statements and any formal announcement relating to the financial performance, review significant financial reporting judgements, issues and estimates and confirm whether, taken as a whole the Annual Report and Financial Statements are fair, balanced and understandable;
- review the performance of both the internal audit function and the external auditor; and
- oversee the Group's internal control systems, business risks and related compliance activities.

The Committee's terms of reference can be found at heliostowers.com/investors/corporate-governance/documents/.

As the Group continues to expand, we have maintained our focus on the continuous improvement of our internal control environment, integrating new markets and continuing to navigate the challenging macro-economic environment.

The Committee reports to the Board with its assessment of effective governance in financial reporting, internal control and assurance processes, and on the procedures in place to identify and manage risk.

This report provides an overview of how the Committee operated, an insight into the Committee's activities and its role in ensuring the integrity of the Group's published financial information and ensuring the effectiveness of its risk management, controls and related processes.

In addition to the scheduled Committee meetings, I have met regularly with the Group CFO, Head of Internal Audit and the external audit partner to discuss their reports and any relevant issues. I regularly meet the Deloitte audit team as part of my ongoing review of their effectiveness and quality.

Committee membership

In compliance with the Code, the Committee is composed exclusively of Non-Executive Directors, and each member is considered to be independent by the Company. The Chair of the Company, Sir Samuel Jonah KBE, OSG, is not a member of the Committee. There have been no changes to the membership of the Committee during the year.

The Board is satisfied that I have recent and relevant financial experience to Chair the Committee. I am a Chartered Accountant and chair audit committees of other listed companies, and am recognised by the Board as being well qualified to undertake this role effectively.

The Committee has operated using a hybrid meeting format, combining meeting in person and video conferencing. Details of the members and attendance at each of the scheduled meetings is shown in the table opposite and the biographies and qualifications of the members are shown on pages 87-88.

I would like to thank my fellow Committee members Richard Byrne, Magnus Mandersson and Carole Wamuyu Wainaina, whose insightful contributions have enabled the Committee to perform its duties effectively. Their performance is reviewed on an annual basis as described on pages 101-102.

Various officers and senior leaders of the Company attend Committee meetings by invitation. These include the Chair, Group CEO, Group CFO, Group Finance Director, Group Financial Controller, General Counsel and Company Secretary, Group Head of Compliance, Group Head of Internal Control and representatives from the external audit team.

After each meeting I, as the Chair of the Committee, report to the Board on the business undertaken.

The 2022 Board effectiveness review, undertaken by Independent Audit Limited, included specific feedback on the effectiveness of the Committee. Overall the Committee was deemed to be functioning well and was effectively chaired. In conjunction with the Board and management our primary area of focus for the coming year is the adoption of new requirements following the BEIS reforms and continuing to mature the risk management and internal audit functions as the organisation continues to grow.

Committee activity in 2022

In planning its own agenda, and reviewing the audit plans of the internal and external auditor, the Committee takes account of significant issues and risks, both operational and financial that may have an impact on the Group's Financial Statements and/or the execution and delivery of its strategy. The Committee requested management to provide a number of in-depth reviews as part of the meeting agenda. These reviews and other Committee activities in 2022 are summarised below. Following these reviews, action items were agreed, and progress against each item is being tracked and reviewed by the Committee.

Business process reviews, carried out in conjunction with internal audit

Details of Committee activity

End to end process reviews, including process maps, risk and key control matrices and any internal audit findings and remediation activities. These were undertaken by the Group process and control owner. The process reviews included:

- Financial consolidation;
- Fixed assets;
- New markets controls;
- Treasury process;
- Lease system review;
- Payment and spend justification; and
- HR, operations and maintenance.

New markets finance

Details of Committee activity

Following the recent acquisitions in Senegal, Madagascar and Malawi, the Committee considered the risks, controls and financial statement impacts from these new markets. The Committee has also reviewed and challenged the judgements made in the purchase price accounting adjustments.

Ongoing quarterly updates

Details of Committee activity

Each quarter, the Committee reviews management papers covering:

- Judgements and estimates;
- Tax risk management and reporting;
- Litigation update;
- Going concern assessment;
- Internal control update;
- Internal audit – summary findings, outstanding actions, plan and progress;
- Compliance update, including whistleblower reporting and fraud risk management; and
- Risk management and disclosure, including emerging risk considerations.

IT update

Details of Committee activity

Update from the Group IT Director in relation to the overall IT strategy, in particular systems architecture and cyber risk.

Cyber security risk

Details of Committee activity

The Committee received reports from the Group IT Director on:

- Cyber security and information security, including user security, supplier security;
- Cyber defence;
- Network authentication; and
- Business continuity management.

Climate risk and TCFD alignment

Details of Committee activity

The Committee gained an understanding of sources and reliability of non-financial data, plans for GHG emissions assurance in 2022, plans for further alignment with TCFD recommendations based on the actions listed in our previous TCFD statement and an overview of the climate risk and opportunities review as described on pages 70-71.

The Committee also considered climate related financial risks and gained feedback from Deloitte on management's current assessment of climate related financial risks as set out in Note 2b on page 165.

Strategic Report
Governance Report
Financial Statements

Accounting and financial reporting matters

The table below includes the key matters considered by the Committee, with support and challenge from the external auditor. Details of the work undertaken by Deloitte is set out in their audit opinion on pages 143-151.

Taxation

Action taken by management

Due to the evolving nature of tax legislation and its application in our operating countries, management is required to make judgements and estimates in relation to tax risks, the outcomes of which can be less predictable than in other jurisdictions. Third party experts are utilised in each market to advise on the likelihood of a range of outcomes.

Management considers each tax case on an individual basis and makes an assessment of the probability of an outflow of cash arising and making provision or disclosure of such amounts according to IAS 37.

Action taken by the Committee

The Committee considered papers from management on the material tax cases. After receiving input from the Group CFO on the latest position with regards to ongoing matters, it concluded that the Group's tax position has been appropriately accounted for and that there was adequate disclosure in relation to the key known uncertain matters as set out in Note 27 to the Financial Statements.

Response to challenge by the Auditor

The Committee considered the matters raised by Deloitte in their report. Following discussion of the work performed, the advice of local market experts and the key matters in Deloitte's report, the Committee concluded that the positions taken by management are reasonable.

Recoverability of receivables and accrued revenue

Action taken by management

The Group's customer base is primarily large multinational MNOs who account for 90% of the receivables balance. Accordingly, management's review for impairment of receivables focuses on the smaller operators, or where there is evidence of a customer dispute.

Management are in regular discussion with customers regarding overdue balances and use this information to assess the appropriate credit risk rating for each balance.

Action taken by the Committee

The Committee received detailed analysis of the receivables and accrued revenue balances for consideration.

The Committee challenged management on the recoverability of receivables, accrued revenue balances and revenue recognition for amounts under dispute to ensure the level of revenue recognised was in accordance with the Group's policy, and that there was appropriate supporting documentation to allow this to be recognised as revenue under the contract and that provisions were appropriately made for receivables. Details can be found in Note 15.

Response to challenge by the Auditor

Deloitte have considered the individual circumstances of the receivables and accrued income, applied judgement regarding the wider telecoms market in each country and performed a receivables confirmation process to ensure balances are recognised appropriately. We have considered the matters raised by Deloitte and are satisfied that their work has been appropriate in this area.

Business combinations

Action taken by management

The Consolidated Financial Statements include the final and provisional accounting for the fair value of assets and liabilities acquired in business combinations in the period and prior period.

Accounting standards allow the fair value of acquired assets and liabilities to be revised within 12 months following the transaction date. Management have engaged third-party experts where appropriate to identify and value assets and liabilities acquired.

Action taken by the Committee

The Committee has considered papers from management regarding the accounting for each acquisition. These have considered if the acquisition meets the definition of a business under IFRS 3, the key judgements and estimates and disclosure in the Financial Statements.

Following due consideration and discussion, the Committee has concluded that it is satisfied the acquisitions have been accounted for appropriately.

Response to challenge by the Auditor

Deloitte have utilised their subject experts to audit the purchase price accounting and to assess the judgements taken by management particularly with regards valuation assumptions and key impacts. The Committee has acknowledged their report and discussed the key judgements in detail.

Going concern and long-term viability

The Committee reviewed and challenged management's assumptions in assessing the going concern basis of preparation and the scenarios and disclosure of longer-term viability, including the impact of Covid-19.

With respect to going concern, the Committee:

- reviewed the detailed cash flow forecasts prepared by management and challenged the underlying assumptions including downside scenarios and the impact of macro-economic factors and the necessary capital commitments to meet our carbon emission targets;
- assessed the Group's available facilities and headroom including compliance with bond and banking covenants;
- reviewed comments from Deloitte on the assumptions and judgements made; and
- satisfied with the robustness of the review, recommended to the Board the appropriateness of the going concern assumption and the related disclosures.

Further details on the Group's going concern assessment can be found in Note 2(a) to the Financial Statements.

With regard to the viability statement, the Committee:

- reviewed and challenged management on its recommended viability period as well as on its robust modelling, stress-testing scenarios (including the impact of Covid-19) and conclusions; and
- satisfied itself that a five-year outlook is appropriate. This period is driven principally by the fact that it is covered by the Group's strategic plan and reflects the nature of the Group's principal risks (some of which are external and have the potential to impact in the short term).

The viability statement, and a full explanation, can be found on pages 72-73.

Alternative Performance Measures (APMs)

Historically, the tower industry has used a wide range of APMs to compare and assess business performance. This is a function of differing lease and debt structures, as well as asset life.

The Committee reviewed the APMs used within the Annual Report and Financial Statements and concluded that the disclosures were appropriate. The Committee requested that the external auditor specifically comment on the APMs against disclosure of the ESMA guidance.

The external auditor challenged the balance of APMs and importance of equal prominence and additional disclosures in relation to adjusting items. In order to ensure appropriate balance and not giving undue prominence, the Committee requested that management present all of the APM reconciliations and explanations in a separate section of the Annual Report and Financial Statements. This can be found on pages 74-76. In response to the challenge, management have also enhanced the number of statutory measures provided in the front half of the Annual Report.

Fair, balanced and understandable

The Board is responsible for ensuring that the Annual Reports and Financial Statements are fair, balanced and understandable.

In March 2023, the Committee assessed and recommended to the Board (which it subsequently endorsed) that, taken as a whole, the 2022 Annual Report and Financial Statements is fair, balanced and understandable and provides the necessary information for shareholders to assess the Company's position and performance, business model and strategy.

In forming its opinion, the Committee reflected on information it had received from management, Internal Audit (IA), external auditors and Committee discussions during the year. The Committee's assessment included:

- understanding the detailed process undertaken in drafting the Annual Report;
- feedback from investors;
- work presented by IA, at our March 2023 meeting, on assurance surrounding non-financial KPIs and management information; and
- results from work undertaken by Deloitte on their review of the Annual Report.

Risk management and internal control

With the assistance of the IA team, the Committee has, on behalf of the Board, monitored and regularly reviewed the effectiveness of internal controls and risk management systems, including ESG risk.

Internal control effectiveness

The Committee receives updates at each of their meetings regarding the control environment and operating effectiveness. The Committee also performs deep dives into specific areas at each of their meetings. The areas covered in 2022 are specified on page 104 under 'Committee activities in 2022'. The Committee was satisfied that an effective review of the system of risk management and internal control took place during the 2022 financial year.

A risk and assurance map has been developed setting out the three internal lines of defence across the Group's departments. Workshops have been held internally to ensure the plan is carried out as designed.

A particular area of focus was the entry into new markets in the year. The Committee received input from management and IA regarding the processes in place both at a Group and local level. A post-implementation report on the new operations in Madagascar and Malawi was received from IA with no significant concerns noted. The Committee plans to receive a report from IA in 2023 for Oman between six and 12 months of operations beginning.

Principal risks

The Committee reviewed and recommended to the Board the principal risk disclosures for approval, including emerging risk considerations, for inclusion in the 2022 Annual Report and Financial Statements.

Following a robust assessment of the principal risks by the Committee during the year, no amendments were made.

Details on how the Group implements its risk management framework and monitors its controls on a Group-wide basis are set out on pages 58-63.

Independent assurance

During the year, the Committee has commissioned and reviewed reports to gain assurance over financial and non-financial metrics. Areas where the Committee has received reports include emissions targets, revenue controls, site operational data, and purchase price accounting. The Committee is satisfied that there were no significant issues raised in these reports, recommendations are being implemented by management and will report back to the Committee on these actions in 2023.

Compliance and whistleblowing

The Group Head of Compliance attends Committee meetings and presents any whistleblowing incidents and an update on ongoing investigations.

The Committee assessed the adequacy of the Group's whistleblowing arrangements and the procedures for detecting fraud. We did not experience any material frauds during the year.

The Committee was satisfied with the outcomes from the investigations and compliance audits.

Internal Audit

I meet with the Head of Internal Audit outside of the formal meetings, typically monthly, to discuss the output from the IA function and aspects of risk management.

The Head of Internal Audit attends each of the Committee meetings and also has a private session with the Committee without management present.

At each meeting, the Committee considers the results of the internal audits undertaken and the appropriateness of management's response to matters raised. The Committee also tracks long-outstanding items. I am satisfied that the Head of Internal Audit is receiving adequate support from the business to undertake the internal audit reviews and senior sponsorship is strong in ensuring that there is timely follow-through of recommendations.

At present, the rolling Internal Audit plan is addressing, in turn, each of the key business cycles across the operating companies and central functions where appropriate. As the Group continues to grow, the Committee will reassess the adequacy of the IA function to ensure that it is fit for growth and emerging risk requirements.

Internal Audit effectiveness review

As noted in our report last year, we have commissioned and reviewed a report from PwC regarding the quality and effectiveness of the IA function. This report noted that the function is in line with our peers in the FTSE 250 and highlighted a number of strengths and areas where improvements can be made. The IA function have welcomed these recommendations and will be implementing these in 2023.

Internal audit effectiveness review process

1. Assessing conformance with international standards
2. Interviews with senior stakeholders
3. Review of observations from external auditors
4. Understanding of IA's structure, approach and capability
5. Review of IA documentation
6. Assessment against PwC's 5 principles for IA
7. Benchmarking against other IA functions

External auditor

During the year, the Group CFO and I have had regular discussions on accounting matters, internal control and fees with our external audit partner, in addition to the detailed discussions undertaken by the Committee.

Professional scepticism and challenge

The quality of the audit is of paramount importance to the Committee and the agenda and accounting matters presented to the Committee are often the outcome of many weeks or months of work undertaken by Deloitte and the Finance function. The regular discussions held outside of the Committee meeting allow me to assess the level of professional scepticism and challenge that our external auditor applies to management.

After each Committee meeting, the Committee also holds a private session with the external auditor, without management present, where the external auditor is challenged on whether they have maintained their independence and objectivity from management in considering key matters and whether there are areas of concern that they wish to bring to the Committee's attention.

In addition to the key matters set out on page 105, areas where the external auditor has challenged management included:

- key sources of estimation and inclusion of sensitivities to help users understand the impact of estimates including impairment testing and derivative valuation; and
- APM disclosures as set out above.

The Committee received a detailed report from Deloitte in advance of the March 2023 meeting and I can report that all key matters and areas of challenge were satisfactorily resolved with no disagreements between the external auditor and management. Some immaterial audit differences were noted and reported to the Committee.

Audit Committee assessment of external auditor quality and effectiveness

In its assessment of audit quality, the Committee took into account:

- the detailed audit scope and strategy for the year, including the coverage of emerging risks in all markets and recent acquisitions;
- Group materiality and component materiality;
- how the external auditor communicated any key accounting judgements and conclusions; and
- feedback from management on the performance of the external auditor.

We reviewed the FRC's 2022 Audit Quality Inspection Report on Deloitte LLP which takes into account all of the Deloitte audits inspected by the FRC's Audit Quality Review Team. The results highlighted the need to:

- improve the challenge of audit of estimates;
- enhance the consistency of group audit teams' oversight of component audit teams; and
- improve the effectiveness of EQCR reviews.

The Committee considered that the audit process as a whole had been conducted robustly and the team had been effective and professional.

External auditor independence and objectivity

The Committee seeks to ensure the objectivity and independence of our external auditor through:

- a focus on the assignment and rotation of key personnel;
- the adequacy of audit resource and level of senior hours; and
- adherence to policies in relation to non-audit work.

The lead audit engagement partner, Bevan Whitehead has held this role for one year following the retendering of the audit in 2021. Deloitte were reappointed following the comprehensive retendering performed in 2021 and have been the auditors of the Group since 2010. The Committee will continue to review the auditor appointment and anticipates that the audit will be put out to tender at least every ten years. Further information on the audit tender process can be found on page 105 of the 2021 Annual Report and Financial Statements. The Company confirms that it was in compliance with the provisions of The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 during the year ended 31 December 2022.

Audit and non-audit fees

Total audit and non-audit fees payable to Deloitte LLP in the year ended 31 December 2022 are disclosed in Note 5b to the Financial Statements. Non-audit fees for 2022 were pre-approved by the committee and in total are less than 20% of the average three-year annual audit fees. Services provided included assurance over the half year report, and other assurance services for specific transactions. The Group's non-audit services policy incorporates the requirements of the FRC's Ethical Standard, including a 'whitelist' of permitted non-audit services which mirrors the FRC's Ethical Standard. The Committee reviews and approves all audit and non-audit fees payable to Deloitte LLP in line with the latest policy and ensures appropriate safeguards are put in place.

Looking ahead

In planning our agenda for 2023, we will comply with the requirements of the Code and follow best practice guidance for audit committees, recently updated by the FRC.

The Committee will continue to receive in-depth presentations from management on the challenges faced by the business and the operation of internal controls across the business cycles. The Committee agenda will also continue to respond to the issues raised by our 'three lines of defence' internally – management, risk and compliance, and IA – as well as the evolving external risk landscape and regulatory environment.

Specific areas of focus in 2023 are:

- new market Company site visits to assess the quality of Finance functions, succession planning and development;
- development of our Audit Assurance Policy in line with the final BEIS guidance;
- development of our climate-related reporting and risk and governance processes; and
- cyber security governance and reporting.

We also seek to respond to shareholders' expectations in our reporting and, as always, welcome any feedback from them. I will be available in person at the AGM in April and welcome any questions relating to the work of the Committee and our forward agenda.

I hope to meet with you then.

Alison Baker
Chair, Audit Committee
15 March 2023

Directors' Remuneration Report

Richard Byrne
Chair

Committee membership and attendance

Member	Attendance (8)
Richard Byrne	8
Sir Samuel Jonah	8
Alison Baker	8
Sally Ashford	7

2022 AGM vote to approve the annual statement by the Committee Chair and the Directors' Remuneration Report

96.2%

2021 AGM: 94.5%

Chair's introduction

Dear Shareholder,

On behalf of the Remuneration Committee (the Committee), I am pleased to present the Helios Towers Directors' Remuneration Report for the 2022 financial year.

For Helios Towers, 2022 was a year characterised by strong operating performance and growth, geographical expansion into Malawi and Oman, and leadership transition; Tom Greenwood succeeded Kash Pandya as Group CEO in April 2022.

We thank our shareholders for their support at our 2022 AGM. The 2021 Directors' Remuneration Report was approved with 'votes for' representing 96.2% of total votes cast.

The Committee met eight times during the year to discuss and resolve agenda items. These included the 2021 Directors' Remuneration Report, Directors' remuneration and awards, the Directors' Remuneration Policy, Kash Pandya's departure, salary increases for Executive Directors and the wider workforce, and all-employee share-based award grants.

In January 2023, I wrote to the Company's pre-IPO shareholders and its 20 largest post-IPO active shareholders, to set out and request feedback on the Committee's intentions with regards to the proposed Remuneration Policy, exercising discretion to adjust 2020 LTIP vesting levels, amending 2021 LTIP target ranges, and increases to Non-Executive Director fees which have remained unchanged since the inaugural Policy was approved at the 2020 AGM. In total, shareholders representing more than 80% of our shareholder base were contacted. Upon request, I had discussions with individual shareholders to respond to questions and provide further clarification. The communication to shareholders was also shared with several prominent shareholder proxy advisors and comments received have been taken into consideration by the Committee.

Proposed Remuneration Policy

2023 marks the third anniversary of our inaugural Directors' Remuneration Policy (the Policy), which was approved by shareholders at the 2020 AGM. We have included in this report the Policy we intend to operate during the 2023–25 financial years. We have developed the proposed revised Policy in line with UK regulations and incorporating many features of UK best practice. Key features include:

- pension entitlements aligned with those of the wider workforce;
- bonus deferral equal to 50% of amounts awarded in excess of target performance levels in the form of restricted share awards, with a three-year vesting period;
- a two-year holding period on shares vested in relation to LTIP awards (following the three-year performance assessment period);
- malus and clawback provisions on incentives;
- a minimum shareholding requirement, set at 200% of base salary for the Group CEO and 150% for other Executive Directors; and
- a shareholding policy post-cessation of employment, equal to 100% of an individual's minimum shareholding requirement for a period of two years.

While largely similar to the previous Policy, we are proposing some amendments that provide the Committee with incremental scope to attach more weight to ESG and strategic initiatives in the bonus performance metrics.

The revised Policy will be submitted for your approval at our AGM on 27 April 2023.

CEO departure

As disclosed in last year's report, Kash Pandya stepped down as CEO following the 2022 AGM and continued to receive his salary and benefits until the end of his notice period in August 2022. He will also receive a pro-rated annual bonus. Kash was not granted an LTIP award during the year. His unvested LTIP awards have been pro-rated to reflect the proportion of the vesting period elapsed, up to the end of his notice period, with unchanged vesting dates. Kash decided to stand down from his role as Non-Executive Deputy Chair with effect from 17 August 2022 and is no longer a Director.

The Company reverted to having two Executive Directors on the Board, the Group CEO and the Group CFO. We do not anticipate any further Executive Director appointments.

Incentive outcomes for 2022

The annual bonus for the Executive Directors was based on Adjusted EBITDA, portfolio free cash flow, network performance, strategic projects and international standards targets. The performance targets for the bonus were set and approved by the Remuneration Committee in 2022, having considered the appropriateness of the performance conditions, the 2022 business plan and market expectations.

Tom Greenwood, Manjit Dhillon and Kash Pandya will receive annual bonus awards equal to 55%, 50% and 56% of their maximum bonus opportunities respectively.

The 2020 LTIP awards granted to executives in November 2019 will vest in March 2023. The Committee considered the vesting of the 2020 LTIP award in the round including performance conditions, relative weightings, targets, performance against targets, resulting vesting levels and resulting vesting value of the award.

Due to the complexity in forecasting acquisitions, the 2020 LTIP targets were set based on an organic growth plan. The Company has since entered four new markets. This inorganic growth created some near-term headwinds against Adjusted EBITDA per share and return on invested capital (ROIC) metrics.

In the Committee's view, the LTIP awards should not disincentivise management and employees to pursue acquisitions of strategic importance to the Company and in the long-term interests of our stakeholders.

With consideration to the impact of acquisitions on formulaic outcomes, the Committee increased the vesting level of the 2020 LTIP award from 38% to 60%, in line with the Committee's discretion under the Policy to adjust outcomes to reflect the underlying performance of the business and other factors. The increased vesting level is in line with that which would have been achieved had we adopted the same targets as the 2022 LTIPs, which incorporated the impact of acquisitions.

The Committee also decided to amend performance target ranges for the 2021 LTIP award to align with those of the 2022 LTIP award for the same aforementioned reasons.

Overall I was encouraged by the level of support received during my consultation with shareholders and the Committee therefore proceeded with the proposals.

As in previous years, no dividends will be paid for the year ended 31 December 2022, given recent acquisitions and the opportunity to invest in the expanded asset base.

Remuneration in respect of the 2023 financial year

The inflationary world economy in 2022, coupled with significant currency devaluations in certain of the Company's markets, has brought significant cost of living increases for the Company's people. Consequently, the Board has adopted a more targeted and differentiated approach to wider workforce salary increases than in previous years.

Most employees will receive pay increases based on a number of factors including individual performance, inflation and cost of living pressures. Given the latter factors were elevated compared to previous years, the Company carefully considered pay rises in relation to these factors, with a larger focus on the lower paid employees to ensure their wellbeing was taken into account. To retain key personnel, specific targeted increases were also considered for certain employees below Executive Director level.

Aligned to this framework for wider workforce increases, the Board has decided to increase each of the Group CEO and Group CFO salaries by 4.7%, compared to an average nominal increase of c.9%[1] for the wider workforce across all markets, and relative to UK and US CPI of 10.5% and 6.5% respectively in December 2022. Effective from 1 April 2023, the Group CEO and Group CFO salaries will be £628,000 and £392,500 respectively.

All other remuneration arrangements will remain unchanged.

Targets for the 2023 LTIP measures are set out on page 134.

The Committee is aware of the increasing importance of Environmental, Social and Governance (ESG) matters to the investor community. Management is also firmly committed to these issues. The Company published its first Sustainable Business Strategy in 2020 and has since published two annual Sustainable Business Reports as well as a Carbon Roadmap in 2021. The Company was awarded a AAA rating from MSCI, the highest possible score, and a Platinum rating from EcoVadis, awarded to the top 1% of companies.

In line with the Company's commitment to deliver on these issues, the Committee is introducing an 'impact scorecard' for the 2023 LTIP award to supplement the existing financial metrics. The impact scorecard includes three equally-weighted, quantifiable metrics aligned to KPIs and targets set out in our Sustainable Business Strategy.

After the initial three-year vesting period, the 2023 LTIP awards will be subject to a further two-year holding period for Executive Directors, resulting in a total vesting and holding period of five years. Share-based schemes will be used for bonus deferrals and LTIP awards.

All-employee HT SharingPlan

We set up the HT SharingPlan in 2021, pursuant to shareholder approval, allowing all employees of Helios Towers Group companies to share in our success. In 2022, all employees received a '2022 Award', of equal value and on the same terms regardless of their position or the country in which they work. The award has a three-year vesting period and is subject to continued employment and good leaver provisions.

In addition, the Company has responded to the challenges our people are facing with significant cost of living increases during the year. As an immediate near-term response, the Board granted a one-off 'Cost of Living Award' with a short vesting period, allowing employees to receive additional share-based income in December 2022.

Some of the Group's operating countries have experienced significant currency devaluations coupled with high inflation during the year. With a sterling-denominated share price and all employees receiving the same award value, we believe the Cost of Living Award not only provided general financial support to the wider Helios Towers workforce; it was a more purposeful and effective means to alleviate, in local currency terms, the significant cost pressures felt by our people through acutely high levels of inflation.

Under the previous and proposed Policy, Executive Directors are not permitted to participate in the HT SharingPlan. However, we believe that our remuneration approach continues to align their interests with those of our shareholders, colleagues and wider stakeholders.

We remain committed to considering the views of all our shareholders and we welcome any comments you may have on this report.

Richard Byrne
Chair, Remuneration Committee

1 Current view based on an ongoing wider workforce pay review to be completed by 31 March 2023.

At a glance

2022 highlights

Expansion to nine markets
Closed acquisitions and commenced operations in Malawi and Oman

Sites acquired:
Malawi: 723
Oman: 2,519

Number of sites
Year-on-year increase
13,553
+42%

Number of tenancies
Year-on-year increase
24,492
+30%

Revenue
Year-on-year increase
$561m
+25%

Adjusted EBITDA
Year-on-year increase
$283m
+18%

Operating profit
Year-on-year increase
$80m
+36%

Key objectives of approach to remuneration

Market competitive to attract and retain talent	Performance-linked incentives	Encourage outperformance
Align with shareholder interests	Align with UK corporate governance practices	Support sustainable growth

Executive Directors' remuneration in respect of 2022

The following table sets out the base salary, benefits, pension and annual bonus received by the Executive Directors during 2022.

The LTIP award granted in respect of the 2020 financial year concluded its performance period on 31 December 2022. This award will vest in March 2023.

	Base salary £'000	Benefits £'000	Pension £'000	Annual bonus £'000	LTIP vesting £'000	Total £'000
Group CEO, Tom Greenwood	548	35	49	504	298	1,435
Group CFO, Manjit Dhillon	369	8	33	281	60	751
Former CEO, Kash Pandya	402	36	35	392	–	865

The Group CEO and Group CFO were granted LTIP awards in respect of the 2022 financial year, equal to 200% and 150% of salary respectively. The performance measures of Adjusted EBITDA per share, return on invested capital (ROIC) and relative total shareholder return (TSR) are equally weighted and assessed over the three-year period from 1 January 2022 to 31 December 2024.

Details of the 2022 LTIP award grant including targets and vesting ranges are disclosed on pages 129 and 130.

Executive Directors' shareholding as of 31 December 2022

	Shareholding requirement % of base salary	Shareholding as of 31 December 2022 % of base salary
Group CEO, Tom Greenwood	200%	881%
Group CFO, Manjit Dhillon[1]	150%	63%

1 Manjit Dhillon became Group CFO on 1 January 2021 and, under the Policy, has five years to attain the shareholding requirement. He held shares with a value equivalent to 63% of salary as of 31 December 2022. However, he has the right under the shareholding requirement policy to sell the majority of these shares in the future because they were obtained prior to his appointment as Group CFO.

Application of the proposed Remuneration Policy in 2023

Overview of quantum

	Base salary before 1 April 2023 £'000	Base salary from 1 April 2023 £'000	Pension % of base salary	Annual bonus[1] maximum % of base salary	LTIP maximum % of base salary
Group CEO, Tom Greenwood	600.0	628.0	9%	175%	200%
Group CFO, Manjit Dhillon	375.0	392.5	9%	150%	150%

1 The annual bonus will be calculated using base salary from 1 April 2023, in line with practice applied to the wider workforce.

2023 annual bonus operation

Performance measures:

Adjusted EBITDA
Financial
50%

Portfolio free cash flow
Financial
30%

Network performance
Non-financial
7.5%

Strategic projects
Non-financial
7.5%

International standards
Non-financial
5%

The targets, and performance against them, will be fully disclosed in next year's Directors' Remuneration Report.

50% of any bonus amounts in excess of target performance levels will be deferred in shares with a three-year vesting period.

2023 Long-Term Incentive Plan operation

Addition of a fourth performance measure based on ESG targets. Performance measures are assessed over a three-year period with the following threshold (25%) vesting to maximum (100%) vesting ranges.

Adjusted EBITDA per share
30%
Targets: 8%–14%
3-year CAGR FY22–FY25

ROIC
30%
Targets: 8%-14%
FY25

Relative TSR vs. FTSE 250 excluding financial services and investment trusts
20%
Targets: median – upper quartile performance

Impact scorecard based on three equally-weighted ESG measures
20%
Targets:
Emissions per tenant: (7%)-(12%)
% female staff: 28%-32%
Population coverage: 2.5-6.0% CAGR

There is a two-year holding period post-vesting, making a five-year vesting and holding period in total.

Malus and clawback

Cash bonuses can be clawed back within three years, and malus applied to any deferred bonus at any time prior to vesting.

LTIP awards can be clawed back within two years from vesting, and malus applied at any time prior to vesting.

Strategic Report
Governance Report
Financial Statements

Summary elements of the proposed Policy

Policy item	Policy and operation	Maximum (% base salary)	Performance Measures	Change versus the previous Policy
Salary	– Broadly aligned to the median of the market benchmark – Reviewed annually	– None	– None	– No change
Benefits	– Market-competitive benefits including life and medical insurance – Relocation allowances may be offered where appropriate	– None	– None	– No change
Pension	– 9% of base salary – In line with wider workforce contributions	– None	– None	– No change
Annual Bonus	– Target for Group CEO: 100% of base salary – Target for other Executive Directors: 75% of base salary – Deferral in shares of 50% of any bonus awarded for above-target performance – Malus and clawback provisions apply	– Group CEO: 175% – Other Executive Directors: 150%	– At least 75% assessed against financial measures – Linear payout between threshold (0% payout) and target, and target and maximum – 2023 measures are Adjusted EBITDA, Portfolio Free Cash Flow, network performance, strategic projects, international standards	– Minimum % of the bonus assessed against financial measures reduced from 80% to 75% providing flexibility to increase incentivisation in relation to ESG and/or strategic initiatives
Long-Term Incentive Plan	– Granted annually – Three-year vesting period – Two-year holding period post-vest – Performance conditions apply – Committee discretion to adjust vesting levels, consulting shareholders where appropriate – Malus and clawback provisions apply	– Group CEO: 200% – Other Executive Directors: 150%	– Financial, shareholder return and strategic performance targets – Straight line vesting between threshold (25% vest) and maximum – 2023 measures are Adjusted EBITDA per share, ROIC, relative TSR, impact scorecard	– No change
Shareholding requirement	– Group CEO: 200% of base salary – Other Executive Directors: 150% of base salary – 5 years to obtain the shareholding requirement – Retention of vested share awards expected until achieved – Two-year post-cessation requirement	– None	– None	– Retention of vested share awards expected until shareholding requirement achieved
Non-Executive Directors	– Annual base-fee – Further fees for additional roles, responsibilities and/or services – No participation in incentive or share schemes – No pension entitlement	– Must not exceed the limit prescribed within the Company's Articles of Association	– None	– No change

Directors' Remuneration Policy

In 2022, the Committee conducted its triennial review of the Policy and believes that the remuneration structures within the Policy remain fit for purpose and aligned with Company strategy. The core structure will therefore retain the market-standard elements of base salary, benefits, pension aligned to the workforce, annual bonus and LTIP.

This section sets out the proposed Policy, which has been prepared in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) (the Regulations). The Policy will be subject to a binding shareholder vote at the AGM on 27 April 2023 and, subject to shareholder approval, will become effective from that date. Although the Policy is intended to apply for three years, the Company can choose to bring a new policy to a vote before the end of this period.

The Policy is based on the principles that:

- remuneration should be competitive with the market, but above-market pay should only be earned for outperformance against the market;
- remuneration should be sufficient to attract and retain talent in the event of the departure of an Executive Director; and
- the design of remuneration should follow similar principles and governance to other FTSE-listed companies.

The Company is committed to achieving high standards of corporate governance. Therefore, the principles of the UK Corporate Governance Code 2018 (the Code) were taken into consideration when developing this Policy. In particular, the Committee believes the proposed Policy is:

- simple, being in line with standard market practice for a UK-listed company;
- clear to both participants and shareholders;
- risk-aligned through features such as malus and clawback provisions and the Committee's ability to overrule formulaic incentive outcomes;
- providing a significant proportion of Executive Directors' pay based on overall corporate performance, and particularly long-term performance; and
- aligned to the culture and business strategy of Helios Towers, by using appropriate performance measures.

The Committee believes the Company and the Policy meet the requirements of Provision 40 of the Code as set out in the following table.

Provision 40 requirement	How this has been addressed
Simplicity and clarity	As a relatively new company to the public markets, we aim to implement remuneration structures with rationales and operations that are already widely adopted, and therefore easily understood by our shareholders, the workforce and the wider public. When developing the Policy, an important objective of the Committee was to ensure it is simple, by aligning with market practice for UK-listed companies and particularly the FTSE 250. Working with our advisers, we have focused on ensuring the Policy presented on pages 114-122 is clear and transparent.
Risk	The Policy includes features to ensure Executive Director remuneration supports the long-term sustainability of the business and is risk-aligned with shareholders. These features include: – malus and clawback provisions; – a minimum shareholding requirement, including a two-year post-employment period; – a two-year holding period for vested LTIPs; and – three-year deferral in shares of 50% of any bonus amounts in excess of target. Bonus and LTIP performance metrics are aligned to financial and non-financial measures that are appropriate, and considered with respect to the Group's near-term and long-term strategies (see 'Aligning remuneration with Company strategy' on pages 123-124). The Committee may apply its discretion to override formulaic outcomes if they are considered to be inconsistent with the underlying performance of the Group.
Predictability	The Policy governs the minimum and maximum opportunities for the Executive Directors in relation to their annual bonuses and LTIP awards, providing clearly defined limits.
Proportionality	A large element of Executive Director remuneration is share-based, ensuring that the interests of Executive Directors and shareholders are aligned. The minimum shareholding requirement, vested LTIP holding period and bonus deferral in shares maintain this alignment over the longer-term.
Alignment to culture	The Company conducts a biennial employee engagement survey to help understand any needs and actions required to enhance performance and culture. In addition to being a member of the Committee, Sally Ashford is the designated Non-Executive Director for workforce engagement. Sally speaks regularly with employees across our markets and in the UK to understand how colleagues feel about working for Helios Towers, and identify any concerns or issues. Our remuneration practices support the Company's purpose and core values.

The views of shareholders and their advisory bodies are also central in informing our thinking. The Committee takes its duty to every stakeholder seriously and actively seeks open dialogue on its approach to remuneration.

If any material changes are proposed to either the Policy or its implementation, the Committee will consult with shareholders and seek their approval when appropriate.

The following table lists and describes Policy's key elements and principles for remunerating Executive and Non-Executive Directors.

Executive Directors

Base salary

Principles

To attract and retain Executive Directors of the right calibre and with the required skills to successfully develop and execute the business strategy.

Base salary is the core element of pay, reflecting the individual's role and responsibilities within the Company, and their experience.

Policy and operation

We aim for salary to be broadly aligned to the median of the market benchmark.

Salaries will be reviewed annually, typically prior to 1 January. In reviewing base salaries, the Remuneration Committee will consider:

- the performance of the Company and individual;
- any changes in responsibilities or scope of the role; and
- pay practices in relevant comparator companies of a broadly similar size.

Maximum

There is no prescribed maximum. However, it is anticipated that any salary increases will generally be in line with those awarded to the wider workforce.

Higher increases may be made in certain circumstances including, but not limited to:

- changes in role and responsibilities;
- market levels; and
- Company and individual performance.

Performance measures

No performance conditions apply.

Changes to previous policy

No changes.

Benefits

Principles

To provide market-competitive benefits valued by recipients.

Policy and operation

The Executive Directors are entitled to receive benefits-in-kind, including life insurance, medical insurance and gym membership. Other appropriate and market-competitive benefits may be provided in the future but will not be significant.

Where an Executive Director is required to relocate to perform their role, they may be offered appropriate relocation allowances and international transfer-related benefits where required.

Benefits will be reviewed annually by the Remuneration Committee.

Maximum

The value of benefits delivered will depend on the cost of providing these particular items, and there is no prescribed maximum.

Performance measures

No performance conditions apply.

Changes to previous policy

No changes.

Pension

Principles

To provide retirement benefits in line with the wider workforce.

Policy and operation

Pension contribution rates (or allowances in lieu) for Executive Directors will be aligned with those available to the workforce.

Maximum

9% of base salary, subject to change if the contributions available to the wider workforce increase or decrease.

Performance measures

No performance conditions apply.

Changes to previous policy

No changes.

Annual bonus

Principles

To focus the Executive Directors on the successful delivery of business performance and strategy, over a one-year operating cycle.

Policy and operation

The annual bonus is to reward performance over a financial year.

Once set, performance measures and targets will generally remain unchanged for the year, except to reflect events (e.g. corporate acquisitions and other major transactions), where in the Committee's opinion it is necessary to make appropriate adjustments.

The target bonus is 100% of base salary for the Group CEO and 75% of base salary for the CFO. 50% of any bonus awarded for above-target performance will be deferred for three years in shares, subject to continued employment and good leaver conditions. Dividends and dividend equivalents will be payable on deferred shares during the vesting period.

The Committee has discretion to withhold or increase all or part of the bonus if performance is not a true reflection of the business performance.

Malus and clawback provisions apply as explained in more detail in the notes to this policy table.

Maximum

Group CEO: 175% of base salary.

Other Executive Directors: 150% of base salary.

Performance measures

Performance will be assessed against financial and non-financial measures to provide a more rounded assessment.

Although specific measures may be amended each year to reflect the business strategy, at least 75% of the bonus will be assessed against financial measures.

There will be a 0% payout for threshold performance, with linear payout between threshold and target, and target and maximum.

Changes to previous policy

A reduction in the minimum percentage of the bonus that will be assessed against financial measures from 80% to 75%.

While there are no changes to the performance conditions and their weightings for the 2023 annual bonus, the change provides the Committee with scope to attach more weight to ESG and strategic initiatives in the bonus performance metrics in the future.

Long Term Incentive Plan (LTIP)

Principles

The LTIP represents the long-term incentive aspect of the Executive Directors' overall remuneration package, with the aim of motivating and rewarding them for the long-term delivery of sustained performance and value creation for shareholders.

Policy and operation

LTIP awards will be granted on an annual basis. They may be granted as nil-cost options or restricted shares which vest subject to a three-year performance period where specified performance conditions are satisfied.

After vesting, awards will be subject to a further holding period of at least two years.

The Remuneration Committee retains discretion to adjust the vesting levels to ensure they reflect underlying business performance and any other relevant factors. The Committee will consult with shareholders where appropriate before using its discretion to increase the outcome.

Dividends and dividend equivalents will be payable on vested awards during the holding period.

Malus and clawback provisions apply; these are explained in more detail in the notes to this policy table.

Maximum

Group CEO: 200% of base salary.

Other Executive Directors: 150% of base salary.

Performance measures

A combination of financial, shareholder return and strategic performance targets will be set for each annual award.

Prior to award, the Committee will determine the measures, targets and weightings. The current measures are Adjusted EBITDA per share, ROIC, relative TSR and an impact scorecard comprising quantifiable ESG metrics aligned to strategic KPIs and targets.

For threshold performance, 25% of the maximum award will vest, with straight line vesting between threshold and maximum performance.

Changes to previous policy

No changes.

Shareholding requirement

Principles

Minimum shareholding requirement for the Executive Directors to further promote the alignment of interests of the Group CEO and other Executive Directors with shareholders, by tying up a proportion of their wealth in the business.

Policy and operation

The current Executive Directors are subject to the following shareholding requirements:

- Group CEO: 200% of base salary.
- Other Executive Directors: 150% of base salary.

A new incoming Executive Director would have five years to obtain the necessary shareholding.

Deferred bonus and LTIP awards that have vested count towards the shareholding requirement (including unexercised options). Unvested deferred bonuses not subject to performance conditions count towards the shareholding requirement on a pre-tax basis.

Unvested LTIP awards do not count towards the shareholding requirement.

Executive Directors are able to make up for any shortfall in shareholding through self-purchase of shares in the open market.

Under the terms of the Company's Shareholding Policy, Executive Directors are expected to retain all vested share awards until they achieve their shareholding requirement, excluding share sales to pay tax in relation to the vesting of awards.

Post-cessation shareholding requirement

The Executive Directors will be required to hold shares of a value equal to the lower of 100% of the shareholding requirement and their actual shareholding on cessation, for a period of two years post-cessation. The Committee will have the discretion to waive this requirement in certain exceptional personal circumstances in accordance with the terms of the Shareholding Policy.

Maximum

Not applicable.

Performance measures

Not applicable.

Changes to previous policy

Executives Directors will now be expected to retain all vested share awards until they achieve their shareholding requirement.

Non-Executive Directors

Directors' fees

Principles

The Company offers fixed-fee remuneration to attract and retain high-calibre and experienced individuals to serve on the Board, by offering market-competitive fee arrangements.

Policy and operation

The Chair receives an annual fee.

Independent Non-Executive Directors (NEDs) receive an annual base-fee. They may receive further fees for additional responsibilities including the roles of Senior Independent Director, Audit Committee Chair, Remuneration Committee Chair, NED for workforce engagement, and for being a member of a committee. They will be entitled to an additional fee if they are required to perform any specific and additional services.

Chair and membership fees may be introduced for any new committees.

Fees are subject to review, taking into account time commitment, responsibilities and market practice.

All Non-Executive Directors are entitled to be reimbursed for reasonable expenses incurred in connection with their duties, including any tax due on these benefits.

Non-Executive Directors do not participate in incentive or share schemes, or receive a pension provision.

Maximum

- The aggregate fees and any benefits of the Chair and Non-Executive Directors will not exceed the limit prescribed within the Company's Articles of Association (currently £5 million p.a. in aggregate).
- Any increases in fee levels made will be appropriately disclosed.

Performance measures

No performance conditions apply.

Changes to previous policy

No changes.

Notes to the Policy table

Operation of incentive plans

We will operate the incentive plans within the Policy at all times, and in accordance with the relevant plan rules and the listing rules. There are a number of areas where the Committee retains flexibility:

- the selection of participants in each plan;
- the timing of an award and/or payment;
- the size of an award/bonus opportunity subject to the maximum limits set out in the Policy table;
- performance measures, weightings and targets that will apply each year and any adjustments thereof;
- treatment of awards in the event of a change of control, restructuring or other corporate event;
- treatment of leavers; and
- amendments to plan rules in accordance with their terms.

In the case of Executive Directors, any use of discretion by the Committee will be disclosed in the relevant annual report on remuneration.

Performance measures and targets

The annual bonus measures, which are fundamental to the Company's future growth, are selected to provide a balance between rewarding financial performance, operational excellence, sustainability and successful execution of the strategy. For the LTIP, the performance measures will align participants with generating long-term sustainable value for shareholders.

Targets for the incentive plans are set by taking into account a number of reference points. These include the strategic plan, long-term business goals and external consensus forecasts for the Company and the market, to ensure the level of performance required is appropriately stretching.

Conditions applying to the LTIP may be altered if the Committee considers this appropriate. If they are varied, they must, in the opinion of the Committee, be fair, reasonable and materially no less or more challenging than the original conditions.

Malus and clawback provisions

Malus and clawback provisions will apply to both the annual bonus and LTIP, and operated at the discretion of the Committee. The cash bonus can be clawed back within three years of payment, and malus applied to the deferred bonus at any time prior to vesting. LTIP awards can be clawed back within two years of vesting, and malus applied at any time prior to vesting.

Malus and clawback can be triggered in exceptional circumstances. These include material misstatement of accounts or errors in calculating the award; gross misconduct; behaviours that the Directors determine have resulted in material reputational damage to any or all members of the Group; and, in respect of LTIP and deferred bonus awards, material loss which should have been prevented by adequate risk management or a participant's material error.

Policy on payments for loss of office

The Company may require Executive Directors to work their notice period or may choose to place the individual on 'gardening leave' if this is the most commercially sensible approach. In the event of termination, certain restrictions may apply for a period of up to 12 months to protect the business interests of the Company.

Payment in lieu of notice may be made for the unexpired portion of the notice period; this is limited to the Executive Director's base salary and is subject to mitigation. The Company may make such payments in monthly instalments. The employment of each Executive Director is terminable with immediate effect, and without payment in lieu of notice, in certain circumstances including gross misconduct.

The treatment of any outstanding incentive awards will be determined based on the circumstances of the Executive Director's departure, as summarised in the following table. The Committee may classify an individual as a 'good leaver' if they left due to serious illness, injury or disability; retirement; the sale or transfer of the employing company or business (other than on a change of control); or for other reasons specifically approved by the Committee.

Treatment for good leavers	– Salary and pension contribution will be paid as a lump sum for the notice period, or progressively over the notice period, subject to mitigation. – Bonus in the year of departure will be paid on a pro-rata basis at the Committee's discretion. – Unvested bonus shares will vest as per the original vesting schedule, at the Remuneration Committee's discretion. – No new award of LTIP will be made. Unvested LTIP awards will vest on a pro-rata basis. – Vested but unexercised awards, if made as options, will remain exercisable. – The Committee will have discretion to remove good leaver classification in certain circumstances (for example, if an individual joins a competitor after leaving). – In all cases, the level of award vesting will be based on performance and will, by default, continue to vest at the same time as awards for non-leavers. The Committee has discretion to accelerate vesting in exceptional circumstances. In the event of death, payments will typically be paid as soon as possible after receiving notification.
Treatment for all other leavers	– No payment will be made for salary and pension, except during the notice period. – No annual bonus entitlement will apply unless employed for the full bonus year, although pro-rata bonus may be awarded in certain circumstances. – Unvested bonus awards at the date of departure will lapse in full. – Unvested LTIP awards at the date of departure will lapse in full. Vested but unexercised awards, if awards are made as options, will remain exercisable for up to six months post-departure. – All awards are subject to malus and clawback, so even once fully vested they can be clawed back for egregious behaviour.
Change of control	– All awards will vest based on the achieved performance up to the date of change of control. – The default position will also be to allow full vesting for all awards pro-rata on a time basis. This would be subject to the Committee's discretion, which might include choosing not to apply full vesting if it is deemed to be inappropriate in the particular circumstance.

External appointments

The Company's policy is to permit an Executive Director to accept non-executive appointments outside the Company, provided they do not conflict with the individual's duties to the Company and meet with Board approval. When an Executive Director takes on such a role, they may be entitled to retain any fees which they earn from that appointment.

Remuneration Policy on recruitment

The Company's recruitment Remuneration Policy aims to give the Committee sufficient flexibility to secure the appointment and promotion of high-calibre executives to strengthen the management team with the skillsets to deliver our strategic aims.

In setting a package for a new Executive Director, the Committee's starting point will be to apply the general Policy for Executive Directors as set out above, and structure a package accordingly.

Therefore, the annual bonus plan and LTIP awards will operate as detailed in the general Policy for any newly appointed Executive Director. This includes the maximum award levels (for the annual bonus, 175% of salary for the Group CEO and 150% of salary for other Executive Directors; and, for the LTIP awards, 200% of salary for the Group CEO and 150% of salary for other Executive Directors). For an internal appointment, any variable pay element awarded in their prior role may either continue on its original terms or be adjusted to reflect the new appointment, as appropriate.

For both external and internal appointments, the Committee may agree to the Company paying relocation expenses it considers appropriate, in accordance with the Remuneration Policy table.

For external candidates, the Company may also need to buy out awards forfeited by an individual on leaving their previous employer. For the avoidance of doubt, buyout awards are not subject to a formal cap, but any non-buyout awards related to recruitment will be subject to the limits for the annual bonus plan and LTIP awards, as stated in the general Policy. Details of any recruitment-related awards will be appropriately disclosed.

The Company will not pay more than necessary for any buyout, with payment limited to the Committee's estimate of the fair value of the awards being foregone. This will reflect all relevant factors such as any performance conditions attached to these awards, the form in which they were granted and the timeframe over which they would have vested. In all cases, the Committee will in the first instance seek to deliver any such awards under the terms of the existing annual bonus plan and LTIP awards. However, there may be instances when a more bespoke approach is needed.

Applying the Remuneration Policy: scenario examples

The following charts illustrate estimates of the Executive Directors' potential remuneration opportunity in 2023 under the Policy. The bars are split between the three different elements of remuneration, under three different performance scenarios: 'Minimum', 'Target' and 'Maximum'. Estimates are based on the value of benefits provided to the Executive Directors in 2022.

In line with reporting regulations, we also include a further illustration, assuming a 50% growth in share price over the three-year LTIP performance period, for the maximum performance scenario.

The assumptions used are set out below:

Minimum performance

- Fixed remuneration (salary, benefits and pension) only
- No payout under the annual bonus or LTIP

	Salary £'000	Benefits £'000	Pension £'000
Group CEO	628	35	57
Group CFO	393	8	35

Target performance

- Fixed remuneration (salary, benefits and pension)
- 100% and 75% of salary under the annual bonus for the Group CEO and Group CFO respectively
- 125% and 94% of salary vesting under the LTIP for the Group CEO and Group CFO respectively (62.5% of maximum)

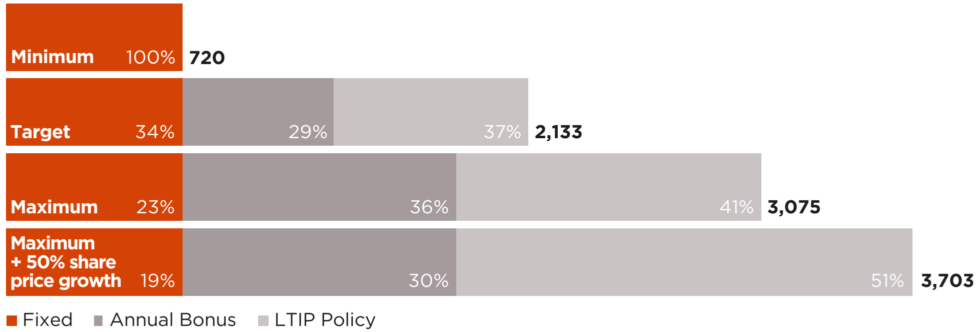
Maximum performance

- Fixed remuneration (salary, benefits and pension)
- 175% and 150% of salary under the annual bonus for the Group CEO and Group CFO respectively
- 200% and 150% of salary vesting under the LTIP for the Group CEO and Group CFO respectively

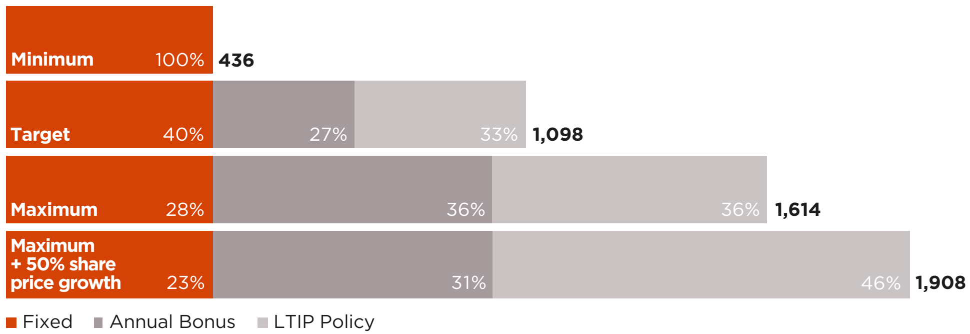
Maximum performance + 50% share price growth

- Fixed remuneration (salary, benefits and pension)
- 175% and 150% of salary under the annual bonus for the Group CEO and Group CFO respectively
- 200% and 150% of salary vesting under the LTIP for the Group CEO and Group CFO respectively
- 50% assumed share price growth over three-year LTIP performance period

Group CEO: total remuneration
£'000



Group CFO: total remuneration
£'000



Consideration of employment conditions elsewhere in the Company
The Company's pay, and employment conditions generally, are taken into account when setting Executive Directors' remuneration. The Committee receives regular updates including (but not limited to) changes in base pay, any staff bonuses in operation and the ratio of the Group CEO to median employee pay.

In line with the Code, the Committee is fully informed on, and considers, wider employee remuneration and related policies. This includes the following as they apply to the wider workforce:

- salary increases;
- opportunities and payments under annual bonus plans;
- operation of incentive plans and share-based schemes; and
- total remuneration levels.

The Committee will oversee share plans in which Executive Directors and all eligible employees participate, and make sure that all participate on the same terms and conditions. Reflecting standard practice, the Committee does not currently consult with staff in drawing up the Company's Directors' Remuneration Report or when determining the underlying policy, although it will continue to monitor developments in this area and continue to appoint a Non-Executive Director for workforce engagement, whereby wider workforce pay conditions and remuneration practices are taken into consideration by the Committee.

Considering shareholder views
The Committee is fully aware of its responsibility to shareholders and maintains an open dialogue on executive remuneration.

The views of shareholders and their representative bodies are important to us when determining the appropriate approach to remuneration. Shareholders representing more than 80% of the shareholder register were consulted as part of the development of this policy. Upon request, the Chair of the Committee had discussions with individual shareholders to respond to questions and provide further clarification. The communication to shareholders was also shared with several prominent shareholder proxy advisors and comments received have been taken into consideration by the Committee.

At the 2023 AGM, the Company will seek the formal support of its shareholders on matters relating to the remuneration of Executive Directors. The Committee will ensure that it considers all feedback received from shareholders during this process.

Details of service contracts and letters of appointment
The following table shows the current service contracts and terms of appointment for the Executive Directors, entered into before the IPO.

Executive Director	Title	Effective date of contract	Notice period from Company	Notice period from Director
Tom Greenwood	Group Chief Executive Officer	12 Sep 2019[1]	12 months	12 months
Manjit Dhillon	Group Chief Financial Officer	1 Jan 2021	12 months	12 months

1 Contract addendum signed on 28 April 2022 in relation to appointment as Group CEO.

The Chair and Non-Executive Directors receive letters of appointment. All Non-Executive Directors' appointments and subsequent reappointments are subject to annual re-election at the AGM. Dates of the Directors' letters of appointment are set out in the following table.

Non-Executive Director	Position/role	Date of appointment	Notice period
Sir Samuel Jonah	Chair of the Board	12 Sep 2019	3 months
Magnus Mandersson	Senior Independent Non-Executive Director	12 Sep 2019	3 months
Alison Baker	Independent Non-Executive Director	12 Sep 2019	3 months
Richard Byrne	Independent Non-Executive Director	12 Sep 2019	3 months
Sally Ashford	Independent Non-Executive Director	15 Jun2020	3 months
Carole Wamuyu Wainaina	Independent Non-Executive Director	13 Aug 2020	3 months
Temitope Lawani	Non-Executive Director	12 Sep 2019	3 months
Helis Zulijani-Boye	Non-Executive Director	9 Mar 2022	3 months

The service contracts for the Executive Directors, and terms and conditions of appointment for Non-Executive Directors, are available for inspection by the public at the registered office of the Company.

Annual report on remuneration

This section of the report provides details of the Directors’ remuneration for the year ending 31 December 2022 and how we propose to apply the proposed Policy for 2023. The new Directors’ Remuneration Policy, detailed on pages 114-122, will be subject to a binding vote and this full Directors’ Remuneration Report will be subject to an advisory vote at the AGM to be held on 27 April 2023.

The views of shareholders and their advisory bodies are also central to our thinking. We are committed to open dialogue with our shareholders and hope that the level of disclosure we provide here fully explains the Committee’s decisions.

Remuneration Committee

Roles and responsibilities

The role of the Committee is to assist the Board in determining its responsibilities in relation to remuneration, including:

- establishing a formal and transparent procedure for developing executive remuneration policy;
- making recommendations to the Board on policy, including setting the overarching principles, parameters and governance framework of the Group’s Remuneration Policy;
- aligning the approach to remuneration throughout the Company with long-term sustainable success;
- determining the individual remuneration and benefits package of each Executive Director and certain senior executives, including the Company Secretary;
- setting the remuneration for the Company Chair;
- reviewing wider workforce remuneration policies and practices when determining the approach for executives;
- reviewing and approving the design of performance-related pay schemes; and
- ensuring compliance with the Code in relation to remuneration.

The Committee meets at least three times a year and has formal terms of reference which can be viewed on the Company’s website. Committee attendance during 2022 is set out on pages 88 and 109.

Membership

The Board considers the Group to be in compliance with the Code requirements relating to Committee composition and roles; namely, a Remuneration Committee should comprise at least three members who are all independent Non-Executive Directors, and that the Chair of the Board should not also chair the Remuneration Committee.

Independent Non-Executive Director	Date of appointment to the Committee
Richard Byrne (Remuneration Committee Chair)	12 September 2019
Sir Samuel Jonah KBE, OSG	12 September 2019
Alison Baker	12 September 2019
Sally Ashford	15 June 2020

Aligning remuneration with Company strategy

Our approach to remuneration is designed to balance short-term goals with long-term ambitions to deliver the Company’s strategy and create value for shareholders. To help the Board and the Executive Leadership Team assess delivery against this strategy, we track progress against a number of KPIs and APMs – see pages 74-76.

We include several of these indicators as performance measures in assessing bonus and LTIP awards. This helps align the focus of Executive Directors with the interests of our shareholders, and makes it clear to all stakeholders the relationship between success against our strategy and the remuneration paid.

All employees with at least three months’ service are eligible to receive an annual bonus, pro-rated to their time of service during the year and based on Company and individual performance. Its purpose is to reward activities that drive our success in the near-term. The annual bonuses awarded to Executive Directors are based on disclosed performance conditions, which are currently focused on:

- operating and financial performance (Adjusted EBITDA and portfolio free cash flow);
- customer service (network performance);
- strategic projects; and
- international standards (quality, environment, health and safety and anti-bribery).

Achieving our near-term objectives will set the foundation for attaining our longer-term growth strategy, generating the funds for us to invest further in our existing markets, and pursue opportunities in new markets.

We grant LTIP awards to Executive Directors and other selected senior executives and key personnel, to retain and incentivise them to deliver the longer-term business plan and sustainable long-term returns for shareholders.

We have included an additional ESG metric to the existing three. The four LTIP performance conditions selected to incentivise value creation, profitable growth and sustainability are:

- Adjusted EBITDA per share: measures underlying operating performance on a per share basis;
- Return on invested capital (ROIC): evaluates asset efficiency and the effectiveness of the Group's capital allocation;
- Relative total shareholder return (TSR): a market-based measure to assess the relative value created for our shareholders; and
- Impact scorecard: to ensure that long-term incentives are aligned to the initiatives and targets of the Company's Sustainable Business Strategy.

While including this new ESG metric, we believe the existing financial measures, already adopted for the bonus and LTIP, are themselves inherently focused on performance against our Sustainable Business Strategy. Building telecommunications infrastructure and promoting infrastructure-sharing are central to our business model, creating sustainable value by increasing network access and population coverage while minimising the cost, waste, environmental impact and carbon footprint of duplicated communications networks. In turn, this provides growth and operating leverage that drives Adjusted EBITDA, portfolio free cash flow and ROIC.

Award	Performance measure	Business excellence and efficiency	Network access and sustainable development	Empowered people and partnerships
Annual bonus	Adjusted EBITDA[1]	✓	✓	
	Portfolio free cash flow[1]	✓	✓	
	Network performance	✓	✓	
	Strategic projects	✓	✓	
	International standards			✓
LTIP	Adjusted EBITDA[1] per share	✓	✓	
	ROIC[1]	✓	✓	
	Relative TSR	✓	✓	
	Impact scorecard	✓	✓	✓

1 Defined in the Alternative Performance Measures section on pages 74-76.

To maintain the alignment of remuneration with both strategy and shareholder interests over time, the Committee will assess and adjust performance conditions as and when appropriate.

Main activities

The Committee met eight times during the year. The agenda items discussed at these meetings included:

- 2021 annual bonus outcomes;
- 2021 Directors' Remuneration Report;
- 2022 annual bonus and 2022 LTIP performance metrics and targets;
- Executive Director succession planning;
- the proposed Directors' Remuneration Policy for 2023-25;
- all-employee HT SharingPlan awards granted during 2022;
- introducing ESG metrics to incentive schemes;
- salary increases for the Executive Directors and the wider workforce; and
- advisory fees.

Statement on shareholder voting

The following table details the results of the shareholder votes for (i) the shareholder votes at the 2022 AGM, held on 28 April 2022, on the approvals for the Directors' Remuneration Report for the year ended 31 December 2021, (ii) the all-employee share plans approved by shareholders at the 2021 AGM, held on 15 April 2021, and (iii) the inaugural Directors' Remuneration Policy at the 2020 AGM, held on 9 April 2020.

Resolution	Votes for	Votes against	% of issued share capital voted	Votes withheld
2022 AGM				
To approve the annual statement by the Chair of the Remuneration Committee and the Directors' Remuneration Report for the year ended 31 December 2021	937,930,237 96.2%	37,040,530 3.8%	93.0%	1,825
2021 AGM				
To approve the HT Global Share Purchase Plan	598,307,058 100.0%	646 0.0%	59.8%	–
2021 AGM				
To approve the HT UK Share Purchase Plan	598,307,058 100.0%	646 0.0%	59.8%	–
2020 AGM				
To approve the Directors' Remuneration Policy	692,418,280 99.4%	4,477,870 0.6%	69.7%	1,694,555

Remuneration in 2022

As required by the Regulations, statutory figures for Helios Towers plc are reported for the financial year ended 31 December 2022.

Tom Greenwood was appointed Group CEO on 28 April 2022. His base salary was increased from his previous salary of £440,000 during his roles as COO and CEO-Designate, to £600,000 as Group CEO. His annual bonus for 2022 was pro-rated between the time spent in these roles during the year, and accordingly to the target and maximum payout profiles associated with each role.

As disclosed in the 2021 Annual Report, Manjit Dhillon's salary was increased to £375,000 on 1 April 2022 from the previous £350,000. In line with Company practice for all employees who did not change role during the year, his annual bonus for 2022 is based on his increased salary. The rest of Manjit's remuneration package remained unchanged and in line with the Policy.

The 2020 LTIP award, granted in November 2019 following the Company's IPO, concluded its performance period on 31 December 2022. As a result, this award will vest in March 2023.

As previously disclosed in the Directors' Remuneration Report (as part of the 2021 Annual Report), Kash Pandya stepped down as CEO following the 2022 AGM on 28 April 2022. He continued to receive his CEO salary until he retired. He also decided to stand down from his subsequent role as Non-Executive Deputy Chair on 17 August 2022. He received a bonus pro-rated to his retirement date. Kash was not granted an LTIP award during the financial year.

After the transition, the Company reverted to two Executive Directors on the Board; the Group CEO and the Group CFO. No further Executive Director appointments are currently anticipated.

The Committee deemed the new Group CEO and Group CFO salary levels to be fair and appropriate with consideration to the CEO transition, individual and Company performance, role changes and market levels. Details of the CEO succession planning and each decision are set out on page 107 of the 2021 Annual Report and Financial Statements.

Statutory single figure table for the Executive Directors (audited)

The following tables show the information mandated by the Remuneration Reporting Requirements for 2022 and 2021.

Executive Director	Base salary £'000	Taxable benefits[1] £'000	Other benefits[1] £'000	Pension[2] £'000	Fixed remuneration £'000	Annual bonus £'000	LTIP vesting[3] £'000	Variable remuneration £'000	Total remuneration £'000
Group CEO, Tom Greenwood									
2022	548	26	9	49	632	504	298	803	1,435
2021	440	23	9	40	512	372	–	372	884
Group CFO, Manjit Dhillon									
2022	369	1	7	33	410	281	60	341	751
2021	350	–	7	32	389	296	–	296	685
Former CEO, Kash Pandya[4]									
2022	402	23	13	35	473	392	–	392	865
2021	634	32	13	57	736	683	–	683	1,420

1 The only taxable benefit received by Tom Greenwood and Kash Pandya was worldwide medical insurance (excluding the US); Manjit Dhillon received gym membership and cycle-to-work benefits. The other benefit received by the Executive Directors was life insurance cover equal to 4x base salary. The most significant benefit received was medical insurance, representing 98% of taxable benefits and 62% of total benefits received by the Executive Directors.

2 The Executive Directors received a pension contribution equal to 9% of base salary, in line with the wider workforce.

3 The 2020 LTIP award concluded its performance period on 31 December 2022 and is scheduled to vest on 24 March 2023. The values presented are calculated based on the average closing share price on the London Stock Exchange during the fourth quarter of 2022. No portion of the estimated value is attributable to share price appreciation from the grant date to the end of the performance period.

4 Kash Pandya's remuneration relates to the period 1 January 2022 to the end of his notice period on 17 August 2022.

Annual bonus

The Policy was applied to setting the threshold, target and maximum awards for the Executive Directors for the 2022 annual bonus scheme. The maximum bonus opportunity for Tom Greenwood was 175% of his Group CEO salary pro-rated for time served as Group CEO during the year, and 150% of his CEO-Designate salary for time served in his previous role during the year. The maximum bonus opportunity for Manjit Dhillon, Group CFO, was 150% of salary. The maximum bonus opportunity award for former CEO, Kash Pandya, was 175% of salary, pro-rated to the date of his retirement on 17 August 2022.

Executive Director	Salary/pro-rated salary (£'000)	Prorating factor (£'000)	Threshold performance % of salary (£'000)	Target performance % of salary (£'000)	Maximum performance % of salary (£'000)
Tom Greenwood Group CEO from 28 April 2022	600	68%	– –	100% (600)	175% (1,050)
CEO-Designate prior to 28 April 2022	440	32%	– –	75% (330)	150% (660)
Pro-rated opportunity	**548**	**100%**	**–** **–**	**94%** **(513)**	**169%** **(925)**
Manjit Dhillon Group CFO	**375**	**100%**	**–** **–**	**75%** **(281)**	**150%** **(562)**
Kash Pandya pro-rated opportunity to 17 August 2022 Former CEO	634 **(402 pro-rated)**	63%	**–** **–**	**100%** **(402)**	**175%** **(703)**

The performance conditions for the 2022 annual bonus scheme were set in Q1 2022 and based on achievement against Adjusted EBITDA, portfolio free cash flow, network performance, strategic projects and international standards targets.

The Committee considered the 2022 annual bonus scheme in the round, including performance conditions, relative weightings, targets, value of award, performance against targets and resulting levels of award and determined that no discretion would be applied to the formulaic outcomes.

For annual bonuses, Tom Greenwood (Group CEO) will receive a bonus equal to 92% of his pro-rated salary; Manjit Dhillon (Group CFO), 75% of his salary as of 31 December 2022; Kash Pandya (former CEO), 98% of his pro-rated salary. This represents 55%, 50% and 56% of their maximum bonus opportunities respectively, compared to a 64% average for the wider workforce.

We detail the bonus targets and achievement against them in the following table.

Measure	Weighting	Threshold	Target	Maximum	Actual	Group CEO Bonus % of base salary (pro-rated)	Group CFO Bonus % of base salary	Former CEO Bonus % of base salary (pro-rated)
Adjusted EBITDA[1] (US$ millions)	50%	231.6	289.5	347.4	282.8	41.4%	33.2%	44.2%
Portfolio free cash flow[1] (US$ millions)	30%	160.9	201.1	241.3	201.4	28.2%	22.6%	30.1%
Network performance[2]	7.5%	85%	95%	100%	94.0%	6.3%	5.1%	6.8%
Strategic projects[3]	7.5%					7.6%	6.6%	8.0%
(a) Remote monitoring systems (RMS) installed and transmitting data	3.750%	2,776	3,470	4,164	3,952	5.5%	4.8%	5.7%
(b) Tenant load positions captured	1.875%	80%	90%	100%	57.7%	0.0%	0.0%	0.0%
(c) Fuel tank sizes recorded and fuel probes installed and calibrated	1.875%	80%	90%	100%	92.7%	2.1%	1.8%	2.3%
International standards[4]	5%	0 retained	4 retained	4 retained and extended to 2 new markets	4 retained and extended to 3 new markets	8.4%	7.5%	8.7%
Formulaic bonus outcome (% of base salary)[5]						92.1%	74.9%	97.8%
Formulaic bonus outcome (% of pro-rated maximum opportunity)						54.5%	49.9%	55.9%

1 Defined in the Alternative Performance Measures section on pages 74–76. Linear increase between Threshold and Target, and between Target and Maximum.
2 Based on compliance with each service level agreement (SLA) with all customers across our operating subsidiaries. Each SLA is measured monthly throughout the year. The performance targets are as follows:
- Customer customer SLAs are met or exceeded for 85% or less of measurements: no award (Threshold);
- Customer SLAs are met or exceeded for 85–95% of measurements: linear increase between Threshold and Target; and
- Customer SLAs are met or exceeded for 95–100% of measurements: linear increase between Target and Maximum;

3 Based on the implementation of RMS on sites to monitor and control power consumption. The performance metric comprises three independently assessed elements:
(a) The number of RMS installed on sites at year-end that are transmitting a minimum level of daily data points;
(b) The percentage of those sites achieved in (a) with tenant load position data captured; and
(c) The percentage of those sites achieved in (a) which have generators and have fuel tank probes installed and calibrated.

4 The performance criteria for international standards was based on the retention of Group-wide accreditations (ISO 9001, ISO 14001, ISO 37001 and ISO 45001), and extending accreditations to new markets:
- No accreditations retained: no award;
- One accreditation retained: 25% of target. 1.25% of salary for the Group CEO and the former CEO, and 0.9375% of salary for other Executive Directors.
- Two accreditations retained: 50% of target. 2.5% of salary for the Group CEO and the former CEO, and 1.875% of salary for other Executive Directors.
- Three accreditations retained: 75% of target. 3.75% of salary for the Group CEO and the former CEO, and 2.8125% of salary for other Executive Directors.
- Four accreditations retained: 100% of target. 5% of salary for the Group CEO and the former CEO, and 3.75% of salary for other Executive Directors.
- Four certificates retained and extended to one new market: 137.5% of target for the Group CEO and the former CEO, and 150% of target for other Executive Directors. 6.875% of salary for the Group CEO and the former CEO, and 5.625% of salary for other Executive Directors.
- Four certificates retained and extended to two new markets: Maximum. 8.75% of salary for the Group CEO and the former CEO, and 7.5% of salary for other Executive Directors.

5 Calculated based on pro-rated base salaries for the Group CEO and the former CEO. Calculated based on base salary at year-end for the Group CFO in line with wider workforce practice, whereby bonuses are determined based on ordinary course salary increases effective from April in the same financial year.

The Committee is aware that some shareholders believe that annual bonuses should not be paid where the Company has cancelled dividends. As in prior years, no dividends will be paid for the year ended 31 December 2022 given recent and potential future acquisitions, as well as the scale of the current opportunity to invest and grow the business. Therefore, the Committee did not consider it appropriate to adjust the annual bonus outcome on that basis.

In March 2023, the Committee approved the payment of the 2022 annual bonuses. Since the bonus outcomes for the Executive Directors are below target, in accordance with the Policy to defer 50% of any bonus received above target, the bonuses awarded to the Group CEO, Group CFO and former CEO will be paid in cash with no deferral in shares.

Long-Term Incentive Plan awards vesting

The 2020 LTIP award, granted in November 2019 following the Company's IPO, concluded its performance period on 31 December 2022. As a result, this award will vest in March 2023.

This 2020 award is subject to three equally weighted performance conditions; Adjusted EBITDA per share, ROIC and relative TSR. We disclosed the threshold, target and maximum performance targets in our 2019 Annual Report. The targets for Adjusted EBITDA per share and ROIC measures were set based on an organic growth plan without factoring in M&A, due to the complexity in modelling new acquisitions both in terms of timing and financial impact.

During the three-year performance period, the Company has entered four new markets through acquisitions and now operates in nine markets across Africa and the Middle East with more than 13,500 towers. It has exceeded the 2025 ambition stated at IPO well in advance of the timeline, which was to operate 12,000 towers in eight markets. The result of this period of rapid growth is that the Company emerges stronger, broader, and with higher revenue visibility through improved hard currency earnings and increased contracted revenues.

This inorganic growth has created some headwinds against Adjusted EBITDA per share and ROIC metrics. In the Committee's view, the LTIP awards should not disincentivise management and employees to pursue acquisitions of strategic importance to the Company and in the long-term interests of our stakeholders. It is vital for the Company to retain its talented workforce and attract new employees to enable its continued growth. LTIP outcomes should therefore fairly reward the efforts of employees to deliver these acquisitions and ensure that they are appropriately motivated to deliver similar deals in the future.

The Committee considered the vesting of the 2020 LTIP award in the round including performance conditions, relative weightings, targets, performance against targets, resulting vesting levels and resulting vesting value of the award. For the aforementioned reasons, the Committee proposed to exercise upward discretion and adjust the payout from 38% to 60%, so that it is in line with that which would have been achieved if we had adopted the same targets as the 2022 LTIPs, shown on page 130, which incorporated the impact of acquisitions.

In January 2023, the Remuneration Committee Chair wrote to the Company's pre-IPO shareholders and 20 largest post-IPO active shareholders to set out the rationale for the Committee's intention to exercise its discretion as described above. Upon request, discussions were also held with shareholders to respond to questions or provide further clarification. The communication to shareholders was also shared with several prominent shareholder proxy advisors and comments received have been taken into consideration by the Committee. Overall the Remuneration Committee Chair was encouraged by the level of support received during his consultation with shareholders and the Committee therefore proceeded with the proposal.

The 2020 LTIP targets, achievement against them and the discretionary uplift to the vesting outcome are detailed in the following table.

Performance measure	Weighting	Threshold	Target	Maximum	Actual	Vesting outcome % of performance measure	Vesting outcome % of initial LTIP grant
Adjusted EBITDA[1] per share 3-year CAGR FY19-FY22	33.3%	11.6%	Straight line vesting between threshold and maximum.	14.2%	13.5%[2]	78.5%	26.1%
ROIC[1] % in FY22	33.3%	12.2%	Straight line vesting between threshold and maximum.	15.0%	10.3%[3]	0.0%	0.0%
Relative TSR[4]	33.3%	At least median TSR of the peer group. (66 of 131)	Straight line vesting between threshold and maximum.	Ranked in upper quartile of peer group. (33 of 131)	61 of 131	34.6%	11.5%
Formulaic vesting outcome % of initial grant							37.7%
Discretionary uplift to vesting outcome[5] % of initial grant							22.3%
Final vesting outcome % of initial grant							60.0%

1 Defined in the Alternative Performance Measures section on pages 74–76.
2 CAGR calculated using (i) FY2019 Adjusted EBITDA per share of US$0.2057 based on US$205.2 million Adjusted EBITDA and 997.7 million weighted average basic shares outstanding from the IPO Admission date (18 October 2019) to 31 December 2019, and (ii) FY2022 Adjusted EBITDA per share of US$0.3025 based on US$314.5 million Adjusted EBITDA including a full year of Adjusted EBITDA in relation to the Oman acquisition which completed in December 2022 and for which equity was raised in June 2021, and 1,047 million weighted average basic shares outstanding.
3 Calculated in the Alternative Performance Measures section on page 76.
4 Helios Towers plc's TSR relative to the FTSE 250 index, excluding financial services and investment trusts, based on the average TSR over a three-month period immediately prior to the start and end of the performance period.
5 Determined based on the vesting level that would have been achieved had the 2020 LTIP targets been the same as those adopted for the 2022 LTIPs as shown on page 130, which incorporated the impact of acquisitions.

The following table shows the number of options granted, forfeited and vested in respect of the 2020 LTIP award for the Group CEO and the Group CFO.

Executive Director	Number of nil-cost options granted	Number of nil-cost options forfeited	Number of nil-cost options prior to vest	Proportion of nil-cost options vesting	Number of nil-cost options vesting	Value of nil-cost options vesting £'000[1]
Group CEO, Tom Greenwood[2]	442,544	–	442,544	60%	265,527	298
Group CFO, Manjit Dhillon[3]	88,840	–	88,840	60%	53,304	60

1 The 2020 LTIP award is scheduled to vest on 24 March 2023. Value estimated using the average closing share price on the London Stock Exchange during Q4 2022 (£1.12289).
2 Tom Greenwood was granted his 2020 LTIP award in one of his previous roles, when CFO.
3 Manjit Dhillon was granted his 2020 LTIP award prior to his appointment to the Group CFO role.

Scheme interests awarded in the year (audited)

2022 LTIP award grants

In April 2022, the 2022 LTIP awards were granted to Executive Directors and other selected senior executives and key personnel of the Company. This is to ensure they are retained and incentivised to deliver longer-term business plans and sustainable long-term returns for shareholders. The awards were granted in the form of nil-cost options.

The maximum LTIP awards for the 2022 financial year are 200% of salary for the Group CEO and 150% of salary for the Group CFO. As disclosed in the 2021 Annual Report, Kash Pandya was not granted an LTIP award during the financial year. The quantum awarded to management and employees below Board level is based on an appropriate cascade. The values of the awards granted to the Executive Directors are detailed in the following table.

Executive Director	Award type	Base salary (£'000)	Face value of 2020 LTIP award (% of base salary)	Face value of 2020 LTIP award (£'000)	Number of nil-cost options granted[1]
Group CEO, Tom Greenwood	Conditional	600	200%	1,200	743,421
Group CFO, Manjit Dhillon	Conditional	375	150%	563	348,478

1 Calculated using a reference share price of £1.61416, equal to the arithmetic average of the closing prices on the London Stock Exchange during fourth quarter of 2021.

The 2022 LTIP awards are expected to vest in March 2025, subject to performance conditions measured over a three-year period from 1 January 2022 to 31 December 2024. Each performance condition for the LTIP is assessed independently.

Metric	Purpose	Definition	Weighting	Threshold 25% vesting	Target	Maximum 100% vesting
Adjusted EBITDA[1] per share 3-year CAGR FY21–FY24	Measure of profitability	Adjusted EBITDA on a per share basis.	33.3%	8%	Straight line vesting between threshold and maximum.	14%
ROIC[1] % in FY24	Measure of efficiency	ROIC is calculated as annualised portfolio free cash flow divided by invested capital.	33.3%	8%	Straight line vesting between threshold and maximum.	14%
Relative TSR	Measure of shareholder value creation	Helios Towers plc's TSR relative to the FTSE 250 index, excluding financial services and investment trusts, based on the average TSR over a three-month period immediately prior to the start and end of the performance period.	33.3%	Performance is at least the median TSR of the peer group.	Straight line vesting between threshold and maximum.	Performance is ranked in the upper quartile of the peer group.

1 Defined in the Alternative Performance Measures section on pages 74-76.

2021 annual bonus deferral

As reported in 2021 Directors' Remuneration Report and in accordance with the Policy, 50% of Executive Director bonuses received above target in respect of the 2021 financial year were deferred in shares for three years. The deferred bonus awards, scheduled to vest on 17 March 2025, are set out in the following table:

Executive Director	Award type	Value of 2021 annual bonus (£'000)	% of 2021 annual bonus deferred in shares	Face value of deferred shares (£'000)	Number of deferred shares[1]
Group CEO, Tom Greenwood	Deferred shares	372	5.7%	21	16,577
Group CFO, Manjit Dhillon	Deferred shares	296	5.7%	17	13,187
Former CEO, Kash Pandya	Deferred shares	683	3.6%	25	19,408

1 Calculated based on a share price of £1.274, equal to the average purchase price achieved by the Employee Benefit Trust to acquire shares underlying the awards.

Changes to scheme interests during the year

For the reasons described on page 128, 'Long-Term Incentive Plan awards vesting', regarding the short-term dilution impact of acquisitions on some key metrics, the Committee decided to amend the 2021 LTIP performance targets for Adjusted EBITDA per share and ROIC. Consequently, the 2021 LTIP target ranges have been amended to align to the targets adopted for the 2022 LTIP awards as shown in the previous table, which incorporate the impact of acquisitions.

In January 2023, the Remuneration Committee Chair wrote to the Company's pre-IPO shareholders and 20 largest post-IPO active shareholders to set out the rationale for the Committee's decision to implement these adjustments. Upon request, discussions were also held with shareholders to respond to questions or provide further clarification. The communication to shareholders was also shared with several prominent shareholder proxy advisors and comments received have been taken into consideration by the Committee.

The 2021 LTIP performance metrics are assessed over the three-year period commencing on 1 January 2021 and ending on 31 December 2023 and are scheduled to vest in March 2024.

Changes to the 2021 LTIP performance targets are shown in the following table.

		Previous target			Amended target to align with targets set for 2022 LTIP award		
Performance measure	Weighting	Threshold	Target	Maximum	Threshold	Target	Maximum
Adjusted EBITDA per share[1] 3-year CAGR FY20–FY23	33.3%	10.0%	Straight line vesting between threshold and maximum.	15.5%	8.0%	Straight line vesting between threshold and maximum.	14.0%
ROIC[1] % FY23	33.3%	11.0%	Straight line vesting between threshold and maximum.	13.4%	8.0%	Straight line vesting between threshold and maximum.	14.0%
Relative TSR[2]	33.3%	Performance is at least the median TSR of the peer group.	Straight line vesting between threshold and maximum.	Performance is ranked in the upper quartile of the peer group.	No change	No change	No change

1 Defined in the Alternative Performance Measures section on pages 74-76.
2 Helios Towers plc's TSR relative to the FTSE 250 index, excluding financial services and investment trusts, based on the average TSR over a three-month period immediately prior to the start and end of the performance period.

There were no other changes to the number of shares and/or share options previously granted or offered, nor to the main conditions for the exercise of the rights, including the exercise price and date and any change thereof, during the financial year ended 31 December 2022.

Single figure table for Non-Executive Directors (audited)

The following table sets out the total remuneration for Non-Executive Directors and the Chair of the Board for the year ended 31 December 2022.

			2022			2021		
Name	Position/role	Board Committee Chair position	Fixed fees £'000	Variable fees £'000	Total fees[1] £'000	Fixed fees £'000	Variable fees £'000	Total fees[1] £'000
Sir Samuel Jonah KBE, OSG	Chair of the Board	Nomination Committee Chair	240.0	–	240.0	240.0	–	240.0
Kash Pandya[2]	Non-Executive Deputy Chair		–	–	–	n/a	n/a	n/a
Magnus Mandersson	Senior Independent Non-Executive Director		85.5	–	85.5	85.5	–	85.5
Alison Baker	Independent Non-Executive Director	Audit Committee Chair	85.5	–	85.5	85.5	–	85.5
Richard Byrne	Independent Non-Executive Director	Remuneration Committee Chair	85.5	–	85.5	85.5	–	85.5
Sally Ashford[3]	Independent Non-Executive Director		85.5	–	85.5	85.5	–	85.5
Carole Wamuyu Wainaina	Independent Non-Executive Director		68.5	–	68.5	68.5	–	68.5
Temitope Lawani	Non-Executive Director		–	–	–	–	–	–
Helis Zulijani-Boye[4]	Non-Executive Director		–	–	–	n/a	n/a	n/a
David Wassong[4]	Non-Executive Director		–	–	–	–	–	–

1 No taxable benefits were paid to the Non-Executive Directors during the year; therefore, the figures above are total payments.
2 Kash Pandya did not receive any fees in respect of his role as Non-Executive Deputy Chair. Kash's remuneration in respect of his role as CEO is set out in the Executive Director single figure table and the payments for loss of office section.
3 Sally Ashford's figure includes a fee of £17,000 per year for her role as the designated Non-Executive Director for workforce engagement.
4 On 9 March 2022 David Wassong resigned as a Non-Executive Director and was replaced by Helis Zulijani-Boye, a Managing Director of Newlight Partners LP with over 15 years' experience in the private equity and investment banking industries. Newlight is entitled to appoint (and replace) a shareholder representative as a Director of the Company for such time as it continues to hold more than 10% of the voting rights of the Company.

Statement of Directors' shareholding and share interests (audited)

The following table shows the interests of the Directors and connected persons in shares owned outright or vested, as of 31 December 2022. There has been no change in the Directors' shareholdings and share interests between 31 December 2022 and the publication of this report.

Director	Shares owned outright	Deferred bonus shares[1] (unvested)	Legacy incentive plan options[2] (vested)	Options subject to performance[3] (vested)	Options subject to performance[4] (unvested)	Total interest (shares and options)
Executive Directors						
Group CEO, Tom Greenwood	4,951,494	31,096	–	–	1,607,219	6,589,809
Group CFO, Manjit Dhillon	160,825	13,187	49,653	–	772,407	996,072
Former CEO, Kash Pandya	8,083,160	41,472	–	–	1,173,793	9,298,425
Non-Executive Directors						
Sir Samuel Jonah KBE, OSG	–	–	–	–	–	–
Magnus Mandersson	–	–	–	–	–	–
Alison Baker	21,856	–	–	–	–	21,856
Richard Byrne	782,286	–	–	–	–	782,286
Sally Ashford	–	–	–	–	–	–
Carole Wamuyu Wainaina	–	–	–	–	–	–
Temitope Lawani	–	–	–	–	–	–
Helis Zulijani-Boye	–	–	–	–	–	–
David Wassong	–	–	–	–	–	–

1 50% of any bonuses awarded for above-target performance are deferred for three years in shares.
2 Legacy incentive plan nil-cost options that have vested and are exercisable.
3 Options received from vested LTIP awards.
4 The 2020, 2021 and 2022 LTIP awards granted in November 2019, March 2021 and March 2022 respectively.

To ensure close alignment with shareholder interests, the shareholding guidelines for the Group CEO and Group CFO are 200% and 150% of salary respectively. The Group CEO met this requirement as of 31 December 2022, holding 881% of salary[1] respectively. The Group CFO assumed his role on 1 January 2021 and, under the Policy, has five years to attain the shareholding requirement. As of 31 December 2022, the Group CFO held shares with a value equivalent to 63% of salary[1]; however, he has the right to sell the majority of these shares under the shareholding requirement policy (other than deferred bonus shares) because they were attained prior to his appointment as Group CFO.

1 Calculated as the sum of shares held outright, deferred bonus shares and legacy incentive plan options, multiplied by the closing price on the London Stock Exchange on 31 December 2022 (£1.061) and divided by base salary.

Payments to past Directors (audited)

There were no payments to past Directors during the financial year ended 31 December 2022.

Payments for loss of office (audited)

Kash Pandya stepped down from his role as CEO following the 2022 AGM in April 2022 and, serving as Non-Executive Deputy Chair on the Board, continued to receive his salary, benefits and pension contributions until the end of his notice period in August 2022, equal to £197k, £18k and £17k respectively. During this period, he was also entitled to a pro-rated bonus, equal to £193k. The statutory single figure table for the Executive Directors on page 125 shows Kash's remuneration for the period commencing 1 January 2022 until the end of his notice period, including these amounts.

Kash was not granted an LTIP award in respect of the 2022 financial year. His unvested LTIP awards were pro-rated to reflect the proportion of the vesting period elapsed, up to the end of his notice period, with unchanged vesting dates. 60% of his pro-rated 2020 LTIP award will vest on 24 March 2023, equal to 473,886 nil-cost options with a value of £532k based on Company's average closing share price during the fourth quarter of the 2022 financial year (£1.12289). The two-year post-vesting holding period for LTIP awards continues to apply.

In accordance with the post-cessation shareholding requirement under the Policy, Kash is required to maintain a minimum shareholding of 905,068 shares, being the equivalent of 200% of his salary based on the share price on his retirement date.

At the end of his notice period, Kash received a £14k payment in lieu of unused holiday allowance.

Application of the Remuneration Policy in 2023

Base salary

The inflationary world economy in 2022, coupled with significant currency devaluations in certain of the Company's markets, has resulted in significant cost of living increases for the Company's people. Consequently, the Board has decided to implement a more targeted and differentiated approach to wider workforce salary increases than in previous years.

In practice, this means that staff with the least amount of disposable income will receive a higher percentage salary increase during 2023, typically in line with the inflation of their country. More senior employees will receive increases equivalent to 75% of inflation, and members of the Executive Leadership Team, including the Group CEO and Group CFO, will receive increases equivalent to 50% of inflation. To retain key personnel, specific targeted increases have been considered for certain employees below Executive Director level.

Aligned to this framework for wider workforce increases, the Board has decided to increase each of the Group CEO and Group CFO salaries by 4.7% effective from 1 April 2023. This compares to a mean average nominal salary increase of c. 9%[1] for the wider workforce across all markets. The salary increases of the Executive Directors are detailed in the following table

1 Current view based on an ongoing wider workforce pay review to be completed by 31 March 2023.

Executive Director	Before 1 April 2023 £'000	From 1 April 2023 £'000
Group CEO, Tom Greenwood	600.0	628.0
Group CFO, Manjit Dhillon	375.0	392.5

Pension

Executive Directors receive a pension contribution equal to 9% of base salary, in line with the wider workforce.

Benefits

All Executive Directors are eligible for worldwide medical insurance (excluding the US), life insurance cover equal to 4x base salary, gym membership and 25 days' annual leave.

Annual bonus

For the 2023 financial year and in accordance with the proposed Policy, the maximum bonus opportunities for the Group CEO and Group CFO are set out in the following table. The levels of bonus awarded are subject to financial and non-financial performance conditions measured over the 2023 financial year. They are calculated on a straight-line basis between threshold and target performance, and target and maximum performance.

	Threshold performance % of base salary	Target performance % of base salary	Maximum performance % of base salary
Group CEO, Tom Greenwood	0%	100%	175%
Group CFO, Manjit Dhillon	0%	75%	150%

We set out the bonus performance conditions for the 2023 financial year in the following table. The Committee approved the targets in March 2023, but they are deemed to be commercially sensitive; they will therefore be disclosed in full in next year's Directors' Remuneration Report, at around the time when the bonuses are paid. 50% of any bonus amount earned above target will be deferred in shares for a three-year period.

Metric	Weighting	Rationale for inclusion as a performance measure
Adjusted EBITDA[2] *(financial)*	50%	This measures operating performance by eliminating differences caused by changes in capital structures (affecting interest and finance charges), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses) and the age and booked depreciation on assets. Adjustments are made for certain items that the Company believes are not indicative of underlying trading performance.
Portfolio free cash flow[1] *(financial)*	30%	This measures the cash flow generated by the business operations after expenditure incurred on maintaining capital assets, including lease liabilities and taxes. It is a measure of the cash generation of the tower estate.
Network performance *(non-financial)*	7.5%	Network performance is a key operational performance metric. It is a measure of uptime of the site network relative to levels specified in our customer service-level agreements.
Strategic projects *(non-financial)*	7.5%	Incentivises the achievement of certain strategic initiatives identified for implementation during the financial year.
International standards *(non-financial)*	5.0%	Implementing and maintaining internationally recognised systems and processes, measured by the retention of our four ISO accreditations, as well as extending accreditations to new markets; ISO 9001 (Quality Management), ISO 14001 (Environmental Management), ISO 45001 (Occupational Health & Safety), and ISO 37001 (Anti-Bribery Management).

2 Defined in the Alternative Performance Measures section on pages 74-76.

Long-Term Incentive Plan awards

In March 2023, the Committee approved the performance conditions and targets for the 2023 LTIP awards. These will be granted to the Executive Directors and other selected senior executives of the Company. The awards are designed to ensure these key personnel are retained and incentivised to deliver longer-term business plans and sustainable long-term returns for shareholders. These awards are expected to be granted during the year in the form of nil-cost options. The Committee intends to calculate the number of options granted using the average closing share price on the London Stock Exchange during the fourth quarter of the previous financial year (i.e. £1.12289 in Q4 2022).

The maximum LTIP awards for the 2023 financial year are 200% and 150% of salary for the Group CEO and the Group CFO respectively. The quantum awarded to management and employees below Board level is based on an appropriate cascade. The values of the awards to be granted to the Executive Directors are detailed in the following table:

Executive Director	Award type	Base salary £'000	Face value of 2023 LTIP award % of base salary	Face value of 2023 LTIP award £'000
Group CEO, Tom Greenwood	Conditional	628.0	200%	1,256.0
Group CFO, Manjit Dhillon	Conditional	392.5	150%	588.8

The 2023 LTIP awards will vest in March 2026, subject to performance conditions which will be measured over a three-year performance period between 1 January 2023 and 31 December 2025. Each performance condition is assessed independently. In addition to Adjusted EBITDA per share, ROIC and relative TSR, an impact scorecard comprising quantifiable performance metrics is introduced to align incentives with the Company's Sustainable Business Strategy. The scorecard incorporates three equally-weighted performance targets related to environmental impact (see pages 24-29), diversity (see pages 30-35) and digital inclusion (see pages 20-22).

The performance conditions and selected targets are set out in the following table.

Metric	Purpose	Definition	Weighting	Threshold 25% vesting	Target	Maximum 100% vesting
Adjusted EBITDA[1] per share 3-year CAGR FY22 – FY25	Measure of profitability	Adjusted EBITDA on a per share basis.	30%	8%	Straight-line vesting between threshold and maximum.	14%
ROIC[1] % in FY25	Measure of efficiency	ROIC is calculated as annualised portfolio free cash flow divided by invested capital.	30%	8%	Straight-line vesting between threshold and maximum.	14%
Relative TSR	Measure of shareholder value creation	Helios Towers plc's TSR relative to the FTSE 250 index, excluding financial services and investment trusts, based on the average TSR over a three-month period immediately prior to the start and end of the performance period.	20%	Threshold vesting when performance is at least the median TSR of the peer group.	Straight-line vesting between threshold and maximum.	Maximum vesting when performance is ranked in the upper quartile of the peer group.
Impact scorecard	Measure of progress against ESG targets included in the Company's Sustainable Business Strategy	Scorecard components: - Environment: emissions per tenant[2] - Diversity: % female staff - Digital inclusion: Population coverage (% increase)	20% 6.7% 6.7% 6.7%	 (7%) 28% +2.5% CAGR	Straight-line vesting between threshold and maximum.	 (12%) 32% +6% CAGR

1 Defined in the Alternative Performance Measures section on pages 74–76.
2 Reduction from 2022 levels.

In accordance with the Policy, vested awards will be subject to a two-year holding period post-vesting, making a five-year vesting and holding period in total. Malus and clawback will apply. The Committee does not plan to grant further LTIP awards to Executive Directors until 2024.

Non-Executive Directors' fees

As part of trennial review of the Policy, the Committee (excluding the Chair) reviewed the Chair's fee and the Chair and Executive Directors reviewed the Non-Executive Director fees which have remained unchanged since the inaugural Policy was approved at the 2020 AGM.

Following the review, the fees will increase by 20% with effect from 1 April 2023 and are summarised in the table below. This decision reflects the increased time commitment that the Chair and Non-Executive Directors are being asked to dedicate to the Company due to the rise in governance demands and as a result of the increased scale of the business due to our expansion into four new markets during the past three years. The increases mean that the fees are aligned to FTSE companies of comparable size and complexity. It is important that the Company can offer a competitive fee to the Chair and Non-Executives given the scarcity of relevant skills in a specialised and international industry.

Position/role	Annual Fee £
Chair of the Board	288,000
Independent Non-Executive Director fee	72,000
Non-Executive Director fee[1]	–
Additional fee for Senior Independent Director	20,400
Additional fee for Board Audit Committee Chair/Remuneration Committee Chair	20,400
Additional fee for committee membership	10,200

1 Relates to the Non-Executive Directors representing certain legacy institutional shareholders; Temitope Lawani (Lath) and Helis Zulijani-Boye (Quantum).

Non-Executive Directors are entitled to an additional fee if they are required to perform any specific and additional services. Sally Ashford will continue to be paid an additional annual fee of £17,000 for her role as the designated Non-Executive Director for workforce engagement. Following the increases, the aggregate Non-Executive Directors' fees continue to be within the cap for directors' fees permitted under our Articles of Association.

Other remuneration items

Engagement with the workforce

In her role as the designated Non-Executive Director for workforce engagement, Sally Ashford, continued to hold regular 'Voice of the Employee' sessions with senior management and the wider workforce in Group and operating companies. Details can be found on pages 33 and 93. Non-Executive Directors also visited our business units including Ghana, Oman and the UK.

The Board considered the impact of cost of living increases on our people when approving the 2022 grant of HT SharingPlan awards to all employees, which included an additional one-off Cost of Living Award with a short vesting period.

The Company's 2022 Employee Engagement Survey, conducted by an independent consultancy, received a 100% response rate. Pay and benefits was an area of feedback which, coupled with cost of living increases, the Board took into consideration when approving a more targeted and differentiated approach to salary increases for the wider force compared to previous years. In practice, this means staff in lower pay bands will receive higher percentage salary increases relative to more senior employees including the Group CEO and Group CFO. The increases will become effective during 2023.

The Board and senior management are working to address other key areas of feedback from the 2022 Employee Engagement Survey to further improve employees' experience of working with Helios Towers. Sally will continue her workforce engagement activities during 2023, including considering wider workforce pay conditions and remuneration practices.

HT SharingPlan: the all-employee share-based incentive scheme.

Launched in 2021, the Board granted further HT SharingPlan awards during 2022 enabling all employees to continue to share in the success of the Group. With the continued aim of creating an inclusive culture that promotes our 'One Team, One Business' vision in all our countries, each employee was granted awards with the same value and on identical terms, regardless of their role or location.

The Board granted free awards in the form of notional shares that track the value of Helios Towers plc's ordinary shares. The vesting of awards is subject to continued employment and good leaver provisions. The 2022 Award was granted with a three-year vesting period.

The Board was also pleased to be able to offer a more immediate award. With a marked increase in inflation globally, rising living costs are a significant concern for our people and their families. Having considered a recommendation from management, the Board decided the HT SharingPlan provided an appropriate means to support the Company's employees in the near-term. Therefore, the Board granted an additional Cost of Living Award which vested in December 2022, easing the cost pressures, at least in part, that employees are experiencing.

With a sterling-denominated share price and employees receiving the same value, we believe the Cost of Living Award not only provided general financial support to the wider workforce; it was a more purposeful and effective means to alleviate, in local currency terms, the significant cost pressures felt by our people through acutely high levels of inflation. Ghana is an example, where the Ghanaian Cedi devalued against UK Sterling by 35% and the year-on-year CPI change was +54% in December 2022.

The Board thanks shareholders for voting for the HT Global Share Purchase Plan in 2021, which has enabled us to take this supportive action. The Committee was encouraged by a 100% employee acceptance rate, which further endorses the decision to introduce an all-employee plan. In line with the Policy, Executive Directors may not participate in the HT SharingPlan.

Dilution limits

The Company's employee share plans and discretionary employee share plans are subject to dilution limits that are aligned to market practice and the Investment Association's Principles of Remuneration. Awards cannot be granted if the cumulative number of shares issued, or committed to be issued, under employee share plans exceeds 10% of the ordinary share capital of the Company in any ten-year rolling period. An equivalent 5% dilution limit applies to discretionary employee share plans.

Percentage change in remuneration of Directors, versus employee average

The following table shows the year-on-year percentage change in Directors' remuneration compared to that of the Company's employees in 2020, 2021 and 2022. The Company was admitted to the London Stock Exchange on 18 October 2019. For comparability, the percentage change between 2019 and 2020 is measured using annualised 2019 remuneration figures during the period, from Admission to 31 December 2019. Similarly, annualised figures are used for comparability where a Director was appointed to or resigned from the Board, or an employee began their employment, during a financial year.

	Year-on-year % increase/(decrease) in 2022			Year-on-year % increase/(decrease) in 2021			Year-on-year % increase/(decrease) in 2020		
Director	Salary/fees	Taxable benefits	Bonus	Salary/fees	Taxable benefits	Bonus	Salary/fees	Taxable benefits	Bonus
Tom Greenwood[1]	+25%	+14%[2]	+36%	+24%	+17%	+20%	–	+5%	(16%)
Manjit Dhillon[2]	+5%	n/m	(5%)	n/a	n/a	n/a	n/a	n/a	n/a
Kash Pandya[3]	–	+14%[2]	(9%)	+9%	(1%)	+6%	–	+4%	(14%)
Samuel Jonah	–	–	–	–	–	–	–	–	–
Magnus Mandersson[4]	–	–	–	+2%	–	–	+10%	–	–
Alison Baker[4]	–	–	–	+2%	–	–	+10%	–	–
Richard Byrne[4]	–	–	–	+2%	–	–	+10%	–	–
Sally Ashford[5]	–	–	–	–	–	–	n/a	n/a	n/a
Carole Wamuyu Wainaina[5]	–	–	–	–	–	–	n/a	n/a	n/a
Temitope Lawani[6]	–	–	–	–	–	–	–	–	–
Helis Zulijani-Boye[6]	–	–	–	–	–	–	–	–	–
David Wassong[6]	–	–	–	–	–	–	–	–	–
Helios Towers plc employees[7]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Group employees[8]	+6%	+9%	+4%	+3%	+22%	+3%	+3%	+10%	+8%

1 Tom Greenwood's increase in 2022 reflects the change to his salary from 28 April 2022when he was appointment as Group CEO (from COO previously). Tom's increase in 2021 reflects the change to his salary from 1 January 2021 and following his appointment as COO (from CFO previously).
2 The increase in taxable benefits in 2022 is due to an increase in worldwide medical insurance premiums paid in US Dollars, combined with Sterling exchange rate movements.
2 Manjit Dhillon was appointed as Group CFO on 1 January 2021; comparative prior year information is not available. Manjit did not receive any benefits in 2021, therefore the 2022 year-on-year increase is not measurable.
3 Kash Pandya's figures for 2022 have been annualised for comparability. The increase in 2021 reflects the change to his salary from 1 January 2021.
4 The 2% year-on-year increase to fees earned in 2021 relates to additional fees for committee memberships that started in March 2020. Twelve months of these additional fees were earned in 2021 compared to ten months in 2020.
5 Appointed to the Board of Directors during 2020; comparative prior year information is not available.
6 Non-Executive Directors representing legacy institutional shareholders: Temitope Lawani (Lath) and Helis Zulijani-Boye (Quantum, previously represented by David Wassong) do not receive remuneration for their Directorship roles on the Board.
7 Helios Towers plc, the parent company of the Group, did not have any employees during the financial years ended 31 December 2020, 31 December 2021 and 31 December 2022.
8 Median percentage increase for employees of Helios Towers Group companies where prior year comparator information is available.

Relative importance of expenditure on pay

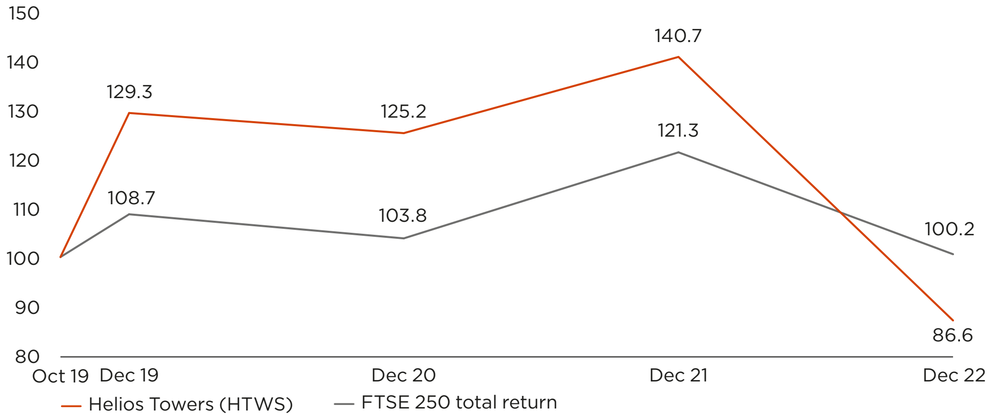
The following table shows the Company's expenditure on pay compared to shareholders' distributions by way of dividend and share buyback.

	2022 US$m	2021 US$m	Year-on-year % Change
Distributions to shareholders	–	–	–
Total employee pay	34.4	30.9	+11.3%

Total shareholder return performance graph

The following graph shows the TSR of the Company relative to the FTSE 250 index, from 18 October 2019, when the Company's shares were admitted to trading on the Main Market of the London Stock Exchange, to 31 December 2022. The FTSE 250 is considered an appropriate comparator for Helios Towers because the Company has been a constituent of the index since 23 December 2019.

Total shareholder return vs. FTSE 250



Source: Datastream from Refinitiv (rebased to 100)

Historic CEO remuneration

The following table shows the CEO's remuneration since admission to the London Stock Exchange on 18 October 2019.

	2022	2021	2020	2019[1]
CEO single figure total remuneration (£'000)				
Group CEO, Tom Greenwood	1,435	–	–	–
Former CEO, Kash Pandya	865	1,420	1,323	292
Annual bonus (% of maximum opportunity)				
Group CEO, Tom Greenwood	55%			
Former CEO, Kash Pandya	56%	62%	64%	74%
LTIP vesting (% of maximum opportunity)				
Group CEO, Tom Greenwood	60%	–	–	–
Former CEO, Kash Pandya	–	–	–	–

1 The single figure of total remuneration for 2019 relates to the period from 18 October 2019 to 31 December 2019.

CEO pay ratio and gender pay gap

With fewer than 250 UK employees, Helios Towers is not required at this stage to report or disclose our ratio of CEO to median employee pay, or gender pay gap information.

However, the Committee fully supports the focus on wider workforce pay and conditions, and is committed to take this into consideration when making decisions on executive remuneration. We are also mindful of shareholder expectations to promote fair and equal treatment of male and female employees in relation to remuneration, ensuring employees receive equal pay for performing the same job to the same standards. In the interest of transparency, the Company has voluntarily disclosed gender pay gap information on its website at heliostowers.com/join-us/diversity-inclusion/.

We regularly review our pay rates throughout the business and will keep our approach to disclosing a UK and/or Group-wide pay ratio, and/or gender pay gap information, under review over the coming years.

Advice to the Committee

Members of the Executive Leadership Team are invited to attend the Committee's meetings where appropriate, except when their own remuneration is being discussed. During the year Tom Greenwood (Group CEO), Manjit Dhillon (Group CFO), Kash Pandya (former CEO), Paul Barrett (General Counsel and Company Secretary) and Nick Summers (Director of Property and SHEQ) attended certain meetings at the Committee's invitation.

During 2022, the Committee retained PwC to provide independent advice on remuneration matters. PwC was appointed to support the Company in the design of the Directors' Remuneration Policy prior to the IPO and was retained as Remuneration Committee advisor following the IPO. PwC is a member of the Remuneration Consultants' Group and, as such, operates voluntarily under its Group Code of Conduct in relation to executive remuneration consulting in the UK. The Committee was satisfied that the advice provided by PwC was independent and objective.

The firm also acted as tax adviser to the Company during 2022. The Committee reviewed the nature of all the services provided during the year by PwC, and was satisfied that no conflict of interest exists or existed in providing these services. PwC has no other connections with the Company or its Directors.

Total fees received by PwC, in relation to remuneration advice that materially assisted the Committee during the financial year ended 31 December 2022, amounted to £133,126. PwC's services are charged on a fixed fee basis with additional items charged on a time and materials basis.

The Committee will continue to seek remuneration advice from PwC in 2023.

Approval

This report has been approved by the Board of Directors and is signed on its behalf by:

Richard Byrne
Chair, Remuneration Committee
15 March 2023

Other Statutory Information

The Directors of Helios Towers plc present their Annual Report and audited Financial Statements for the year ended 31 December 2022.

Additional disclosures

This section, together with the Strategic Report, Governance Report, and Directors' Remuneration Report on pages 2-137, and other information cross-referenced in the table below, constitute the Directors' Report for the purposes of section 415 of the Companies Act 2006, and the information required by both schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and Listing Rule (LR) 9.8.6R.

As per LR 9.8.6R(8), the Company's TCFD disclosures, including greenhouse gas emissions and energy consumption, are explained in the Strategic Report on pages 64– 71. No disclosures are required by the Company pursuant to LR 9.8.4R, except for LR 9.8.4R (4), (12) and (13) as noted below.

The Directors' Report, together with the Strategic Report on pages 2-73, constitute the management report for the purposes of rule 4.1.8R of the Disclosure Guidance and Transparency Rules (the 'DTR'). The Strategic Report and the Governance Report on pages 2-137 constitute the Corporate Governance Statement for the purposes of 7.2.1R of the DTR.

TCFD and climate-related disclosures	Strategic Report	64-71
Future developments	Strategic Report	2-71
Section 172(1) Statement	Strategic Report	53-56
Engagement with stakeholders	Strategic and Governance Reports	2-93
Principal risks and uncertainties	Risk management and principal risks	59-63
Internal control and risk management systems	Risk management and principal risks	58 and 106
Viability Statement	Strategic Report	72-73
UK Corporate Governance Code compliance	Governance Report	86
Directors' interests	Remuneration Report	132
Long-term incentive plans	Remuneration Report	128-130
EBT - dividend waiver	Other Statutory Information	132
Directors' Responsibility Statement	Statement of Directors' Responsibilities	141
Financial instruments, financial risk management objectives and policies	Financial Statements: Note 26	182-186
Going Concern	Financial Statements: Note 2(a)	157
Subsequent events	Financial Statements: Note 32	191

Operations and performance

Results

Results for the year ended 31 December 2022 are set out in the detailed Financial Review on pages 77-83 and the Financial Statements on pages 142-194.

Dividends

The Directors do not intend to pay a final dividend for the year ended 31 December 2022.

Activities in research and development

The Company undertook no activities in research and development during the year ended 31 December 2022.

Branches outside the UK

The Company has no branches outside the UK.

Articles of Association

The Articles of Association set out the internal regulation of the Company and cover such matters as the rights of shareholders, the appointment and removal of Directors and the conduct of the Board and general meetings. Copies are available from the Company Secretary. The Articles of Association may be amended in accordance with the provisions of the Companies Act 2006 by way of a special resolution of the Company's shareholders. The Company's Articles of Association were last amended and approved by shareholders at the 2021 AGM and can be found on the Company's website at heliostowers.com/investors/corporate-governance/documents/.

Annual General Meeting

The Company's AGM will be held on Thursday 27 April 2023 at 10.00 am at Linklaters, One Silk Street, London, EC2Y 8HQ. The Chair, and the Chairs of the Audit and Remuneration Committees, will be present to answer shareholders' questions. Shareholders will be able to appoint a proxy electronically, either through our Registrar's website or CREST services, by 10.00 am on Tuesday 25 April 2023. A copy of the 2023 Notice of AGM can be found at heliostowers.com/investors/shareholder-centre/general-meetings/. Voting will be conducted by a poll and voting results will, after the conclusion of the AGM, be published on a Regulatory News Service and on the Company's website at heliostowers.com/investors/regulatory-news/.

Directors

The names, biographical details and Committee memberships of the Directors are set out on pages 87-88 and on the Company's website at heliostowers.com/who-we-are/leadership/board-of-directors/.

Other Statutory Information continued

Appointment and replacement of Directors
The Company's Articles of Association set out the rules on the appointment and replacement of Directors. The Directors have the power to remove another Director by ordinary resolution and elect another person in his or her place. The Articles of Association require that all Directors be elected by shareholders at the AGM following their appointment to the Board. All Directors are required to retire at each AGM in accordance with Provision 18 of the Code.

Powers of the Directors
The Company's Articles of Association set out the powers of the Directors and allow the Board to exercise those powers.

Directors' and Officers' liability insurance and indemnities
To the extent permitted by English law and the Articles of Association, the Company indemnifies each Director against legal actions that may arise as a result of that Director's positions within the Group. Each UK subsidiary company also indemnifies its Directors. All indemnities given are 'qualifying indemnity provisions' as defined in s236 of the Companies Act 2006. The Company maintains Directors' and Officers' liability insurance in respect of legal actions brought against its Group's Directors and Officers as a result of their positions within the Group.

Shareholders and share capital
Share capital
Helios Towers plc is a public company limited by shares, incorporated in England and Wales, and has a premium listing on the London Stock Exchange (LSE). The Company's issued share capital is set out in Note 18 to the Financial Statements and consists of one class of share of 1p nominal value, which carries no right to fixed income. Each share carries the right to one vote at general meetings of the Company.

As at 31 December 2022, the Company's issued share capital comprised 1,050,500,000 ordinary shares of £0.01 each, all with voting rights. On 5 October 2022, the Company's Block Listing Admission of 7,500,000 ordinary shares of £0.01 each became effective and were admitted to the premium listing segment of the Official List of the FCA to be traded on the Main Market of the LSE. On 3 November 2022, 2,500,000 ordinary shares of £0.01 each were issued and allotted from the Block Listing to the Employee Benefit Trust (EBT) share account.

Authority to purchase own shares
The Company has the authority, pursuant to the 2022 AGM, to make market purchases of its own shares of up to 104,800,000 ordinary shares of £0.01 each, representing 10% of its issued share capital as at the date of the Notice of the 2022 AGM. This authority, which was not exercised during 2022 or to the date of this report, will expire at the conclusion of the 2023 AGM, when the Directors will propose that the authority is renewed.

Rights, restrictions and transfer of shares
The rights attaching to the Company's shares, restrictions and any variation of rights are set out in the Articles of Association, which can be found on the Company's website at heliostowers.com/investors/corporate-governance/documents/.

Shares held by the EBT
The Company has established the EBT in connection with the Company's share plans, which holds treasury shares (as described in Note 18 to the Financial Statements) on trust for the benefit of employees of the Group. The trustee(s) of the EBT (the Trustee) may vote or abstain from voting in respect of the Company's shares held unallocated in the EBT. In respect of any allocated shares, unless the Company requests otherwise, the Trustee must seek voting directions from beneficial holders of the shares and vote in accordance with any directions received (or otherwise abstain from voting).

In accordance with good practice, unless the Company directs otherwise, the Trustee will waive its entitlement to receive any dividends above a maximum of one pence in aggregate in respect of shares which are the beneficial property of the EBT.

Major shareholders
As at 31 December 2022, the Company had been advised of the following notifiable interests (whether directly or indirectly held) in its voting rights, in accordance with DTR 5. The information was correct as at the date of notification to the Company, and published on a Regulatory News Service and on the Company's website at heliostowers.com/investors/regulatory-news/.

Shareholder	Number of voting rights	%
Newlight Partners LP	157,417,444	14.99
The Goldman Sachs Group	33,317,985	3.18

The Company has not been notified of any changes to the above information up to the date of this report.

Stakeholders and policies

Modern Slavery statement

The Company has approved, signed and published on its website its Modern Slavery and Human Trafficking Statement in accordance with the Modern Slavery Act 2015. The Statement can be found on the Company's website at heliostowers.com/modern-slavery-statement/.

Anti-Discrimination policy

The Company's Anti-Discrimination Policy applies to all Group staff (including non-permanent workers) as well as contractors, consultants and any other workers, and adopts a zero-tolerance approach to any unlawful discrimination when a person is harassed or treated arbitrarily or differently due to a relevant protected characteristic. The Company encourages its entire workforce to report any instance of discrimination that they witness or which comes to their attention. The policy makes it clear that selection for employment, promotion, training or any other benefit will be on the basis of aptitude and ability only. The policy is reviewed periodically to take account of legislative changes.

Significant agreements

The Company is required to disclose any significant agreements that take effect, alter or terminate on a change of control of the Company following a takeover bid.

The Company has committed debt facilities and has issued US$975 million senior bonds and US$300 million unsecured convertible bonds, all of which are directly or indirectly subject to change of control provisions, albeit neither the facilities, the senior bonds nor the convertible bonds necessarily require mandatory prepayment on a change of control and the convertible bonds are not automatically converted on a change of control.

The Shareholders' Agreement, details of which are set out on page 96, will terminate either if: (i) the shares of the Company cease to be listed on the premium listing segment of the Official List and traded on the London Stock Exchange; (ii) no founding shareholder holds 3% or more of the shares of the Company; or (iii) there is only one founding shareholder who holds 3% or more of the shares in the Company and none of Quantum Strategic Partners, Ltd, Lath Holdings, Ltd or Millicom Holding B.V. holds 10% or more of the shares of the Company.

Political donations and expenditure

The Company made no donations to any political party or other political organisation during the year. The Company has the authority, pursuant to the 2022 AGM, to make political donations not exceeding £50,000 and incur political expenditure not exceeding £50,000 in total. Further details of this authority can be found in the Notice of the 2022 AGM. This authority, which was not exercised during 2022 or to the date of this report, will expire at the conclusion of the 2023 AGM, when the Directors will propose that the authority is renewed.

Employee share plans

The Company's shareholders approved the HT UK Share Purchase Plan and HT Global Share Purchase Plan (together the 'HT SharingPlan') at its 2021 AGM. The Board made two new awards under the HT SharingPlan in 2022 to all colleagues: the 2022 Award and the Cost of Living Award as noted on pages 135.

Auditor and audit information

External auditor

A resolution to reappoint Deloitte LLP as external auditor will be proposed at the 2023 AGM.

Audit information

Each of the Directors at the date of the approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the Company's external auditor is unaware; and
- they have taken all reasonable steps as Directors to make themselves aware of any relevant audit information, and to establish that the Company's external auditor is aware of that information.

This confirmation is given, and should be interpreted, in accordance with the provisions of section 418 of the Companies Act 2006.

The Directors' Report was approved by the Board of Directors of Helios Towers plc on 15 March 2023 and signed on its behalf by:

Paul Barrett
General Counsel and Company Secretary
Helios Towers plc
Company Number 12134855

Statement of Directors' responsibilities

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and Financial Statements, and the Group Financial Statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under the law, the Directors are required to prepare the Group Financial Statements in accordance with United Kingdom adopted international accounting standards.

The Directors have elected to prepare the Company Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP), which is the United Kingdom Accounting Standards and applicable law, including the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102). Under company law, the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company, and of the profit and loss of the Company for that period.

In preparing the parent company's Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

In preparing the Group Financial Statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in international accounting standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company, and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and, therefore, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' responsibility statement under the UK Corporate Governance Code

In accordance with Provision 27 of the 2018 UK Corporate Governance Code, the Directors consider that the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides information to enable shareholders to assess the Company's performance, business model and strategy.

Responsibility Statement

Each of the Directors whose names are listed on pages 87 to 88 confirm that to the best of their knowledge:

- the Group Financial Statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and Company and the undertakings included in the consolidation taken as a whole;
- the Strategic Report includes a fair review of the development and performance of the business, the position of the Company, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 15 March 2023 and is signed on its behalf by:

Tom Greenwood
Group Chief Executive Officer

Manjit Dhillon
Group Chief Financial Officer

Financial Statements

Delivered record Adjusted EBITDA and operating profit

Delivered record Adjusted EBITDA and operating profit, which is almost exclusively driven by tenancy additions and operational improvements.

Adjusted EBITDA	Operating Profit
$283m	$80m
2021: $241m	2021: $59m

Independent auditor's report to the members of Helios Towers plc

Report on the audit of the Financial Statements

1. Opinion

In our opinion:

- the Financial Statements of Helios Towers plc (the 'Company') and its subsidiaries (the 'Group') give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2022 and of the Group's loss for the year then ended;
- the Group Financial Statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the Company Financial Statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- the Financial Statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements which comprise:

- the Consolidated Income Statement;
- the Consolidated Statement of Other Comprehensive Income;
- the Consolidated and Company Statements of Financial Position;
- the Consolidated and Company Statements of Changes in Equity;
- the Consolidated Statement of Cash Flows;
- the Statement of compliance and presentation of Financial Statements; and
- the related notes to the consolidated Financial Statements 1 to 31 and notes to the Company Financial Statements 1 to 7.

The financial reporting framework that has been applied in the preparation of the Group Financial Statements is applicable law and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Company Financial Statements is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the Financial Statements section of our report.

We are independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the Group and Company for the year are disclosed in note 5b to the Financial Statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the Group or the Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: – Revenue recognition and recoverability of receivables; – Valuation of uncertain tax positions; and – Valuation of acquired intangibles on the Oman acquisition. Within this report, key audit matters are identified as follows: ! Newly identified Increased level of risk Similar level of risk Decreased level of risk
Materiality	The materiality that we used for the Group Financial Statements was US$8.5m (2021: US$7.4m) which was determined based on a combination of 1.5% (2021: 1.6%) of revenue and 3% (2021: 3%) of Adjusted EBITDA (as defined in note 4) benchmarks based on the Group Financial Statements.
Scoping	We have performed a full scope audit on the Group's key trading entities in Democratic Republic of the Congo ("DRC"), Tanzania and Senegal. We have audited specified balances within the Group's trading entities in Republic of the Congo, Ghana, Madagascar, Malawi and Oman, as well as specified balances within certain financing/head office entities. The balances or legal entities not covered by our audit scope were subject to analytical procedures. Based on this assessment, our audit coverage was 87% of Group revenue (2021: 98%), 85% of Group Adjusted EBITDA (2021:96%) and 79% of Group net assets (2021: 88%).

Strategic Report
Governance Report
Financial Statements

Significant changes in our approach	We have adapted our group audit scoping in response to the Group's recent acquisitions in Malawi and Oman (2022) and Senegal and Madagascar (2021) and the resulting changes in relative contributions from the existing and new components in the Group. The following changes were made: – Malawi: specified balances (2021: n/a) – Oman: specified balances (2021: n/a) – Senegal: full scope audit (2021: specified balances) – Ghana: specified balances (2021: full scope audit) – Republic of the Congo: specified balances (2021: full scope audit) – Madagascar: specified balances (2021: review at group level)

4. Conclusions relating to going concern

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

Our evaluation of the Directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining an understanding of the relevant controls over the Group's forecasting process;
- Assessing the Group's financing facilities including the nature of facilities, their repayment terms and covenants;
- Considering the linkage of the forecasts to the Group's business model and medium-term risks by assessing market data and the Group's commitments regarding climate change;
- Assessing key assumptions used in the forecasts and sensitised forecasts, the amount of headroom, and performing further sensitivity analysis;
- Testing the mathematical accuracy of the model used to prepare the forecasts, testing of clerical accuracy of those forecasts;
- Assessing the historical accuracy of forecasts prepared by the directors; and
- Assessing the Financial Statement disclosures in respect of going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Company's ability to continue as a going concern for a period of at least twelve months from when the Financial Statements are authorised for issue.

In relation to the reporting on how the Group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the Financial Statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Revenue recognition and recoverability of receivables

Key audit matter description	Revenue is derived from leasing spaces on telecommunication towers to mobile network operators ("MNOs") and other fixed wireless operators, for a monthly or quarterly fee, which is accounted for under IFRS 15 *Revenue from contracts with customers* ("IFRS 15"). As set out in the accounting policies on page 156 and note 2(a), this is generally the consideration received or expected to be received, and takes into account the directors' evaluation of whether, at the time the Group performs the services, it is probable that the Group will collect the consideration that it is entitled to. At the balance sheet date, $16.6m (2021: $11.0m) of services had been provided to customers which had yet to meet the Group's probability criterion for revenue recognition under the Group's accounting policies. Contract terms are generally consistent across the group, but may be modified during their term, the accounting for which under IFRS 15 can be complex. The receivables balance comprises balances with MNOs and other wireless operators and represents revenues that have previously been recognised within the income statement. IFRS 9 *Financial Instruments* requires the entity to record an impairment against receivable balances (expected credit loss ("ECL") provision) based on forward-looking information. As at 31 December 2022, the Group had recognised trade receivables totalling US$80.5m (2021: US$83.1m). The Group has recorded an expected credit loss provision of US$5.8m (2021: US$6.0m) against these receivables. We have identified a key audit matter in respect of the revenue recognition (including new contracts and contract modifications) and recoverability of balances where there is evidence of liquidity issues or a dispute with the customer. Refer to notes 3, 15, 22 and the report of the Audit Committee on page 103 of the annual report.

5. Key audit matters (continued)
5.1 Revenue recognition and recoverability of receivables (continued)

How the scope of our audit responded to the key audit matter	In responding to this key audit matter, we performed the following procedures: – we obtained an understanding of the entity's controls relevant to determining revenue recognition with respect to the probability of collection and in respect of new contracts/contract modifications, and the identification of receivables at risk of default, assessing their recoverability and appropriate level of ECL; – we identified revenue streams for which collection may not be probable based on an analysis of recent payment history relative to contractual entitlement and discussions with Group and local management; – we assessed the directors' judgements relating to non-recognition of revenue for reasonableness and compliance with the requirements of IFRS 15; – we identified significant new contracts (including those arising from the Group's acquisitions) and contract modifications during the year, read them and evaluated the revenue recognition and measurement with respect to the requirements of IFRS 15; – we identified receivables which may be disputed or may not be recoverable based on an analysis of aged items and discussions with Group and local management; – we agreed a sample of the debtors balances outstanding as at year end to evidence of cash received since year-end, to the extent collected; – we obtained confirmations of material debtors balances and a sample of others, and where these differed we tested reconciling items, analysed subsequent cash receipts and tested open invoices as at year end to assessed any remaining differences; – we assessed the entity's provision estimates for ECL and any impairment of receivables for compliance with IFRS 9; and – we assessed the disclosures in respect of material judgements made against the requirements of IFRS 15 and IFRS 9.
Key observations	We are satisfied that the directors' judgements in relation to non-recognition of revenue where collection is uncertain are reasonable, that the entity's revenue treatment of new contracts and contract modifications was appropriate, and that revenue related judgements were appropriately disclosed in notes 3, 15 and 22. We concluded that estimates of provisions for ECL and impairment of receivables are reasonable.

5.2. Valuation of uncertain tax positions

Key audit matter description	The Group operates in a variety of tax jurisdictions within Africa and the Middle East. There have been a number of tax investigations and inspections by local tax authorities, the findings of which could result in the imposition of fines and penalties. There is often estimation uncertainty associated with valuing uncertain tax positions ("UTPs") and contingent liabilities in these jurisdictions and we therefore consider this to be a key audit matter, as the range of possible outcomes of the investigations and inspections can be wide. These judgements can be complex as a result of the considerations required over multiple tax laws and regulations, and in the current year included consideration ongoing tax audits in certain subsidiaries, where the estimated tax charge depends on uncertain interpretation and application of tax law. Refer to notes 10, 19 and the report of the Audit Committee on page 103.
How the scope of our audit responded to the key audit matter	In responding to this key audit matter, we performed the following procedures: – obtained an understanding of the entity's controls relevant to the assessment of required provisions in respect of tax investigations and inspections and valuation of the UTPs; – engaged tax specialists in the UK and in the relevant jurisdictions to assist in assessing the technical treatment of UTPs and provisions and the directors' related judgements; – held discussions with Group and local management and local tax advisors to further understand current and historic UTPs; – assessed communication between the Group and the relevant tax authorities for all components whose tax balances are in scope; – tested the tax provision workings and considered whether these had been calculated in accordance with the applicable laws and regulations of the relevant jurisdiction; – assessed the entity's overall UTP provision and tax-related contingent liabilities estimates in the context of the entity's track record of resolving these in the past and considered whether there was any contradictory evidence; and – assessed the completeness and accuracy of disclosures related to tax valuation made in the annual report.
Key observations	We concluded that the tax provisions held by the entity were reasonable. We are satisfied that tax-related contingent liabilities and uncertainties are complete and appropriately disclosed in notes 10 and 19.

Strategic Report
Governance Report
Financial Statements

Strategic Report
Governance Report
Financial Statements

5. Key audit matters (continued)

5.3. Valuation of acquired intangibles on the Oman acquisition

Key audit matter description	During the year, the Group accounted for the purchase of a 70% controlling interest in Oman Tech Infrastructure in accordance with the requirements of IFRS 3 *Business Combinations* ("IFRS 3") and recognised US$340.4m of intangible assets (comprising $330.5m of customer relationships and US$9.9m of goodwill). The determination of the fair value of the acquired intangible assets (with the assistance of the entity's external valuations expert) relies on certain assumptions and estimates of future trading performance which include forecast revenues from customer relationships, their expected lives, forecast costs and tax rates. We identified the valuation of the acquired intangible assets arising from the Oman acquisition as a key audit matter due to the judgements involved in determining the value of intangibles. Refer to note 31 and the report of the Audit Committee on page 103.
How the scope of our audit responded to the key audit matter	In responding to this key audit matter, we performed the following procedures: – obtained an understanding of the entity's controls relevant to the acquisition accounting, in particular the identification and measurement of acquired intangibles and controls over the acquisition accounting and related estimates and assumptions; – analysed the directors' paper on the acquisition and assessed the accounting treatment in accordance with the requirements of IFRS 3; – assessed the competence, capability and objectivity of the entity's expert; – engaged valuations specialists to assist in evaluating the methodology and key assumptions used in the valuation of the intangible assets acquired; – benchmarked discount rates against external market sources; – challenged the entity's revenue and profit margin forecasts by comparing with approved business plans, benchmarking against forecasts for the Group's other operating companies and considered whether there was any contradictory evidence; – assessed the methodology used to establish useful economic lives of assets with the assistance of our valuations specialists; – agreed data including contract length back to supporting documentation; – performing overall cross checks based on earnings multiples and the weighted average return on assets; – with the assistance of our tax specialists, assessed the tax implications arising from this acquisition; – reviewed the share purchase agreement to corroborate the overall deal structure and transaction price, and agreed the cash paid to supporting documentation; and – assessed whether the disclosures in note 31 to the Financial Statements are compliant with the requirements of IFRS 3.
Key observations	We concluded that the estimates and assumptions made by the directors were reasonable and that the associated accounting and disclosures made in the annual report in Note 31 comply with IFRS 3.

6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the Financial Statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the Financial Statements as a whole as follows:

	Group Financial Statements	Company Financial Statements
Materiality	US$8,500,000 (2021: US$7,400,000)	US$3,400,000 (2021: US$2,960,000)
Basis for determining materiality	Materiality has been determined as a combination of 1.5% (2021: 1.6%) of revenue and 4% (2021: 3%) of Adjusted EBITDA (as defined in note 4) benchmarks derived from the Group Financial Statements.	Company materiality used in our audit has been determined as 1% (2021: 1%) of net assets, which is capped at 40% (2021: 40%) of Group materiality.
Rationale for the benchmark applied	We believe that the revenue and Adjusted EBITDA metrics reflect the underlying performance of the Group, and given the importance attached to these metrics by investors and other readers of the Financial Statements, we concluded that these were the most appropriate metrics to use.	The Company acts principally as a holding company and therefore net assets is a key measure for this entity.

6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the Financial Statements as a whole.

	Group Financial Statements	Parent company Financial Statements
Performance materiality	70% (2021: 70%) of Group materiality	70% (2021: 70%) of Company materiality.
Basis and rationale for determining performance materiality	In determining performance materiality, we considered: – the Group's overall control environment; and – the level of uncorrected misstatements identified in previous periods.	

6.3. Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of US$425,000 (2021: US$370,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the Financial Statements.

7. An overview of the scope of our audit

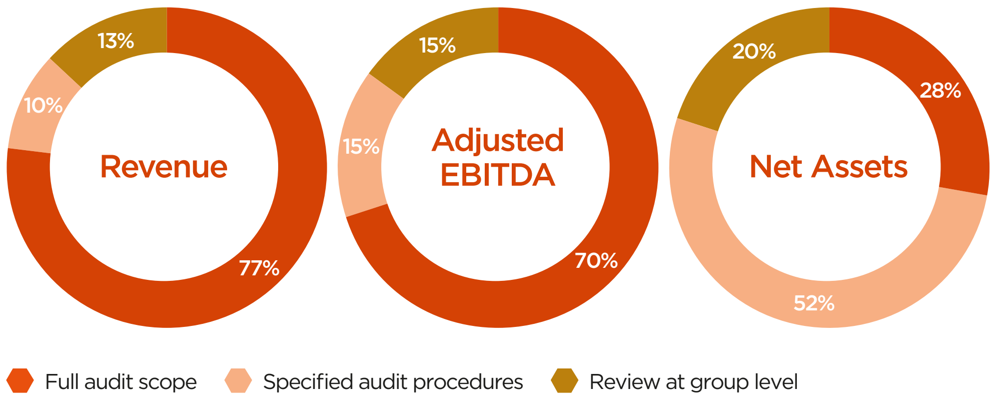
7.1. Identification and scoping of components

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level. Although the Group has operating companies within Tanzania, Democratic Republic of the Congo, Ghana, the Republic of the Congo, Senegal, South Africa, Madagascar, Malawi and Oman, the majority of its accounting function and supporting accounting records are located at its central office in the United Kingdom.

Therefore, based on the above risk assessment, a significant proportion of our audit effort is concentrated at a Group level. There was limited use of local audit teams, under the Group team's direction, to perform certain specified audit procedures as further described in section 7.3 below.

The statutory operating companies in the Democratic Republic of Congo, Senegal and Tanzania were in full audit scope for the current year. In 2021 Ghana and the Republic of Congo were also in full audit scope; in 2022 their relative contribution to the group was less due to new acquisitions and therefore the scope was reduced. We performed specified audit procedures only on the other operating companies. Our component materiality ranged from US$2.2m to US$3.6m (2021: US$2.1m to US$3.4m).

Based on this approach, audit coverage over revenue was 87% (2021: 98%), Adjusted EBITDA 85% (2021: 96%) and net assets 79% (2021: 88%):



7. An overview of the scope of our audit (continued)

7.2. Our consideration of the control environment

In 2022, in order to assess appropriateness of the controls over the financial reporting and revenue IT systems, we engaged our IT audit specialists to evaluate controls over change management, user access and segregation of duties and we were able to place reliance on those controls. We tested the manual controls of revenue (including accrued and deferred amounts at the period end) and concluded that they operated effectively.

We also obtained an understanding of the relevant controls over receivables, expenses, inventories, fixed assets, budgeting and forecasting, taxation and financial reporting including journal entries and confirmed that they were appropriately designed.

7.3. Our consideration of climate-related risks

In planning our audit, we have considered the potential impact of climate change on the Group's business and its Financial Statements.

As a part of our audit, we obtained the directors' climate-related risk assessment and held discussions with them to understand the process of identifying climate-related risks, the determination of mitigating actions and the impact on the Group's Financial Statements. As explained on page 165, the key areas considered in the consolidated Financial Statements were the impact of the Group's net zero commitments on forecasts used in the going concern model and impairment assessments. Other than the appropriate inclusion of these commitments in the Group's forecasts, they concluded there was no material impact arising from climate change on the judgements and estimates made in the current year Financial Statements.

We performed our own qualitative risk assessment of the potential impact of climate change on the Group's account balances and classes of transaction and did not identify any reasonably possible risks of material misstatement arising from climate change. Our procedures included reading disclosures included in the Strategic Report, including those about the Group's climate change commitments and the TCFD disclosures to consider whether they are materially consistent with the Financial Statements and our knowledge obtained in our audit work, particularly our work on the Group's impairment and going concern cash flow forecasts.

7.4. Working with other auditors

Because of the level of centralisation in the operations of the Group, as described in section 7.1, the audits of all components were led by the Group audit team, with limited use of local audit teams to assist us in specific areas where local presence and/or knowledge was important, such as inventory counts, fixed asset verifications and assessment of uncertain tax positions. We exercised close supervision and oversight of local audit teams through the performance of the following procedures:

- we sent detailed instructions to all local audit teams specifying the procedures required;
- we included local audit teams in team briefings, planning meetings and component risk assessments as relevant to their work; and
- we reviewed working papers prepared by local audit teams and related deliverables submitted to us.

Although we did not visit overseas components, this did not have an impact on our ability to review local audit teams' work. Instead, we have continued to have more frequent communications with our local audit teams throughout the audit process, such as conducting meetings with local audit teams via video conferencing.

8. Other information

The other information comprises the information included in the annual report, other than the Financial Statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

A further description of our responsibilities for the audit of the Financial Statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for Directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management, internal compliance, the directors and the audit committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
  - the matters discussed among the audit engagement team including component audit teams and relevant internal specialists, including tax, valuations, IT, and forensic specialists regarding how and where fraud might occur in the Financial Statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in revenue recognition and bribery and kickbacks. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the Financial Statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Corporate Governance Code, Listing Rules and Tax legislation.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

11.1 Identifying and assessing potential risks related to irregularities (continued)

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the Financial Statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. These included the Group's adherence to telecommunication and environmental regulations.

11.2. Audit response to risks identified

As a result of performing the above, we identified revenue recognition as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to this key audit matter. In addition to the above, our procedures to respond to fraud risks identified included the following:

- reviewing the Financial Statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the Financial Statements;
- enquiring of management, the directors, the audit committee and in-house legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities;
- in addressing the risks of material fraud in petty cash and bribery and kickbacks, in consultation with our forensic specialists we assessed the potential for material misstatement. Our audit procedures included focussed testing on unusual transactions and reviewing output from the Group's whistleblowing hotline; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the Directors' report.

13. Corporate Governance Statement

The Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the Financial Statements and our knowledge obtained during the audit:

- the Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 72;
- the Directors' explanation as to its assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 72;
- the Directors' statement on fair, balanced and understandable set out on page 141;
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 58;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems 107 to 108; and
- the section describing the work of the audit committee set out on page 103.

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company Financial Statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters..

14.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of Directors' remuneration have not been made or the part of the Directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in this regard.

15. Other matters which we are required to address

15.1. Auditor tenure

The Company was incorporated on 1 August 2019. We were appointed on 1 October 2019 by the Directors to audit the Financial Statements for the period ended 31 December 2019 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments is 4 years, covering the years ended 31 December 2019 to 31 December 2022.

However, we were appointed on 18 November 2010 for other Group entities (including the former parent company Helios Towers Ltd) to audit the Financial Statements for the year ended 31 December 2010. Following a competitive tender process, we were reappointed to audit the Financial Statements for the period ending 31 December 2022 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments is therefore 13 years, covering the years ended 31 December 2010 to 31 December 2022.

15.2. Consistency of the audit report with the additional report to the audit committee

Our audit opinion is consistent with the additional report to the audit committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.14R, these Financial Statements form part of the European Single Electronic Format (ESEF) prepared Annual Financial Report filed on the National Storage Mechanism of the UK FCA in accordance with the ESEF Regulatory Technical Standard (ESEF RTS). This auditor's report provides no assurance over whether the annual financial report has been prepared using the single electronic format specified in the ESEF RTS.

Bevan Whitehead FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
15 March 2023

Consolidated Income Statement
For the year ended 31 December

	Note	2022 US$m	2021 US$m
Revenue	3	**560.7**	449.1
Cost of sales		**(365.9)**	(295.3)
Gross profit		**194.8**	153.8
Administrative expenses		**(114.1)**	(94.3)
Loss on disposal of property, plant and equipment		**(0.4)**	(0.5)
Operating profit	5a	**80.3**	59.0
Interest receivable	8	**1.8**	0.7
Other gains and (losses)	24	**(51.4)**	(28.0)
Finance costs	9	**(193.2)**	(151.1)
Loss before tax		**(162.5)**	(119.4)
Tax expense	10	**(8.9)**	(36.8)
Loss after tax for the year		**(171.4)**	(156.2)
Loss attributable to:			
Owners of the Company		**(171.5)**	(156.2)
Non-controlling interests		**0.1**	–
Loss for the year		**(171.4)**	(156.2)
Loss per share:			
Basic loss per share (cents)	29	**(16)**	(15)
Diluted loss per share (cents)	29	**(16)**	(15)

All activities relate to continuing operations.

The accompanying Notes form an integral part of these Financial Statements.

Consolidated Statement of Other Comprehensive Income
For the year ended 31 December

	2022 US$m	2021 US$m
Loss after tax for the year	**(171.4)**	(156.2)
Other comprehensive (loss)/gain:		
Items that may be reclassified subsequently to profit and loss:		
Exchange differences on translation of foreign operations	**(5.5)**	3.3
Total comprehensive loss for the year, net of tax	**(176.9)**	(152.9)
Total comprehensive loss attributable to:		
Owners of the Company	**(176.4)**	(152.9)
Non-controlling interests	**(0.5)**	–
Total comprehensive loss for the year	**(176.9)**	(152.9)

The accompanying Notes form an integral part of these Financial Statements.

Consolidated Statement of Financial Position
As at 31 December

Assets	Note	**2022 US$m**	2021 US$m (Restated)[1]
Non-current assets			
Intangible assets	11	**583.5**	231.4
Property, plant and equipment	12a	**931.4**	708.2
Right-of-use assets	12b	**200.0**	161.1
Derivative financial assets	26	**2.8**	57.7
		1,717.7	1,158.4
Current assets			
Inventories	14	**14.6**	10.5
Trade and other receivables	15	**246.8**	191.5
Prepayments	16	**45.7**	43.3
Cash and cash equivalents	17	**119.6**	528.9
		426.7	774.2
Total assets		**2,144.4**	1,932.6
Equity and liabilities			
Equity			
Share capital	18	**13.5**	13.5
Share premium	18	**105.6**	105.6
Other reserves		**(87.0)**	(87.0)
Convertible bond reserves	20	**52.7**	52.7
Share-based payments reserves	25	**23.2**	19.6
Treasury shares	18	**(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

1 Restatement on finalisation of acquisition accounting; see note 31(c) page 190.

Liabilities	Note	**2022 US$m**	2021 US$m (Restated)
Current liabilities			
Trade and other payables	19	**244.7**	247.5
Short-term lease liabilities	21	**34.1**	33.0
Loans	20	**19.9**	2.8
		298.7	283.3
Non-current liabilities			
Deferred tax liabilities		**50.1**	39.7
Long-term lease liabilities	21	**191.9**	148.9
Loans	20	**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

The accompanying Notes form an integral part of these Financial Statements.

These Financial Statements were approved and authorised for issue by the Board on 15 March 2023 and signed on its behalf by:

Tom Greenwood **Manjit Dhillon**

Consolidated Statement of Changes in Equity
For the year ended 31 December

	Note	Share capital US$m	Share premium US$m	Other reserves US$m	Treasury shares US$m	Share-based payments reserves US$m	Convertible bond reserves US$m	Translation reserve US$m	Retained earnings US$m	Attributable to the owners of the Company US$m	Non-controlling interest (NCI) US$m	Total equity US$m
Balance at 1 January 2021		12.8	–	(87.0)	(2.3)	18.4	–	(91.9)	280.3	130.3	–	130.3
Loss for the year		–	–	–	–	–	–	–	(156.2)	(156.2)	–	(156.2)
Other comprehensive loss		–	–	–	–	–	–	3.3	–	3.3	–	3.3
Total comprehensive loss for the year		–	–	–	–	–	–	3.3	(156.2)	(152.9)	–	(152.9)
Transactions with owners:												
Issue of share capital		0.7	105.6	–	–	–	–	–	–	106.3	–	106.3
Convertible bond reserves		–	–	–	–	–	52.7	–	–	52.7	–	52.7
Share-based payments	25	–	–	–	–	2.4	–	–	–	2.4	–	2.4
Transfer of treasury shares		–	–	–	1.2	(1.2)	–	–	–	–	–	–
Capital contribution	10	–	–	–	–	–	–	–	29.2	29.2	–	29.2
Balance at 31 December 2021		13.5	105.6	(87.0)	(1.1)	19.6	52.7	(88.6)	153.3	168.0	–	168.0
Loss for the year		–	–	–	–	–	–	–	(171.5)	(171.5)	0.1	(171.4)
Other comprehensive loss		–	–	–	–	–	–	(4.9)	–	(4.9)	(0.6)	(5.5)
Total comprehensive loss for the year		–	–	–	–	–	–	(4.9)	(171.5)	(176.4)	(0.5)	(176.9)
Transactions with owners:												
Issue of share capital		–	–	–	–	–	–	–	13.1	13.1	–	13.1
Non-controlling interests (Note 30)		–	–	–	–	–	–	–	–	–	48.1	48.1
Share-based payments	25	–	–	–	–	3.6	–	–	–	3.6	–	3.6
Buyout Obligation Liability		–	–	–	–	–	–	–	–	–	(6.6)	(6.6)
Balance at 31 December 2022		**13.5**	**105.6**	**(87.0)**	**(1.1)**	**23.2**	**52.7**	**(93.5)**	**(5.1)**	**8.3**	**41.0**	**49.3**

In March 2021 the Group issued US$250 million of convertible bonds with a coupon of 2.875%, due in 2027. In June 2021 the Group tapped the bond for an aggregate principal amount of US$50 million. On initial recognition of the convertible bond and the convertible bond tap, a liability and equity reserve component were recognised being US$242.4 million and US$52.7 million respectively including transaction costs.

Share-based payments reserves relate to share options awarded. See Note 25.

Translation reserve relates to the translation of the Financial Statements of overseas subsidiaries into the presentational currency of the Consolidated Financial Statements.

Included in other reserves is the merger accounting reserve which arose on Group reorganisation in 2019 and is the difference between the carrying value of the net assets acquired and the nominal value of the share capital.

The accompanying Notes form an integral part of these Financial Statements.

Consolidated Statement of Cash Flows

For the year ended 31 December

	Note	2022 US$m	2021 US$m
Cash flows from operating activities			
Loss for the year before tax		**(162.5)**	(119.4)
Adjustments for:			
Other gains and (losses)	24	**51.4**	28.0
Finance costs	9	**193.2**	151.1
Interest receivable	8	**(1.8)**	(0.7)
Depreciation and amortisation on property, plant and equipment	11, 12	**178.5**	159.8
Share-based payments and long-term incentive plans	25	**4.5**	2.0
Loss on disposal of property, plant and equipment		**0.4**	0.5
Operating cash flows before movements in working capital		**263.7**	221.3
Movement in working capital:			
(Increase) in inventories		**(3.3)**	(1.6)
(Increase) in trade and other receivables		**(79.0)**	(18.1)
(Increase) in prepayments		**(2.0)**	(4.6)
Increase/(Decrease) in trade and other payables		**13.8**	(1.1)
Cash generated from operations		**193.2**	195.9
Interest paid		**(121.8)**	(111.7)
Tax paid	10	**(20.3)**	(48.3)
Net cash generated from operating activities		**51.1**	35.9

	Note	2022 US$m	2021 US$m
Cash flows from investing activities			
Payments to acquire property, plant and equipment		**(244.4)**	(168.5)
Payments to acquire intangible assets		**(3.4)**	(2.0)
Acquisition of subsidiaries (net of cash acquired)	31	**(135.6)**	(238.2)
Proceeds on disposal of property, plant and equipment		**0.1**	0.5
Interest received		**1.8**	0.6
Net cash used in investing activities		**(381.5)**	(407.6)
Cash flows from financing activities			
Gross proceeds from issue of equity share capital		**–**	109.3
Share issue costs		**–**	(3.0)
Transactions with non-controlling interests		**11.8**	–
Loan drawdowns		**280.6**	367.6
Loan issue costs		**(7.2)**	(15.8)
Repayment of loan		**(341.0)**	–
Repayment of lease liabilities		**(18.8)**	(13.3)
Capital contributions		**–**	29.2
Net cash (used in)/generated from financing activities		**(74.6)**	474.0
Net (decrease)/increase in cash and cash equivalents		**(405.0)**	102.3
Foreign exchange on translation movement		**(4.3)**	(2.1)
Cash and cash equivalents at 1 January		**528.9**	428.7
Cash and cash equivalents at 31 December		**119.6**	528.9

The accompanying Notes form an integral part of these Financial Statements.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2022

1. Statement of compliance and presentation of financial statements
Helios Towers plc (the 'Company'), together with its subsidiaries (collectively, 'Helios', or the 'Group'), is an independent tower company, with operations across nine countries. Helios Towers plc is a public limited company incorporated and domiciled in the UK, and registered under the laws of England & Wales under company number 12134855 with its registered address at 10th Floor, 5 Merchant Square West, London, W2 1AS, United Kingdom. In October 2019, the ordinary shares of Helios Towers plc were admitted to the premium listing segment of the Official List of the UK Financial Conduct Authority and trade on the London Stock Exchange Plc's main market for listed securities.

The Company and entities controlled by the Company are disclosed in Note 13. The principal accounting policies adopted by the Group are set out in Note 2. These policies have been consistently applied to all periods presented.

2(a). Accounting policies
Basis of preparation
The Group's Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the United Kingdom (IFRSs), taking into account IFRS Interpretations Committee (IFRS IC) interpretations and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The Financial Statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments that are measured at fair value at the end of each reporting period. The Financial Statements are presented in United States Dollars (US$) and rounded to the nearest hundred thousand (US$0.1 million) except when otherwise indicated. Comparatives are updated where appropriate.

The principal accounting policies adopted are set out below.

Basis of consolidation
The Consolidated Financial Statements incorporate the Financial Statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the Financial Statements of subsidiaries to bring the accounting policies used in line with the Group's accounting policies.

All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that have present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Going concern
The Directors believe that the Group is well placed to manage its business risks successfully, despite the current uncertain economic outlook in the wider economy. The Group's forecasts and projections, taking account of possible changes in trading performance, show that the Group should remain adequately liquid and should operate within the covenant levels of its debt facilities (Note 20).

2(a). Accounting policies (continued)

Going concern (continued)

As part of their regular assessment of the Group's working capital and financing position, the Directors have prepared a detailed trading and cash flow forecast for a period which covers at least 12 months after the date of approval of the Consolidated Financial Statements, together with sensitivities and a 'reasonable worst case' stress scenario. In assessing the forecasts, the Directors have considered:

- trading and operating risks presented by the conditions in the operating markets;
- the impact of macroeconomic factors, particularly inflation, interest rates and foreign exchange rates;
- climate change risks and initiatives, including the Group's Project 100 initiative;
- the availability of the Group's funding arrangements, including loan covenants and non-reliance on facilities with covenant restrictions in more extreme downside scenarios;
- the status of the Group's financial arrangements;
- progress made in developing and implementing cost reduction programmes, climate change considerations and initiatives and operational improvements; and
- mitigating actions available should business activities fall behind current expectations, including the deferral of discretionary overheads and other expenditures.

In particular for the current year, the Directors have considered the impact of rising energy prices and the broader inflationary environment on the Group's operations.

Based on the foregoing considerations, the Directors continue to consider it appropriate to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.

New accounting policies in 2022

In the current financial year, the Group has adopted the following new and revised Standards, Amendments and Interpretations. Their adoption has not had a significant impact on the amounts reported in these Financial Statements:

- Amendments to IFRS 3: Reference to the Conceptual Framework, Amendments to IAS 16: Property, Plant and Equipment—Proceeds before Intended Use, Amendments to IAS 37: Onerous Contracts – Cost of fulfilling a Contract, Annual Improvements to IFRS Standards: 2018–2020 Cycle, Amendments to IFRS 1: First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases and IAS 41: Agriculture.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination in accordance with IFRS 3 Business Combinations (IFRS 3) is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. The identifiable assets, liabilities and contingent liabilities (identifiable net assets) are recognised at their fair value at the date of acquisition. Acquisition-related costs are expensed as incurred and included in administrative expenses.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- uncertain tax positions and deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-Based Payments at the acquisition date (see below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquired (if any) over the net of the fair values of acquired assets and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognised in profit or loss. Goodwill is capitalised as an intangible asset with any subsequent impairment in carrying value being charged to the consolidated statement of profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (a period of no more than 12 months), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

2(a). Accounting policies (continued)

Business combinations and goodwill (continued)

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. The carrying value of contingent consideration is the present value of those cash flows (when the effect of the time value of money is material).

Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. Subsequently, changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments are recognised in the income statement, when contingent consideration amounts are remeasured to fair value at subsequent reporting dates.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the cash-generating units (CGU) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss is recognised directly in profit or loss. An impairment loss recognised for goodwill is not able to be reversed in subsequent periods. On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Revenue recognition

The Group recognises revenue from the rendering of tower services provided by utilisation of the Group's tower infrastructure pursuant to written contracts with its customers. The Group applies the five-step model in IFRS 15 Revenue from Contracts with Customers (IFRS 15). Prescriptive guidance in IFRS 15 is followed to deal with specific scenarios and details of the impact of IFRS 15 on the Group's Consolidated Financial Statements are described below. Revenue is not recognised if uncertainties over a customer's intention and ability to pay means that collection is not probable.

On inception of the contract a 'performance obligation' is identified based on each of the distinct goods or services promised to the customer. The consideration specified in the contract with the customer is allocated to a performance obligation identified based on their relative standalone selling prices. In line with IFRS 15, the Group has one material performance obligation, which is providing a series of distinct tower space and site services. This performance obligation includes fees for the provision of tower infrastructure, power escalations and tower service contracts. This is the only material performance obligation for the Group at the balance sheet date.

Revenue from these services is recognised as the performance obligation is satisfied over time using the time elapsed output method for each customer to measure the Group's progress under the contract. Customers are usually billed in advance creating a deferred income which is then recognised as the performance obligation is met over a straight-line basis. Amounts billed in arrears are recognised as contract assets.

Revenue is measured at the fair value of the consideration received or expected to be received and represents amounts receivable for services provided in the normal course of business, less VAT and other sales-related taxes. Where refunds are issued to customers, they are deducted from revenue in the relevant service period.

The entire estimated loss for a contract is recognised immediately when there is evidence that the contract is unprofitable. If these estimates indicate that any contract will be less profitable than previously forecasted, contract assets may have to be written down to the extent they are no longer considered to be fully recoverable. We perform ongoing profitability reviews of our contracts in order to determine whether the latest estimates are appropriate. Key factors reviewed include:

- transaction volumes or other inputs affecting future revenues which can vary depending on customer requirements, plans, market position and other factors such as general economic conditions;
- the status of commercial relations with customers and the implications for future revenue and cost projections;
- our estimates of future staff and third-party costs and the degree to which cost savings and efficiencies are deliverable

The direct and incremental costs of acquiring a contract including, for example, certain commissions payable to staff or agents for acquiring customers on behalf of the Group, are recognised as contract acquisition cost assets in the statement of financial position when the related payment obligation is recorded. Costs are recognised as an expense in line with the recognition of the related revenue that is expected to be earned by the Group; typically, this is over the customer contract period as new commissions are payable on contract renewal.

2(a). Accounting policies (continued)

Foreign currency translation

The individual Financial Statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the Consolidated Financial Statements, the results and financial position of each Group company are expressed in United States Dollars (US$), which is the functional currency of the Company, and the presentation currency for the Consolidated Financial Statements.

In preparing the Financial Statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purpose of presenting Consolidated Financial Statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest become a financial asset), all of the exchange differences accumulated in a separate component of equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Financial assets

Financial assets within the scope of IFRS 9 are classified as financial assets at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

At the current reporting period the Group did not elect to classify any financial instruments as fair value through OCI.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party.

2(a). Accounting policies (continued)

Financial liabilities

Financial liabilities within the scope of IFRS 9 are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables and loans and borrowings.

The subsequent measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

(b) Financial liabilities at amortised cost
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives

A derivative may be embedded in a non-derivative 'host contract' such as put and call options over loans. Such combinations are known as hybrid instruments. If a hybrid contract contains a host that is a financial asset within the scope of IFRS 9, then the relevant classification and measurement requirements are applied to the entire contract at the date of initial recognition. Should the host contract not be a financial asset within the scope of IFRS 9, the embedded derivative is separated from the host contract, if it is not closely related to the host contract, and accounted for as a standalone derivative. Where the embedded derivative is separated, the host contract is accounted for in accordance with its relevant accounting policy, unless the entire instrument is designated at FVTPL in accordance with IFRS 9.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Leases

The Group applies IFRS 16 Leases. The Group holds leases primarily on land, buildings and motor vehicles used in the ordinary course of business. Based on the accounting policy applied the Group recognises a right-of-use asset and a lease liability at the commencement date of the contract for all leases conveying the right to control the use of an identified asset for a period of time. The commencement date is the date on which a lessor makes an underlying asset available for use by a lessee.

The right-of-use assets are initially measured at cost, which comprises:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received; and
- any initial direct costs incurred by the lessee.

After the commencement date the right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability.

The Group depreciates the right-of-use asset from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. These include:

- fixed payments, less any lease incentives receivable.

The lease payments are discounted using the incremental borrowing rate at the commencement of the lease contract or modification. Generally, it is not possible to determine the interest rate implicit in the land and building leases. The incremental borrowing rate is estimated taking account of the economic environment of the lease, the currency of the lease and the lease term. The lease term determined by the Group comprises:

- non-cancellable period of lease contracts;
- periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and
- periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

Strategic Report
Governance Report
Financial Statements

2(a). Accounting policies (continued)

Leases (continued)

After the commencement date the Group measures the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications.

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses, if any.

Assets in the course of construction for production, supply or administrative purposes, are carried at cost, less any recognised impairment loss. Cost includes material and labour and professional fees in accordance with the Group's accounting policy, and only those costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management are capitalised. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use. Borrowing costs are not captialised as assets are generally constructed in substantially less than one year.

Freehold land is not depreciated.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Site assets – towers	Up to 15 years
Site assets – generators	8 years
Site assets – plant & machinery	3–5 years
Fixtures and fittings	3 years
IT equipment	3 years
Motor vehicles	5 years
Leasehold improvements	5–10 years

Directly attributable costs of acquiring tower assets are capitalised together with the towers acquired and depreciated over a period of up to 15 years in line with the assets estimated useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit and loss.

Intangible assets

Contract-acquired-related intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. They are amortised on a straight-line basis over the life of the contract.

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortisation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Customer contracts	Amortised over their contractual lives
Customer relationships	Up to 30 years
Colocation rights	Amortised over their contractual lives
Right of first refusal	Amortised over their contractual lives
Non-compete agreement	Amortised over their contractual lives
Computer software and licences	2–3 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment of tangible and intangible assets

At each reporting date, the Directors review the carrying amounts of its goodwill, tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units – 'CGUs'). Where the asset does not generate cash flows that are independent from other assets, the Directors estimate the recoverable amount of the CGU to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

2(a). Accounting policies (continued)

Impairment of tangible and intangible assets (continued)

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. Any impairment is allocated pro-rata across all assets in a CGU unless there is an indication that a class of asset should be impaired in the first instance or a fair market value exists for one or more assets. Once an asset has been written down to its fair value less costs of disposal then any remaining impairment is allocated equally amongst all other assets.

Where an impairment loss subsequently reverses, the carrying amount of the asset (CGU) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (CGU) in prior years. Reversals are allocated pro-rata across all assets in the CGU unless there is an indication that a class of asset should be reversed in the first instance or a fair market value exists for one or more assets. A reversal of an impairment loss is recognised in the income statement immediately. An impairment loss recognised for goodwill is never reversed in subsequent periods.

Related parties

For the purpose of these Financial Statements, parties are considered to be related to the Group if they have the ability, directly or indirectly to control the Group or exercise significant influence over the Group in making financial or operating decisions, or vice versa, or where the Group is subject to common control or common significant influence. Related parties may be individuals or other entities.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Share-based payments

The Group's management awards employee share options, from time to time, on a discretionary basis which are subject to vesting conditions. The economic cost of awarding the share options to its employees is recognised as an employee benefit expense in the income statement equivalent to the fair value of the benefit awarded over the vesting period. For further details refer to Note 25.

Inventory

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits. Short-term deposits are defined as deposits with an initial maturity of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purposes of the Statement of Cash Flows.

Interest expense

Interest expense is recognised as interest accrues, using the effective interest method, to the net carrying amount of the financial liability.

The effective interest method is a method of calculating the amortised cost of a financial asset/financial liability and of allocating interest income/interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/payments through the expected life of the financial assets/financial liabilities, or, where appropriate, a shorter period.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

2(a). Accounting policies (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised either for taxable temporary differences arising on investments in subsidiaries or on carrying value of taxable assets, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the profit or loss, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Uncertain tax positions

Provision is made for current tax liabilities where Management assess that it is probable that the relevant taxation authority will not accept the position as filed in the tax returns. The Group typically uses a weighted average of outcomes assessed as possible to determine the level of provision required, unless a single best estimate of the outcome is considered to be more appropriate. Assessments are made at the level of an individual tax uncertainty, unless uncertainties are considered to be related, in which case they are grouped together. Provisions, which are not discounted given the short period over which they are expected to be utilised, are included within current tax liabilities, together with any liability for penalties, which to date have not been significant. Any liability relating to interest on tax liabilities is included within finance costs.

Share capital

Ordinary shares are classified as equity.

Treasury shares

Treasury shares represents the shares of Helios Towers plc that are held by the Employee Benefit Trust (EBT). Treasury shares are recorded at cost and deducted from equity.

New accounting pronouncements

At 31 December 2022, the following Standards, Amendments and Interpretations were in issue but not yet effective:

- IFRS 17: Insurance contracts, IFRS 10 and IAS 28 (amendments): Sale or contribution of assets between an investor and an associate or joint venture, Amendments to IAS 1: Classification of liabilities, Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies, Amendments to IAS 8: Definition of Accounting Estimates, Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction, Amendments to IFRS 16: Lease Liability in a Sale and Leaseback and Amendments to IAS 1: Non-current liabilities with Covenants.

The Directors do not expect that the adoption of the above Standards, Amendments and Interpretations will have a material impact on the Financial Statements of the Group in future periods.

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

2(b). Critical accounting judgements and key sources of estimation uncertainty

New accounting pronouncement (continued)

In the application of the Group's accounting policies, which are described above, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors, have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements.

Revenue recognition

Revenue is recognised as service revenue in accordance with IFRS 15: Revenue from contracts with customers. In arriving at this assessment the Directors concluded that there is not an embedded lease, given customer contracts provide for an amount of space on a tower rather than a specific location on a tower. Our contracts permit us, subject to certain conditions, to relocate customer equipment on our towers in order to accommodate other tenants. Customer consent is usually required to move equipment, however, this should not be unreasonably withheld. The Directors believe these substitution rights are substantive, given the practical ability to move equipment and the economics of doing so. In applying the requirements of IFRS 15, management makes an evaluation as to whether it is probable that the Group will collect the consideration that it is entitled to under the contract. The amount of revenue that the Group is contractually entitled to but has not recognised is disclosed in Note 22.

Contingent liabilities

The Group exercises judgement to determine whether to recognise provisions and the exposures to contingent liabilities related to pending litigations or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities (see Note 27). Judgement is necessary to assess the likelihood that a pending claim will succeed, or a liability will arise.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Fair value of derivative financial instruments

Derivative financial instruments are held at fair value with any changes in the year reflected in the profit and loss account. The Group's material derivatives represent the fair value of the put and call options embedded within the terms of the Group borrowings, which due to a number of unobservable inputs including credit spread, and the assessment of the probability of a change of control or major asset sale, is considered to be a Level 3 fair value. The Group engages a third-party qualified valuer to perform the valuation, and management works closely with the qualified external valuer to establish the appropriate valuation techniques and inputs to the model. Further information about the valuation techniques and inputs used in determining the fair value of the derivative financial instrument is disclosed in Note 26.

As at the reporting date, the call option had a fair value of US$2.8 million (31 December 2021: US$57.7 million on the US$600 million 9.125% Senior Notes 2022), while the put option had a fair value of US$0 million (31 December 2021: US$0 million). A relative 5% increase in credit spread would result in a nil valuation of the embedded derivatives.

Acquisition in Oman

As set out in Note 31(b) the acquisition accounting for Oman is provisional and will be finalised in 2023. Determining fair values of intangible and tangible assets requires some estimation uncertainty. Measurement period adjustments to previous acquisitions are set out in Note 31.

Impairment testing

Following the assessment of the recoverable amount of goodwill allocated to the South Africa, Senegal, Madagascar, Malawi and Oman CGUs, to which Goodwill of US$39.4 million is allocated, the directors consider the recoverable amount of goodwill allocated to the operating companies to be most sensitive to the number of tower opportunities in the relevant markets and the expected growth rates in these markets, future discount rates and operating cost and capital expenditure requirements.

An adjustment to the discount rate of South Africa 3.6%, Madagascar 3.5% and Oman of 0.4% would have a material impact. An adjustment in cash flows of South Africa (25.1%), Madagascar (28.0%), and Oman (0.7%) would have a material impact. The adjustment required for the long-term growth rate to have a material impact is South Africa (6.0%), Madagascar (5.6%) and Oman (0.7%).

2(b). Critical accounting judgements and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty (continued)

Recognition of deferred tax assets
The Group has material unrecognised deferred tax assets across a number of jurisdictions (see note 10) which have not be recognised to date due to current period tax losses, insufficient certainty as to future taxable profits and in the context of ongoing assessments from local tax authorities in certain jurisdictions (see note 27). Successful resolution of such assessments from tax authorities and greater certainty over future taxable profitability may lead to partial recognition of currently unrecognised deferred tax assets with the next 12 months.

The Directors have considered whether certain other estimates included in the financial statements meet the criteria to be key sources of estimation uncertainty, as follows:

Provisions for litigation
Provisions and exposures to contingent liabilities related to pending litigations or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation (see Note 27) are subject to estimation uncertainty. Whilst the value of open claims across the Group is material in aggregate, based on recent experiences of closing such cases, the resulting adjustments are generally not material and provisions held by the Group have accurately quantified the final amounts determined. Therefore, the Directors consider the current provisions held by the Group to be appropriate and do not anticipate a significant risk of a material change to the amounts accrued and provided at 31 December 2022 within the next financial year.

Uncertain tax positions
Measurement of the Group's tax liability involves estimation of the tax liabilities arising from transactions in tax jurisdictions for which the ultimate tax determination is uncertain. Where there are uncertain tax positions, the Directors assess whether it is probable that the position adopted in tax filings will be accepted by the relevant tax authority, with the results of this assessment determining the accounting that follows. The Group uses tax experts in all jurisdiction when assessing uncertain tax positions and seeks the advice of external professional advisors where appropriate. The Group's tax provision for these matters is recognised within current tax liabilities. The provision reflects a number of estimates where the amount of tax payable is either currently under audit by the tax authorities or relates to a period which has yet to be audited. These areas include the tax effects of change of control events, which are calculated based on valuations of the company's operations in the relevant jurisdictions, and interpretation of taxation law relating to statutory tax filings by the Group.

The nature of the items, for which a provision is held, is such that the final outcome could vary from the amounts recognised once a final tax determination is made. To the extent the estimated final outcome differs from the tax that has been provided, adjustments will be made to income tax and deferred tax balances held in the period the determination is made. Whilst the value of open tax audit cases for payroll, VAT and corporate income taxes across the group is material in aggregate, based on recent experiences of closing tax audit cases, the resulting adjustments are generally not material and tax accruals and provisions held by the Group have accurately quantified the final amounts determined. Therefore, the Directors consider the current provisions held by the Group to be appropriate and do not anticipate a significant risk of a material change to the amounts accrued and provided at 31 December 2022 within the next financial year.

Climate-related matters on the financial statements
The Directors have considered the effects climate-related matters may have on the financial statements. In particular, consideration has been given to the potential impact climate matters may have on the carrying amount of the Group's property plant and equipment and inventories, the impact climate change considerations and initiatives have when assessing forecasts as part of our going concern assessment and impairment reviews, potential financial impact that future regulatory requirements may have on financial instruments the Group may use or the way it assesses the recognition of assets and liabilities.

While no adjustments have been made to the carrying amount of assets and liabilities in the current year, the Group's forecasts reflect the Group's planned spend in respect of carbon-intensity reduction targets. The Directors will continue to assess the impact climate-related matters may have on the financial position and performance of the Group and reflect those in future financial statements.

3. Segmental reporting

The following segmental information is presented in a consistent format with management information considered by the CEO of each operating segment, and the CEO and CFO of the Group, who are considered to be the chief operating decision makers (CODMs). Operating segments are determined based on geographical location. All operating segments have the same business of operating and maintaining telecoms towers and renting space on such towers. Accounting policies are applied consistently for all operating segments. The segment operating result used by the CODMs is Adjusted EBITDA, which is defined in Note 4.

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

3. Segmental reporting (continued)

For the year to 31 December 2022	Tanzania US$m	DRC US$m	Congo Brazzaville US$m	Ghana US$m	South Africa US$m	Senegal US$m	Madagascar US$m	Malawi US$m	Oman US$m	Total operating companies US$m	Corporate US$m	Group total US$m
Revenue	201.4	205.9	28.2	36.6	9.5	36.8	15.1	23.6	3.6	560.7	–	560.7
Adjusted gross margin[1]	70%	57%	66%	66%	74%	72%	49%	40%	73%	63%	–	63%
Adjusted EBITDA[2]	133.7	104.4	13.8	20.7	4.5	22.0	5.7	7.2	2.3	314.3	(31.5)	282.8
Adjusted EBITDA margin[3]	66%	51%	49%	57%	48%	60%	38%	30%	64%	56%	–	50%
Financing costs												
Interest costs	(40.1)	(52.3)	(6.8)	(8.3)	(4.7)	(18.3)	(5.7)	(2.9)	(5.2)	(144.3)	3.3	(141.0)
Foreign exchange differences	(2.2)	0.3	(5.7)	(26.2)	(1.5)	(7.7)	(0.9)	(6.6)	(0.1)	(50.6)	(1.6)	(52.2)
Total finance costs	(42.3)	(52.0)	(12.5)	(34.5)	(6.2)	(26.0)	(6.6)	(9.5)	(5.3)	(194.9)	1.7	(193.2)
Other segmental information												
Non-current assets	312.9	343.6	42.1	46.5	59.5	247.2	67.4	69.7	524.6	1,713.5	4.2	1,717.7
Property, plant and equipment additions	53.8	76.7	14.2	11.3	13.5	14.2	1.5	52.3	149.3	387.0	2.4	389.4
Property, plant and equipment depreciation and amortisation	52.9	53.3	8.5	5.5	3.1	19.7	4.2	1.9	1.7	150.8	6.4	157.2

1 Adjusted gross margin means gross profit, adding back site and warehouse depreciation, divided by revenue.
2 Adjusted EBITDA is loss before tax for the year, adjusted for finance costs, other gains and losses, interest receivable, loss on disposal of property, plant and equipment, amortisation of intangible assets, depreciation and impairment of property, plant and equipment, depreciation of right-of-use assets, deal costs for aborted acquisitions, deal costs not capitalised, share-based payments and long-term incentive plan charges, and other adjusting items. Other adjusting items are material items that are considered one-off by management by virtue of their size and/or incidence.
3 Adjusted EBITDA margin is Adjusted EBITDA divided by revenue.

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

3. Segmental reporting (continued)

For the year to 31 December 2021	Tanzania US$m	DRC US$m	Congo Brazzaville US$m	Ghana US$m	South Africa US$m	Senegal US$m	Madagascar US$m (Restated)	Malawi US$m	Oman US$m	Total operating companies US$m	Corporate US$m	Group total US$m
Revenue	170.4	176.4	27.7	42.8	6.0	23.4	2.4	–	–	449.1	–	449.1
Adjusted gross margin[1]	69%	64%	65%	69%	75%	64%	50%	–	–	67%	–	67%
Adjusted EBITDA[2]	113.2	101.0	13.1	25.8	2.6	12.7	0.9	–	–	269.3	(28.7)	240.6
Adjusted EBITDA margin[3]	66%	57%	47%	60%	44%	54%	37%	–	–	60%	–	54%
Financing costs												
Interest costs	(35.6)	(50.2)	(10.8)	(8.8)	(5.5)	(12.2)	(0.1)	–	–	(123.2)	(6.3)	(129.5)
Foreign exchange differences	(0.5)	0.3	(7.1)	(2.5)	(0.1)	(0.8)	–	–	–	(10.7)	(10.9)	(21.6)
Total finance costs	(36.1)	(49.9)	(17.9)	(11.3)	(5.6)	(13.0)	(0.1)	–	–	(133.9)	(17.2)	(151.1)
Other segmental information												
Non-current assets	302.1	306.6	36.1	55.4	52.3	262.9	67.3	–	–	1,082.7	75.7	1,158.4
Property, plant and equipment additions	60.0	56.7	10.9	14.5	9.3	100.1	27.9	–	–	279.4	3.2	282.6
Property, plant and equipment depreciation and amortisation	48.9	53.2	10.8	7.7	3.2	14.7	0.5	–	–	139.0	5.5	144.5

1 Adjusted gross margin means gross profit, adding back site and warehouse depreciation, divided by revenue.
2 Adjusted EBITDA is loss before tax for the year, adjusted for finance costs, other gains and losses, interest receivable, loss on disposal of property, plant and equipment, amortisation of intangible assets, depreciation and impairment of property, plant and equipment, depreciation of right-of-use assets, deal costs for aborted acquisitions, deal costs not capitalised, share-based payments and long-term incentive plan charges, and other adjusting items. Other adjusting items are material items that are considered one-off by management by virtue of their size and/or incidence.
3 Adjusted EBITDA margin is Adjusted EBITDA divided by revenue.

Strategic Report
Governance Report
Financial Statements

4. Reconciliation of aggregate segment Adjusted EBITDA to loss before tax

The key segment operating result used by chief operating decision makers (CODMs) is Adjusted EBITDA which is also used as an Alternative Performance Measure for the Group as a whole.

Management defines Adjusted EBITDA as loss before tax for the year, adjusted for finance costs, other gains and losses, interest receivable, loss on disposal of property, plant and equipment, amortisation of intangible assets, depreciation and impairment of property, plant and equipment, depreciation of right-of-use assets, deal costs for aborted acquisitions, deal costs not capitalised, share-based payments and long-term incentive plan charges, and other adjusting items. Other adjusting items are material items that are considered one-off by management by virtue of their size and/or incidence.

The Group believes that Adjusted EBITDA and Adjusted EBITDA margin facilitate comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest and finance charges), tax positions (such as the impact of changes in effective tax rates or net operating losses) and the age and booked depreciation on assets. The Group excludes certain items from Adjusted EBITDA, such as loss on disposal of property, plant and equipment and other adjusting items because it believes they are not indicative of its underlying trading performance.

Adjusted EBITDA is reconciled to loss before tax as follows:

	2022 US$m	2021 US$m
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 plan charges[2]	**(4.5)**	(2.0)
Loss on disposal of property, plant and equipment	**(0.4)**	(0.5)
Other gains and (losses)	**(51.4)**	(28.0)
Depreciation of property, plant and equipment	**(144.6)**	(142.2)
Amortisation of intangible assets	**(12.6)**	(2.3)
Depreciation of right-of-use assets	**(21.3)**	(15.3)
Interest receivable	**1.8**	0.7
Finance costs	**(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.

5a. Operating profit

Operating profit is stated after charging the following:

	2022 US$m	2021 US$m
Cost of inventory expensed	**89.0**	49.0
Auditor remuneration (see Note 5b)	**2.7**	2.8
Loss on disposal of property, plant and equipment	**0.4**	0.5
Depreciation and amortisation	**178.5**	159.8
Staff costs (Note 6)	**35.0**	31.7

5b. Audit remuneration

	2022 US$m	2021 US$m
Statutory audit of the Company's annual accounts	**0.6**	0.4
Statutory audit of the Group's subsidiaries	**1.8**	1.7
Audit fees:	**2.4**	2.1
Interim review engagements	**0.1**	0.3
Other assurance services	**0.2**	0.4
Audit related assurance services	**0.3**	0.7
Total non-audit fees	**0.3**	0.7
Total fees	**2.7**	2.8

6. Staff costs

Staff costs consist of the following components:

	2022 US$m	2021 US$m
Wages and salaries	**32.0**	29.0
Social security costs – employer contributions	**2.4**	1.9
Pension costs	**0.6**	0.8
	35.0	31.7

An immaterial allocation of directly attributable staff costs is subsequently capitalised into the cost of capital work in progress.

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

6. Staff costs (continued)

The average monthly number of employees during the year was made up as follows:

	2022	2021
Operations	**287**	239
Legal and regulatory	**61**	47
Administration	**59**	51
Finance	**108**	91
Sales and marketing	**33**	33
	548	461

7. Key management personnel compensation

	2022 US$m	2021 US$m
Salary, fees and bonus	**3.8**	4.6
Pension and benefits	**0.2**	0.3
Share based payment charge	**1.6**	0.6
	5.6	5.5

The above remuneration information relates to Directors in Helios Towers plc. Further details can be found in the Directors' Remuneration Report of the Annual Report.

8. Interest receivable

	2022 US$m	2021 US$m
Bank interest receivable	**1.8**	0.7

9. Finance costs

	2022 US$m	2021 US$m
Foreign exchange differences	**52.2**	21.6
Interest costs	**115.5**	110.2
Interest costs on lease liabilities	**25.5**	19.3
	193.2	151.1

The year-on-year increase in foreign exchange differences is driven primarily by the fluctuations year-on-year of the Central African Franc, Ghanaian Cedi and Malawian Kwacha.

10. Tax expense, tax paid and deferred tax

	2022 US$m	2021 US$m
(a) Tax expense:		
Current tax		
In respect of current year	**19.1**	29.5
Adjustment in respect of prior years	**(1.2)**	11.7
Total current tax	**17.9**	41.2
Deferred tax		
Originating temporary differences on acquisition of subsidiary undertakings	**(1.8)**	(0.2)
Originating temporary differences on capital assets	**(5.9)**	(4.2)
Adjustment in respect of prior years	**(1.3)**	–
Total deferred tax	**(9.0)**	(4.4)
Total tax expense	**8.9**	36.8

	2022 US$m	2021 US$m
(b) Tax reconciliation:		
Loss before tax	**(162.5)**	(119.4)
Tax computed at the local statutory tax rate	**(26.3)**	(20.9)
Tax effect of expenditure not deductible for tax purposes	**28.7**	39.4
Tax effect of income not taxable in determining taxable profit	**–**	(7.2)
Fixed asset timing differences	**0.4**	0.9
Deferred income tax movement not recognised	**7.6**	(1.4)
Prior year (under)/over provision	**(2.5)**	11.7
Change of control taxes	**–**	12.0
Minimum income taxes	**0.3**	0.3
Other	**0.7**	2.0
Total tax expense	**8.9**	36.8

The range of statutory income tax rates applicable to the Group's operating subsidiaries is between 15% and 30%.

As stipulated by local applicable law, minimum income and asset based taxes apply to operating entities in Congo Brazzaville and Senegal respectively which reported tax losses for the year ended 31 December 2022. Minimum income tax rules do not apply to the loss-making entities in Malawi, Oman or South Africa.

A tax charge is reported in the consolidated financial statements despite a consolidated loss for accounting purposes, as a result of losses recorded in certain holding companies in Mauritius and UK. Such losses are not able to be group relieved against taxable profits in the operating company jurisdictions.

10. Tax expense, tax paid and deferred tax (continued)

The profits of the Mauritius entities are subject to taxation at the headline rate of 15%, with eligibility for a statutory 80% exemption, subject to ongoing satisfaction of the Global Business License conditions.

Based on recent experience of closing tax audit cases, the provisions held by the Group have accurately quantified the final amounts determined. The Directors considered the current provisions held by the Group to be appropriate.

Tax paid	2022 US$m	2021 US$m
Income tax	**(20.3)**	(19.2)
Change of Control Taxes funded by escrow restricted cash	**–**	(29.1)
Total tax paid	**(20.3)**	(48.3)

Deferred tax

As deferred tax assets and liabilities are measured at the rates that are expected to apply in the periods of the reversal, the deferred tax balance at the balance sheet date has been calculated at the rate at which the relevant balance is expected to be recovered or settled. Management has performed an assessment, for all material deferred income tax assets and liabilities, to determine the period over which the deferred income tax assets and liabilities are forecast to be realised. The deferred tax balances are calculated by applying the relevant statutory corporate income tax rates at the balance sheet date.

The following are the deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting period:

	Accelerated tax depreciation US$	Short term timing differences US$m	Tax losses US$m	Intangible assets US$m	Total US$m
1 January 2021	(1.0)	(3.4)	–	–	(4.4)
Arising on acquisition	–	–	–	(38.7)	(38.7)
Charge for the year	(1.7)	4.7	1.2	0.2	4.4
Exchange rate differences	–	–	–	2.4	2.4
31 December 2021	(2.7)	1.3	1.2	(36.1)	(36.3)
Arising on acquisition	(1.2)	–	–	(8.5)	(9.7)
Charge for the year	0.4	8.0	(1.2)	1.8	9.0
Exchange rate differences	–	–	–	5.6	5.6
31 December 2022	**(3.5)**	**9.3**	**–**	**(37.2)**	**(31.4)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2022 US$m	2021 US$m
Deferred tax liabilities	**(50.1)**	(42.6)
Deferred tax assets	**18.7**	6.3
Total	**(31.4)**	(36.3)

Unrecognised deferred tax

No deferred tax asset is recognised on US$206.8 million of tax losses at the balance sheet date, as the relevant businesses are not expected to generate sufficient forecast future taxable profits to justify recognising the associated deferred tax assets. Tax losses for which no deferred tax assets were recognised are as follows: US$82.0 million are subject to expiry under local statutory tax rules within periods of 3 to 5 years and US$124.8m are not expected to expire. As at the balance sheet date, the geographical split of the unrecognised deferred tax assets in relation to losses is DRC US$101.2 million (tax effect US$30.4 million), Congo Brazzaville US$11.7 million (tax effect US$3.3 million), Malawi US$3.0 million (tax effect US$0.9 million), Mauritius US$59.4 million (tax effect US$8.9 million), Oman US$8.0 million (tax effect US$1.2 million), South Africa US$15.2 million (tax effect US$4.3 million) and UK US$8.3 million (tax effect US$1.6 million).

At the balance sheet date, no deferred tax liability is recognised on temporary differences relating to the aggregate amount of unremitted earnings of overseas operating subsidiaries of US$0.2 million as the Group is able to control the timings of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future.

The recovery of the Group's deferred tax assets is not expected to be impacted by any climate related risks.

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

Strategic Report
Governance Report
Financial Statements

11. Intangible assets

	Goodwill US$m	Customer contracts US$m	Customer relationships US$m	Colocation rights US$m	Right of first refusal US$m	Non-compete agreement US$m	Computer software and licence US$m	Total US$m
Cost								
At 1 January 2021	4.9	3.3	6.8	8.8	35.0	1.1	19.7	79.6
Additions during the year	–	–	–	–	–	–	2.0	2.0
Additions on acquisition of subsidiary undertakings (Restated)[1]	17.7	–	205.6	–	–	–	–	223.3
Disposals	–	–	–	–	(35.0)	–	–	(35.0)
Effects of foreign currency exchange differences	(0.7)	(0.3)	(12.6)	–	–	–	(0.4)	(14.0)
At 31 December 2021 (Restated)[1]	21.9	3.0	199.8	8.8	–	1.1	21.3	255.9
Additions during the year	**–**	**–**	**–**	**–**	**–**	**–**	**5.6**	**5.6**
Additions on acquisition of subsidiary undertakings (Note 31)	**33.8**	**–**	**343.5**	**–**	**–**	**–**	**–**	**377.3**
Transfers	**–**	**–**	**–**	**–**	**–**	**–**	**19.2**	**19.2**
Effects of foreign currency exchange differences	**(4.6)**	**(0.1)**	**(17.7)**	**–**	**–**	**(0.2)**	**(1.5)**	**(24.1)**
At 31 December 2022	**51.1**	**2.9**	**525.6**	**8.8**	**–**	**0.9**	**44.6**	**633.9**
Amortisation								
At 1 January 2021	–	(0.4)	(0.8)	(0.9)	(35.0)	(0.3)	(19.0)	(56.4)
Charge for year	–	(0.2)	(0.8)	(0.5)	–	(0.2)	(0.6)	(2.3)
Disposals	–	–	–	–	35.0	–	–	35.0
Effects of foreign currency exchange differences	–	–	(0.9)	(0.2)	–	–	0.3	(0.8)
At 31 December 2021	–	(0.6)	(2.5)	(1.6)	–	(0.5)	(19.3)	(24.5)
Charge for year	–	**(0.1)**	**(6.8)**	**(0.6)**	**–**	**(0.3)**	**(4.8)**	**(12.6)**
Transfer	**–**	**–**	**–**	**–**	**–**	**–**	**(12.5)**	**(12.5)**
Effects of foreign currency exchange differences	**–**	**–**	**(2.0)**	**–**	**–**	**–**	**1.2**	**(0.8)**
At 31 December 2022	**–**	**(0.7)**	**(11.3)**	**(2.2)**	**–**	**(0.8)**	**(35.4)**	**(50.4)**
Net book value								
At 31 December 2022	**51.1**	**2.2**	**514.3**	**6.6**	**–**	**0.1**	**9.2**	**583.5**
At 31 December 2021 (Restated)[1]	21.9	2.4	197.3	7.2	–	0.6	2.0	231.4

1 Restatement on finalisation of acquisition accounting; see note 31, page 190.

On 24 March 2022, the Group completed the acquisition of Malawi Towers Ltd of the previously announced transaction with Airtel Africa. The group has acquired 100% of the share capital of Malawi Towers Limited which includes the passive infrastructure on 723 sites, colocation contracts and certain supplier contracts. The Group has treated this as a business combination transaction and accounted for it in accordance with IFRS 3 – Business Combinations (IFRS 3) using the acquisition method. On 24 March 2022 in tandem with but immediately subsequent to the acquisition, the minority shareholder contributed US$5.3m for a 20% stake in the business. Goodwill arising on this business combination has been allocated to the Malawi CGU. Please refer to further details in Note 31.

On 8 December 2022, the Group completed the acquisition of Oman Tech Infrastructure SAOC of the previously announced transaction with Omantel. The group has acquired 70% of the share capital of the entity which includes the passive infrastructure on 2,519 sites, colocation contracts and certain supplier contracts. The Group has treated this as a business combination transaction and accounted for it in accordance with IFRS 3 – Business Combinations (IFRS 3) using the acquisition method. Goodwill arising on this business combination has been allocated to the Oman CGU. Please refer to further details in Note 31.

11. Intangible assets (continued)

Impairment

The Group tests goodwill, irrespective of any indicators, at least annually for impairment. All other intangible assets are tested for impairment where there is an impairment indicator. The Group's CGUs are aligned to its operating segments. If any such indication exists, then the CGUs recoverable amount is estimated. For goodwill, the recoverable amount of the related CGU is also estimated each year.

The carrying value of goodwill at 31 December was as follows:

Goodwill	2022 US$m	2021 US$m (Restated)
2019 South Africa	**4.2**	4.5
2021 Senegal	**5.0**	5.3
2021 Madagascar	**10.3**	12.1
2022 Malawi	**8.1**	–
2022 Oman	**23.5**	–
Total	**51.1**	21.9

The recoverable amount is determined based on a value in use calculation using cash flow projections for the next five years from financial budgets approved by the Board of Directors, which incorporates climate considerations (with the exception of Oman which has been calculated over 10 years, due to the anticipated growth profile of the business which has been based on contractual commitments in the SPA with Omantel).

Key assumptions used in value in use calculations

- number of additional colocation tenants added to towers in future periods. These are based on estimates of the number of tower opportunities in the relevant markets and the expected growth in these markets;
- discount rate; and
- operating cost and capital expenditure requirements.

The key assumptions used to assess the value in use calculations were a pre-tax discount rate (South Africa, 11.9%, Senegal 11.2%, Madagascar 15.1%, Malawi 12.7% and Oman 11.4%) and also estimated long-term growth rates assumed to be 2.0% across all markets.

Due to the CGUs only recently being acquired, there is limited headroom in the impairment model for South Africa, Madagascar and Oman, which is to be expected. All businesses are performing in line with management expectations, but a reasonable change in key assumptions would result in an impairment. The adjustment required to the discount rate to breakeven is an increase of South Africa 1.5%, Madagascar 1.7%, and Oman 0.2%. The adjustment required to the future cash flows to breakeven is a decrease of South Africa 12.0%, Madagascar 15.9% and Oman 2.3%. The adjustment required to the long-term growth rate to breakeven is a decrease of South Africa 2.2%, Madagascar 2.6% and Oman 0.4%. Amortisation of intangibles is included within Administrative expenses in the Consolidated Income Statement.

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

12a. Property, plant and equipment

	IT equipment US$m	Fixtures and fittings US$m	Motor vehicles US$m	Site assets US$m	Land US$m	Leasehold improvements US$m	Total US$m
Cost							
At 1 January 2021	22.8	1.5	4.6	1,268.8	6.8	3.2	1,307.7
Additions	4.9	0.3	0.4	165.0	–	0.3	170.9
Additions on acquisition of subsidiary undertakings (Note 31) (restated)[1]	–	–	–	101.2	–	–	101.2
Disposals	–	–	–	(13.7)	–	–	(13.7)
Effects of foreign currency exchange differences	(0.2)	(0.2)	(0.3)	(23.7)	(0.2)	–	(24.6)
At 31 December 2021 (Restated)[1]	27.5	1.6	4.7	1,497.6	6.6	3.5	1,541.5
Additions	**0.1**	**–**	**0.1**	**203.9**	**–**	**0.1**	**204.2**
Additions on acquisition of subsidiary undertakings	**–**	**–**	**–**	**148.9**	**36.3**	**–**	**185.2**
Transfers	**(19.2)**	**–**	**–**	**–**	**–**	**–**	**(19.2)**
Disposals	**–**	**–**	**–**	**(1.6)**	**–**	**–**	**(1.6)**
Effects of foreign currency exchange differences	**(0.5)**	**0.1**	**(0.5)**	**(43.5)**	**(0.1)**	**(0.2)**	**(44.7)**
At 31 December 2022	**7.9**	**1.7**	**4.3**	**1,805.3**	**42.8**	**3.4**	**1,865.4**
Depreciation							
At 1 January 2021	(15.4)	(1.4)	(3.3)	(689.9)	(0.1)	(2.9)	(713.0)
Charge for the year	(4.9)	–	(0.6)	(136.4)	–	(0.3)	(142.2)
Disposals	–	–	–	11.6	–	–	11.6
Effects of foreign currency exchange differences	0.2	–	0.4	9.7	–	–	10.3
At 31 December 2021	(20.1)	(1.4)	(3.5)	(805.0)	(0.1)	(3.2)	(833.3)
Charge for the year	**(0.5)**	**(0.1)**	**(0.4)**	**(143.2)**	**(0.2)**	**(0.2)**	**(144.6)**
Transfers	**12.6**	**–**	**–**	**–**	**–**	**–**	**12.6**
Disposals	**–**	**–**	**–**	**8.2**	**–**	**–**	**8.2**
Effects of foreign currency exchange differences	**0.4**	**0.1**	**0.3**	**22.0**	**–**	**0.3**	**23.1**
At 31 December 2022	**(7.6)**	**(1.4)**	**(3.6)**	**(918.0)**	**(0.3)**	**(3.1)**	**(934.0)**
Net book value							
At 31 December 2022	**0.3**	**0.3**	**0.7**	**887.3**	**42.5**	**0.3**	**931.4**
At 31 December 2021	7.4	0.2	1.2	692.6	6.5	0.3	708.2

1 Restatement on finalisation of acquisition accounting; see note 31, page 190.

At 31 December 2022, the Group had US$129.6 million (2021: US$96.5 million) of expenditure recognised in the carrying amount of items of site assets that were in the course of construction. On completion of the construction, they will remain within the site assets balance, and depreciation will commence when the assets are available for use.

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

12b. Right-of-use assets

	Land US$m	Buildings US$m	Motor vehicles US$m	Total US$m
Cost				
At 1 January 2022	**224.7**	**12.1**	**0.3**	**237.1**
Additions	**60.0**	**4.9**	**0.2**	**65.1**
Disposals	**(13.8)**	**(2.1)**	**–**	**(15.9)**
Effects of foreign currency exchange differences	**(8.6)**	**(0.9)**	**–**	**(9.5)**
At 31 December 2022	**262.3**	**14.0**	**0.5**	**276.8**
Depreciation				
At 1 January 2022	**(68.8)**	**(7.1)**	**(0.1)**	**(76.0)**
Charge for the year	**(17.6)**	**(3.2)**	**(0.5)**	**(21.3)**
Disposals	**13.8**	**2.1**	**–**	**15.9**
Effects of foreign currency exchange differences	**3.9**	**0.4**	**0.3**	**4.6**
At 31 December 2022	**(68.7)**	**(7.8)**	**(0.3)**	**(76.8)**
Net book value				
At 31 December 2022	**193.6**	**6.2**	**0.2**	**200.0**
At 31 December 2021	155.9	5.0	0.2	161.1

As part of the acquisitions in Malawi and Oman, the Group acquired right-of-use assets of US$2.8 million and US$19.4 million respectively (see Note 31). The Group also entered into various leases during the year in the normal course of business. Refer to Note 21 for details of lease liabilities.

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

13. Investments

The subsidiary companies of Helios Towers plc are as follows:

		Effective shareholding 2022		Effective shareholding 2021	
Name of subsidiary	Country of incorporation	Direct	Indirect	Direct	Indirect
Helios Towers Chad Holdco Limited	Mauritius	–	100%	–	100%
Helios Towers Africa LLP	United Kingdom	–	100%	–	100%
Helios Towers Bidco Limited	United Kingdom	–	100%	–	100%
Helios Towers Chad Holdings Limited	United Kingdom	–	100%	–	100%
Helios Towers Congo Brazzaville SASU	Republic of Congo	–	100%	–	100%
Helios Towers DRC S.A.R.L.	Democratic Republic of Congo	–	100%	–	100%
Helios Towers FZ-LLC	United Arab Emirates	–	100%	–	100%
Helios Towers Gabon Holdings Limited	United Kingdom	–	100%	–	100%
Helios Towers Ghana Limited	Ghana	–	100%	–	100%
Helios Towers, Ltd	Mauritius	100%	–	100%	–
Helios Towers Madagascar Holdings Limited	United Kingdom	–	100%	–	100%
Helios Towers Malawi Holdings Limited	United Kingdom	–	100%	–	100%
Helios Towers Partners (UK) Limited	United Kingdom	–	100%	–	100%
Helios Towers Senegal SAU	Senegal	–	100%	–	100%
Helios Towers South Africa Holdings (Pty) Ltd	South Africa	–	100%	–	100%
Helios Towers South Africa (Pty) Ltd	South Africa	–	66%	–	100%
Helios Towers South Africa Services (Pty) Ltd	South Africa	–	100%	–	100%
Helios Towers (SFZ) SPC	Oman	–	100%	–	100%
Helios Towers Tanzania Limited	Tanzania	–	100%	–	100%
Helios Towers UK Holdings Limited	United Kingdom	100%	–	100%	–
HS Holdings Limited	Tanzania	–	1%	–	1%
HT Congo Brazzaville Holdco Limited	Mauritius	–	100%	–	100%
HT DRC Infraco S.A.R.L.	Democratic Republic of Congo	–	100%	–	100%
HT Holdings Tanzania Ltd	Mauritius	–	100%	–	100%
HTA Group, Ltd	Mauritius	–	100%	–	100%
HTA Holdings Ltd	Mauritius	–	100%	–	100%
HTA (UK) Partner Ltd	United Kingdom	–	100%	–	100%
HTG Managed Services Limited	Ghana	–	100%	–	100%
HTSA Towers (Pty) Ltd	South Africa	–	100%	–	100%
HTT Infraco Limited	Tanzania	–	100%	–	100%
Madagascar Towers SA	Madagascar	–	100%	–	100%
McRory Investment B.V.	The Netherlands	–	100%	–	100%
McTam International 1 B.V.	The Netherlands	–	100%	–	100%
Towers NL Coöperatief U.A.	The Netherlands	–	100%	–	100%
HT Services Limited	Malawi	–	100%	–	100%
Helios Towers Group Services (Pty) Ltd	South Africa	–	100%	–	100%
Malawi Towers Limited*	Malawi	–	80%	–	–
Helios Towers Gabon S.A.*	Gabon	–	100%	–	–
Oman Tech Infrastructure SAOC*	Oman	–	70%	–	–

13. Investments (continued)

All subsidiaries were incorporated in prior years, other than those marked *, which were incorporated into the group structure in 2022. Helios Towers plc or its subsidiaries have subscribed to the majority of the shares as shown above. The consideration paid for these shares on incorporation was minimal. The registered office address of all subsidiaries is included in the list of subsidiaries on page 195.

Helios Towers Ghana Limited, Helios Towers South Africa Holdings (Pty) Ltd, HTA Holdings Ltd, Helios Towers DRC S.A.R.L., Helios Towers Tanzania Limited, HT Congo Brazzaville Holdco Limited, Helios Towers Chad Holdco Limited, Towers NL Coöperatief U.A., McRory Investment B.V., McTam International 1 B.V., HT Holdings Tanzania Ltd, Helios Towers UK Holdings Limited, HTA (UK) Partner Ltd, Helios Towers Bidco Limited, Helios Towers Limited and HTA (UK) Partner Limited are intermediate holding companies.

The principal activities of HTG Managed Services Limited, HT DRC Infraco S.A.R.L., HTT Infraco Limited, and Helios Towers Congo Brazzaville SASU, Helios Towers Senegal SAU, Madagascar Towers SA, Malawi Towers Limited, Oman Tech Infrastructure SAOC and the remaining South African entities are the building and maintenance of telecommunications towers to provide space on those towers to wireless telecommunication service providers in Africa and the Middle East.

All investments relate to ordinary shares.

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Principal place of business and incorporation	Proportion of ownership interests and voting rights held by NCI 2022	Proportion of ownership interests and voting rights held by NCI 2021	Profit (loss) allocated to NCI for the year 2022	Profit (loss) allocated to NCI for the year 2021	NCI 2022	NCI 2021
Oman Tech Infrastructure SAOC	Oman	30%	–	(1.8)	–	47.9	–

14. Inventories

	2022 US$m	2021 US$m
Inventories	**14.6**	10.5

Inventories are primarily made up of fuel stocks of US$10.5 million (2021: US$7.5 million) and raw materials of US$4.1 million (2021: US$3.0 million). The impact of inventories recognised as an expense during the year in respect of continuing operations was US$89.0 million (2021: US$49.0 million).

15. Trade and other receivables

	2022 US$m	2021 US$m (Restated)[1]
Trade receivables	**80.5**	83.1
Loss allowance	**(5.8)**	(6.0)
	74.7	77.1
Contract Assets	**91.6**	47.2
Deferred Tax Assets	**18.7**	6.3
Sundry Receivables	**38.6**	47.9
VAT and withholding tax receivable	**23.2**	13.0
	246.8	191.5

Loss allowance	2022 US$m	2021 US$m
Balance brought forward	**(6.0)**	(5.8)
Amounts written off/derecognised	**–**	–
Net remeasurement of loss allowance	**–**	(0.2)
Unused amounts reversed	**0.2**	–
	(5.8)	(6.0)

1 Restatement on finalisation of acquisition accounting; see note 31, page 190.

The Group measures the loss allowance for trade receivables, trade receivables from related parties and other receivables at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Loss allowance expense is included within cost of sales in the Consolidated Income Statement.

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

15. Trade and other receivables (continued)

Additional detail on provision for impairment can be found in Note 26.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period. Interest can be charged on past due debtors. The normal credit period of services is 30 days.

US$56.2 million of new contract assets were recognised in the year and US$11.9 million of contract assets at 31 December 2021 were recovered from customers.

Of the trade receivables balance at 31 December 2022, 90% is due from large multinational MNOs. The Group does not hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Group to the counterparty.

Debtor days

The Group calculates debtor days as set out in the table below. It considers its most relevant customer receivables exposure on a given reporting date to be the amount of receivables due in relation to the revenue that has been reported up to that date. It therefore defines its net receivables as the total trade receivables and accrued revenue, less loss allowance and deferred income that has not yet been settled.

	2022 US$m	2021 US$m
Trade receivables[1]	**80.5**	83.1
Accrued revenue[2]	**22.9**	7.4
Less: Loss allowance	**(5.8)**	(6.0)
Less: Deferred income[3]	**(9.8)**	(27.4)
Net receivables	**87.8**	57.1
Revenue	**560.7**	449.1
Debtor days	**57**	46

1 Trade receivables, including related parties.
2 Reported within other receivables.
3 Deferred income, as per Note 19, has been adjusted for US$0 million (2021: US$18.4 million) in respect of amounts settled by customers at the balance sheet date.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

At 31 December 2022, US$16.6 million (2021: US$11.0 million) of services had been provided to customers which had yet to meet the Group's probability criterion for revenue recognition under the Group's accounting policies. Revenue for these services will be recognised in the future as and when all recognition criteria are met.

16. Prepayments

	2022 US$m	2021 US$m
Prepayments	**45.7**	43.3

Prepayments primarily comprise advance payments to suppliers.

17. Cash and cash equivalents

	2022 US$m	2021 US$m
Bank balances	**119.6**	528.9

Cash and cash equivalents comprise cash at bank and in hand. Short-term deposits are defined as deposits with an initial maturity of three months or less.

18. Share capital and share premium

	2022		2021	
	Number of shares (million)	**US$m**	Number of shares (million)	US$m
Authorised, issued and fully paid ordinary shares of £0.01 each	**1,051**	**13.5**	1,048	13.5
	1,051	**13.5**	1,048	13.5

The share capital of the Group is represented by the share capital of the Company, Helios Towers plc.

On 16 June 2021, the Company issued 48 million new ordinary shares in the capital of the Company. This raised gross proceeds of US$109.3 million, and created share premium of US$105.6 million.

On 3 November 2022, the Company issued 2.5 million new ordinary shares in the Capital of the Company to the EBT to satisfy the vesting of share-based awards. The shares were issued at nominal value with no share premium created.

The treasury shares represent the cost of shares in Helios Towers plc purchased in the market and held by the Helios Towers plc EBT to satisfy options under the Group Share options plan. Treasury shares held by the Group as at 31 December 2022 are 2,827,852 (31 December 2021: 1,076,697).

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

19. Trade and other payables

	2022 US$m	2021 US$m
Trade payables	**32.0**	13.5
Deferred income	**9.8**	45.8
Deferred consideration	**52.2**	63.5
Accruals	**132.2**	103.2
VAT, withholding tax, and other taxes payable	**18.5**	21.5
	244.7	247.5

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 22 days (2021: 25 days). Payable days are calculated as trade payables and payables to related parties, divided by cost of sales plus administration expenses less staff costs and depreciation and amortisation. No interest is charged on trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. Amounts payable to related parties are unsecured, interest free and repayable on demand.

Deferred income primarily relates to site equipment revenue which is billed in advance.

The Group recognised revenue of US$45.8 million (2021: US$45.2 million) from contract liabilities held on the balance sheet at the start of the financial year. Contract liabilities are presented as deferred income in the table above.

Deferred consideration relates to consideration that is payable in the future for the purchase of certain tower assets which the Group is committed to when certain conditions are met, to enable the transfer of ownership to Helios Towers.

Accruals consist of general operational accruals, accrued capital items, and goods received but not yet invoiced.

Trade and other payables are classified as financial liabilities and measured at amortised cost. These are initially recognised at fair value and subsequently at amortised cost. These are expected to be settled within a year.

The Directors consider the carrying amount of trade payables approximates to their fair value due to their short-term nature.

20. Loans

	2022 US$m	2021 US$m
Loans and bonds	**1,564.3**	1,295.5
Bank overdraft	**7.3**	–
Total loans and bonds	**1,571.6**	1,295.5
Current	**19.9**	2.8
Non-current	**1,551.7**	1,292.7
	1,571.6	1,295.5

In December 2022, Oman Tech Infrastructure SAOC entered into banking facilities representing a combined US$260 million in Oman for the purposes of repaying loan balances due to its former owner, funding growth and upgrade capex and for general working capital purposes. The facilities include both OMR and USD denominated financing with tenors from 1 year (renewable) to 13 years. This includes a revolving credit facility of US$20 million. As at 31 December 2022, US$2.9 million of this was utilised. At 31 December 2022, US$200 million of the available term loans were drawn.

In March 2021 the Group issued US$250 million of convertible bonds with a coupon of 2.875%, due in 2027. The initial conversion price was set at US$2.9312. The conversion price is subject to adjustments for any dividend in cash or in kind, as well as customary anti-dilution adjustments, pursuant to the terms and conditions of the convertible bonds. The bondholders have the option to convert at any time up to seven business days prior to the final maturity date. Helios Towers have the right to redeem the bonds at their principal amount, together with accrued but unpaid interest up to the optional redemption date, from April 2026, if the Helios Towers share price has traded above 130% of the conversion price on twenty out of the previous thirty days prior to the redemption notice.

In June 2021 the Group tapped the above bond for an aggregate principal amount of US$50 million. On initial recognition of the convertible bond and the convertible bond tap, a liability and equity reserve component were recognised being US$242.4 million and US$52.7 million respectively including transaction costs.

In May 2021, Helios Towers Senegal entered into facilities representing a combined €120 million in Senegal for the purposes of partially funding the Senegal towers acquisition, funding the 400 committed BTS as part of the transaction and for general working capital purposes. The facilities include both EUR and XOF denominated financing with tenors ranging from 2 years to 9 years.

On 18 June 2020 HTA Group, Ltd., a wholly owned subsidiary of Helios Towers plc, issued US$750 million of 7.000% Senior Notes due 2025, guaranteed on a senior basis by Helios Towers plc and certain of its direct and indirect subsidiaries.

20. Loans (continued)

On 9 September 2020 HTA Group, Ltd issued a further US$225 million aggregate principal amount of its 7.000% Senior Notes due 2025.

HTA Group, Ltd also entered into a five-year US$200 million term facility with borrowing availability in US Dollars for the general corporate purposes (including acquisitions) of the Company and certain of its subsidiaries. As at 31 December 2022 US$25 million of the available term loan balance was drawn.

In 2020, HTA Group, Ltd entered into a revolving credit facility (with a 4.5-year tenor) with borrowing availability in US Dollars for the purpose of financing or refinancing the general corporate and working capital needs of the Company and certain of its subsidiaries. Commitments under the new revolving credit facility amount to US$70 million, which remains undrawn.

The current portion of borrowings relates to accrued interest on the bonds, term loan interest payable within one year of the balance sheet date and the funds drawn on the revolving credit facility (Oman RCF).

Loans are classified as financial liabilities and measured at amortised cost. Refer to Note 26 for further information on the Group's financial instruments.

21. Lease liabilities

	2022 US$m	2021 US$m
Short-term lease liabilities		
Land	**31.8**	30.0
Buildings	**2.2**	2.8
Motor vehicles	**0.1**	0.2
	34.1	33.0

	2022 US$m	2021 US$m
Long-term lease liabilities		
Land	**188.4**	146.7
Buildings	**3.4**	2.1
Motor vehicles	**0.1**	0.1
	191.9	148.9

The below undiscounted cash flows do not include escalations based on CPI or other indexes which change over time. Renewal options are considered on a case-by-case basis with judgements around the lease term being based on management's contractual rights and their current intentions. Refer to Note 12b for the Group's Right-of-use assets.

The total cash paid on leases in the year was US$40.8 million (2021: US$31.0 million).

The profile of the outstanding undiscounted contractual payments fall due as follows:

	Within 1 year US$m	2–5 years US$m	6–10 years US$m	10+ years US$m	Total US$m
31 December 2022	**43.0**	**137.7**	**122.7**	**326.0**	**629.4**
31 December 2021	33.0	110.2	111.4	278.9	533.5

22. Uncompleted performance obligations

The table below represents uncompleted performance obligations at the end of the reporting period. This is total revenue which is contractually due to the Group, subject to the performance of the obligation of the Group related to these revenues. Management refers to this as contracted revenue.

	2022 US$m	2021 US$m
Total contracted revenue	**4,705.0**	3,916.6

Contracted revenue

The following table provides our total undiscounted contracted revenue by country as of 31 December 2022 for each year from 2023 to 2027, with local currency amounts converted at the applicable average rate for US Dollars for the year ended 31 December 2022 held constant. Our contracted revenue calculation for each year presented assumes:

- no escalation in fee rates;
- no increases in sites or tenancies other than our committed tenancies;
- our customers do not utilise any cancellation allowances set forth in their MLAs;
- no termination of existing customer MLAs prior to their current term; and
- no automatic renewal.

Strategic Report
Governance Report
Financial Statements

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

22. Uncompleted performance obligations (continued)

Contracted revenue (continued)

As at 31 December 2022, total contracted revenue was US$4.7 billion, with an average remaining life of 7.6 years.

	Year ended 31 December				
(US$m)	2023	2024	2025	2026	2027
Tanzania	208.3	208.7	209.1	141.8	116.2
DRC	231.2	230.7	201.5	172.7	139.8
Congo Brazzaville	20.9	20.9	15.5	11.5	11.4
Ghana	26.2	23.7	23.9	24.0	24.0
South Africa	8.3	8.3	8.2	7.9	7.6
Senegal	37.5	37.0	38.7	40.4	45.0
Madagascar	12.4	12.4	13.0	15.9	15.9
Malawi	18.4	18.4	18.4	18.5	18.5
Oman	45.2	44.0	44.0	44.0	44.0
Total	**608.4**	**604.1**	**572.3**	**476.7**	**422.4**

23. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this Note.

During the year, and in respect of the period for which the related party relationship was in existence, the Group companies entered into the following commercial transactions with related parties:

	2022		2021	
	Income from towers US$m	**Purchase of goods US$m**	Income from towers US$m	Purchase of goods US$m
Millicom Holding B.V. and Subsidiairies[1]	**–**	**–**	18.0	–
Total	**–**	**–**	18.0	–

1 Millicom HOLDING B.V is no longer a related party of Helios Towers plc as of June 2021.

24. Other gains and losses

	2022 US$m	2021 US$m
Fair value gain/(loss) on derivative financial instruments	**(51.5)**	(28.0)
Fair value movement on forward contracts	**0.1**	–
	(51.4)	(28.0)

All fair values are Level 2, except for the fair value of the embedded derivatives, which are Level 3. Further detail can be found in Note 26.

25. Share-based payments

Pre-IPO LTIP

Ahead of the IPO certain Directors, former Directors, Senior Managers and employees of the Group were granted nil-cost options in respect of shares up to an aggregate value of US$10 million based on an offer price of 115 pence and a US Dollar to pounds Sterling conversion rate of US$1:£0.7948 (the 'HT LTIP').

The Company issued 6,557,668 shares to the trustee of the Trust (or as it directs) immediately prior to IPO in order to satisfy future settlement of awards under the HT LTIP and nil-cost options under the HT MIPs. The Trust is consolidated into the Group.

These options became exercisable in tranches over a three-year period post-IPO. The award participants were entitled to exercise some of the share options on IPO.

Number of options	**2022**	2021
As at 1 January	**1,026,456**	1,769,864
Granted during the year	**–**	–
Exercised during the year	**(251,903)**	(743,408)
Forfeited during the year	**–**	–
At 31 December	**774,553**	1,026,456
Of which:		
Vested and exercisable	**774,553**	723,047
Unvested	**–**	303,409

Fair value of options/share awards granted pre-IPO

The fair value at grant date is independently determined using a probability-weighted expected returns methodology, which is an appropriate future-orientated approach when considering the fair value of options/shares that have no intrinsic value at the time of issue. In this case the expected future returns were estimated by reference to the expected proceeds attributable to the underlying shares at IPO, as provided by management, including adjustments for expected net debt, transaction costs and priority returns to other shareholders. This is then discounted into present value terms adopting an appropriate discount rate. The capital asset pricing methodology was used when considering an appropriate discount rate to apply to the pay-out expected to accrue to the share awards on realisation.

Key assumptions:

- Expected exit dates 0 to 4 years;
- Probability weightings up to 25%;

Strategic Report
Governance Report
Financial Statements

25. Share-based payments (continued)

- Expected range of exit multiples up to 10.0x;
- Expected forecast Adjusted EBITDA across two scenarios (management case and downside case) and respective probability weightings;
- Estimated proceeds per share; and
- Hurdle per share up to US$1.25.

The Group has in place one adopted discretionary share plan called the Helios Towers plc Employee Incentive Plan 2019 (the 'EIP'), details of which are set out in this Note.

Employee Incentive Plan

Following successful admission to the London Stock Exchange, the Company has adopted a discretionary share plan called the Helios Towers plc Employee Incentive Plan 2019 (the 'EIP'). The EIP is designed to provide long-term incentives for senior managers and above (including Executive Directors) to deliver long-term shareholder returns. Participation in the plan is at the Remuneration Committee's discretion, and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Shares received under the scheme by Executive Directors will be subject to a two-year post-vesting holding period. In all other respects the shares rank equally with other fully paid ordinary shares on issue.

The Group has granted Long-Term Incentive Plan awards under the EIP to the Executive Directors and selected key personnel. The equity settled awards comprise three equal and separate tranches which vest depending upon the achievement of the following performance targets over a three-year period:

- Relative TSR tranche;
- Adjusted EBITDA tranche; and
- ROIC tranche.

Set out below are summaries of options granted under the EIP.

	2022 Number of options	2021 Number of options
As at 1 January	**7,695,687**	4,227,737
Granted during the year	**4,233,199**	4,072,523
Exercised during the year	**(6,131)**	–
Forfeited during the year	**(1,338,151)**	(604,573)
As at 31 December	**10,534,604**	7,695,687
Vested and exercisable at 31 December[1]	**–**	6,131

1 Vested and exercisable options relate to the non-work related death of an employee who was granted an award in March 2021. The options were exercised in January 2022.

The IFRS 2 charge recognised in the Consolidated Income Statement for the 2022 financial year in respect to the EIP was US$3.1 million (2021: US$2.0 million). All share options outstanding as at 31 December 2022 have a remaining contractual life of 8.1 years.

The fair value at grant date is independently determined using the Monte Carlo model. Key assumptions used in valuing the share-based payment charge are as follows:

2021 LTIP Award

	Relative TSR	Adjusted EBITDA	ROIC
Grant date	16-Mar-21	16-Mar-21	16-Mar-21
Share price at grant date	£1.53	£1.53	£1.53
Fair value as a percentage of the grant price	58.2%	100.0%	100.0%
Term to vest (years)	2.8	2.8	2.8
Expected life from grant date (years)	2.8	2.8	2.8
Volatility	53.7%	n/a	n/a
Risk-free rate of interest	0.1%	n/a	n/a
Dividend yield	n/a	n/a	n/a
Average FTSE 250 volatility	41.3%	n/a	n/a
Average FTSE 250 correlation	27.2%	n/a	n/a
Fair value per share	£0.89	£1.53	£1.53

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

25. Share-based payments (continued)

2022 LTIP Award

	Relative TSR	Adjusted EBITDA	ROIC
Grant date	**28-Apr-22**	**28-Apr-22**	**28-Apr-22**
Share price at grant date	**£1.12**	**£1.12**	**£1.12**
Fair value as a percentage of the grant price	**51.6%**	**100.0%**	**100.0%**
Term to vest (years)	**2.68**	**n/a**	**n/a**
Expected life from grant date (years)	**2.68**	**2.68**	**2.68**
Volatility	**47.4%**	**n/a**	**n/a**
Risk-free rate of interest	**1.6%**	**n/a**	**n/a**
Dividend yield	**n/a**	**n/a**	**n/a**
Average FTSE 250 volatility	**42.7%**	**n/a**	**n/a**
Average FTSE 250 correlation	**27.7%**	**n/a**	**n/a**
Fair value per share	**£0.58**	**£1.12**	**£1.12**

HT SharingPlan

Shareholders voted to approve the all-employee share plan schemes at the 2021 AGM. In 2021, the Board granted inaugural 'HT SharingPlan' Restricted Stock Unit (RSU) awards under the HT Global Share Purchase Plan rules. Each employee was granted a 2021 award with a three-year vesting period. The Board also granted all employees an additional one-off Covid-19 Thank You Award with a six-month vesting period.

In 2022, the Board granted a 2022 award with a three-year vesting period. The Board also granted a Cost of Living award which vested on 1 December 2022.

All employees were granted awards of equal value and on the same terms. The vesting of the awards is subject to continued employment with the Group.

	2022 Number of RSUs	2021 Number of RSUs
As at 1 January	**729,528**	–
Granted during the year	**1,681,155**	740,826
Forfeited during the year	**(104,684)**	(11,298)
Vested during the year	**(621,981)**	–
As at 31 December	**1,684,018**	729,528

Deferred Bonuses

	2022	2021
As at 1 January	**36,583**	–
Granted during the year	**49,172**	36,583
Forfeited during the year	**–**	–
Vested during the year	**–**	–
As at 31 December	**85,755**	36,583

26. Financial instruments

Financial instruments held by the Group at fair value had the following effect on profit and loss:

	31 December 2022 US$m	31 December 2021 US$m
Balance brought forward	**57.7**	88.8
Derivative financial instrument – US$975m 7.000% Senior Notes 2025	**(55.2)**	(28.0)
Currency forward contracts	**0.3**	(3.1)
Balance carried forward	**2.8**	57.7

Fair value measurements

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. For all other assets and liabilities the carrying value is approximately equal to the fair value. The information set out below provides data about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

For those financial instruments measured at fair value, the Group has categorised them into a three-level fair value hierarchy based on the priority of the inputs to the valuation technique in accordance with IFRS 13. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure fair value fall within different levels of the hierarchy, the category level is based on the lowest priority level input that is significant to the fair value measurement of the instrument in its entirety. There are no financial instruments which have been categorised as Level 1. There were no transfers between the levels in the year.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes borrowings disclosed in Notes 20 and 21, cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity.

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

26. Financial instruments (continued)

Gearing ratio

The Group keeps its capital structure under review. The gearing ratio at the year end is as follows:

	2022 US$m	2021 US$m
Debt (net of issue costs)	**1,797.6**	1,477.4
Cash and cash equivalents	**(119.6)**	(528.9)
Net debt	**1,678.0**	948.5
Equity attributable to the owners	**8.3**	168.0
Non controlling interests	**41.0**	–
	34.1x	5.6x

Debt is defined as long-term and short-term loans and lease liabilities, as detailed in Notes 20 and 21 respectively.

Externally imposed capital requirements

The Group is not subject to externally imposed capital requirements.

Categories of financial instruments

	2022 US$m	2021 US$m (Restated)
Financial assets		
Financial assets at amortised cost:		
Cash and cash equivalents	**119.6**	528.9
Trade and other receivables	**204.9**	178.5
	324.5	707.4
Fair value through profit or loss:		
Derivative financial assets	**2.8**	57.7
	327.3	765.1
Financial liabilities		
Amortised cost:		
Trade and other payables	**216.5**	181.7
Bank overdraft	**7.3**	–
Lease liabilities	**226.0**	181.9
Loans	**1,571.6**	1,295.5
	2,021.4	1,659.1

As at 31 December 2022 and 31 December 2021, the Group had no cash pledged as collateral for financial liabilities.

The Directors estimate the amortised cost of cash and cash equivalents is approximate to fair value. The $975 million bond maturing in 2025 had a carrying value of US$964.5 million at 31 December 2022 and a fair value of US$904.6 million. The $300 million convertible bond maturing in 2027 had a carrying value of US$257.0 million at 31 December 2022 and a fair value of US$204.3 million. The Directors estimate the amortised cost of other loans and borrowings is approximate to fair value.

Financial risk management objectives and policies

The Group's finance function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

The Group's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's senior management oversees the management of these risks. The finance function is supported by the Group's senior management, which advises on financial risks and the appropriate financial risk governance framework for the Group. Key financial risks and exposures are monitored through a monthly report to the Board of Directors, together with an annual Board review of corporate treasury matters.

Financial risk

The principal financial risks to which the Group is exposed through its activities are risks of changes in foreign currency exchange rates and interest rates.

Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently exposures to exchange rate fluctuations arise. The Group's main currency exposures were to the New Ghanaian Cedi (GHS), Malagasy Ariary (MGA), Tanzanian Shilling (TZS), Central African Franc (XAF), South African Rand (ZAR) and Malawian Kwacha (MWK) through its main operating subsidiaries. The Group has exposure to Sterling (GBP) and Euro (EUR) fluctuations on its financial assets and liabilities, however, this is not considered material.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Assets		Liabilities	
	2022 US$m	2021 US$m	2022 US$m	2021 US$m
New Ghanaian Cedi	**15.7**	19.0	**20.8**	27
Malagasy Ariary	**10.9**	6.8	**11.8**	10.4
Tanzanian Shilling	**71.4**	39.3	**100.2**	86.9
South African Rand	**5.6**	11.4	**17.5**	22.1
Central African Franc	**35.7**	42.1	**137.0**	107.1
Malawian Kwacha	**15.4**	–	**19.8**	–
Omani Rial	**10.1**	–	**35.2**	–

26. Financial instruments (continued)

	164.8	118.6	**342.3**	253.5

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 10% increase in US Dollar against GHS, XAF, TZS, MGA, ZAR and MWK 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonable potential change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit and other equity where US Dollar weakens 10% against the GHS, XAF, TZS, ZAR, MWK or OMR. For a 10% strengthening of US Dollar against the GHS, XAF, TZS, ZAR, MWK or OMR, there would be an equal and opposite effect on the profit and other equity, on the basis that all other variables remain constant.

	Impact on profit or loss	
	2022 US$m	2021 US$m
New Ghanaian Cedi impact	**0.5**	0.8
Malagasy Ariary impact	**0.1**	0.4
Tanzanian Shilling impact	**2.9**	4.8
South African Rand	**1.2**	1.1
Central African Franc Impact	**10.2**	6.5
Malawian Kwacha	**0.5**	–
Omani Rial	**2.5**	–

This is mainly attributable to the exposure outstanding on GHS, MGA, XAF, TZS, ZAR, MWK and OMR receivables and payables in the Group at the reporting date.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Default does not occur later than when a financial asset is 90 days past due (unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate). Write-off happens at least a year after a financial asset has become credit impaired and when management does not have any reasonable expectations to recover the asset.

The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses publicly available financial information and other information provided by the counterparty (where appropriate) to deliver a credit rating for its major customers. As of 31 December 2022, the Group has a concentration risk with regards to four of its largest customers. The Group's exposure and the credit ratings of its counterparties and related parties are continuously monitored and the aggregate value of credit risk within the business is spread amongst a number of approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by management. The carrying amount of the financial assets recorded in the Financial Statements, which is net of impairment losses, represents the Group's exposure to credit risk.

The Group uses the IFRS 9 ECL model to measure loss allowances at an amount equal to their lifetime ECL.

In order to minimise credit risk, the Group has categorised exposures according to their degree of risk of default. The use of a provision matrix is based on a range of qualitative and quantitative factors that are deemed to be indicative of risk of default, and range from 1 (lowest risk of irrecoverability) to 5 (greatest risk of irrecoverability). Loss allowances for trade receivables from related parties held by the Company are deemed immaterial.

The below table shows the Group's trade and other receivables balance and associated loss allowances in each Group credit rating category.

		31 December 2022			31 December 2021 (Restated)		
Group Rating	Risk of impairment	**Gross exposure US$m**	**Loss allowance US$m**	**Net exposure US$m**	Gross exposure US$m	Loss allowance US$m	Net exposure US$m
1	Remote risk	**184.1**	**(0.3)**	**183.8**	153.3	(0.1)	153.2
2	Low risk	**21.8**	**(0.8)**	**21.0**	11.2	(0.4)	10.8
3	Medium risk	**0.3**	**–**	**0.3**	0.2	–	0.2
4	High risk	**20.7**	**(3.8)**	**16.9**	18.6	(4.3)	14.3
5	Impaired	**2.5**	**(0.9)**	**1.6**	1.2	(1.2)	–
Total		**229.4**	**(5.8)**	**223.6**	184.5	(6.0)	178.5

Liquidity risk management

The Group has long-term debt financing through Senior Loan Notes of US$975 million due for repayment in December 2025 and other debt as disclosed in note 20. The Group has a revolving credit facility of US$70 million for funding general corporate and working capital needs. As at 31 December 2022 the facility was undrawn. This facility is available until December 2024. The Group has remained compliant during the year to 31 December 2022 with all the covenants contained in the Senior Credit facility. Please refer to Note 20 for further information in relation to debt facilities.

Ultimate responsibility for liquidity risk management rests with the Board. The Group manages liquidity risk by maintaining adequate reserves of liquid funds and banking facilities and continuously monitoring forecast and actual cash flows including consideration of appropriate sensitivities.

26. Financial instruments (continued)

Non-derivative financial liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table below includes principal cash flows.

	Within 1 year US$m	1–2 years US$m	2–5 years US$m	5+ years US$m	Total US$m
31 December 2022					
Non-interest bearing	**216.5**	**–**	**–**	**–**	**216.5**
Fixed interest rate instruments	**43.0**	**39.7**	**1,441.3**	**493.8**	**2,017.8**
Variable interest rate instruments	**10.2**	**–**	**25.0**	**200.0**	**235.2**
	269.7	**39.7**	**1,466.3**	**693.8**	**2,469.5**
31 December 2021					
Non-interest bearing	181.7	–	–	–	181.7
Fixed interest rate instruments	35.8	29.9	1,373.1	390.2	1,829.0
	217.5	29.9	1,373.1	390.2	2,010.7

Non-derivative financial assets

The following table details the Group's expected maturity for other non-derivative financial assets. The table below has been drawn up based on the undiscounted contractual maturities of the financial assets except where the Group anticipates that the cash flow will occur in a different period.

	Within 1 year US$m	1–2 years US$m	2–5 years US$m	5+ years US$m	Total US$m
31 December 2022					
Non-interest bearing	**204.9**	**–**	**–**	**–**	**204.9**
Fixed interest rate instruments	**119.6**	**–**	**–**	**–**	**119.6**
	324.5	**–**	**–**	**–**	**324.5**
31 December 2021					
Non-interest bearing	339.5	–	–	–	339.5
Fixed interest rate instruments	353.0	10.0	–	–	363.0
	692.5	10.0	–	–	702.5

Derivative financial instruments assets

The derivatives represent the fair value of the put and call options embedded within the terms of the Senior Notes. The call options give the Group the right to redeem the Senior Notes instruments at a date prior to the maturity date (18 December 2025), in certain circumstances and at a premium over the initial notional amount. The put option provides the holders with the right (and the Group with an obligation) to settle the Senior Notes before their redemption date in the event of a change in control resulting in a rating downgrade (as defined in the terms of the Senior Notes, which also includes a major asset sale), and at a premium over the initial notional amount. The options are fair valued using an option pricing model that is commonly used by market participants to value such options and makes the maximum use of market inputs, relying as little as possible on the entity's specific inputs and making reference to the fair value of similar instruments in the market. The options are considered a Level 3 financial instrument in the fair value hierarchy of IFRS 13, owing to the presence of unobservable inputs. Where Level 1 (market observable) inputs are not available, the Helios Group engages a third-party qualified valuer to perform the valuation. Management works closely with the qualified external valuer to establish the appropriate valuation techniques and inputs to the model. The Senior Notes are quoted and it has an embedded derivative. The fair value of the embedded derivative is the difference between the quoted price of the Senior Notes and the fair value of the host contract (the Senior Notes excluding the embedded derivative). The fair value of the Senior Notes as at the valuation date has been sourced from an independent third-party data vendor. The fair value of the host contract is calculated by discounting the Senior Notes' future cash flows (coupons and principal payment) at US Dollar 3-month LIBOR plus Helios Towers' credit spread. For the valuation date of 31 December 2022, a relative 5% increase in credit spread would result in a nil valuation of the embedded derivatives.

As at the reporting date, the call option had a fair value of US$2.5 million (31 December 2021: US$57.7 million on the US$600 million 9.125% Senior Notes 2022), while the put option had a fair value of US$0 million (31 December 2021: US$0 million). The increase in the fair value of the call option is attributable the tightening of the Group's credit spread, which is in line with the market movement.

The key assumptions in determining the fair value are: the quoted price of the bond as at 31 December 2022; the credit spread; and the yield curve. The probabilities relating to change of control and major asset sale represent a reasonable expectation of those events occurring that would be held by a market participant.

Notes to the Consolidated Financial Statements continued
For the year ended 31 December 2022

26. Financial instruments (continued)

	Within 1 year US$m	1–2 years US$m	2–5 years US$m	5+ years US$m	Total US$m
31 December 2022					
Net settled:					
Embedded derivatives	**–**	**–**	**2.5**	**–**	**2.5**
	–	**–**	**2.5**	**–**	**2.5**
31 December 2021					
Net settled:					
Embedded derivatives	–	–	57.7	–	57.7
	–	–	57.7	–	57.7

Interest rate risk management

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

27. Contingent liabilities

The Group exercises judgement to determine whether to recognise provisions and make disclosures for contingent liabilities as explained in Note 2b.

During the year, the Tanzania Revenue Authority commenced a tax assessment for a number of taxes for the financial years ending 2017 to 2021 inclusive. The initial claim amount is approximately US$99.3 million. Responses are being collated to submit to the relevant tax authority in relation to the assessments and remain under review with local tax experts and as such the impact, if any, is unknown at this time.

In the year ending 2022, the DRC tax authorities issued an assessment on a number of taxes amounting to US$62.1 million for the financial years 2018 and 2019.

In year ending 2022, the DRC tax authorities issued a payment collection notice amounting to US$44 million for the financial years 2013 to 2016.

In respect of these cases, the Directors believe that no present obligation has been established and the quantum of potential future cash outflows in relation to these tax audits cannot be reasonably assessed and therefore no provision has been made for these amounts; the balances above represent the Group's assessment of the maximum possible exposure for the years assessed. The Directors are working with their advisers and are in discussion with the tax authorities to bring the matters to conclusion based on the facts.

Other individually immaterial tax, and regulatory proceedings, claims and unresolved disputes are pending against Helios Towers in a number of jurisdictions. The timing of resolution and potential outcome (including any future financial obligations) of these are uncertain, but not considered probable and therefore no provision has been recognised in relation to these matters.

Legal claims

Other individually immaterial legal and regulatory proceedings, claims and unresolved disputes are pending against Helios Towers in a number of jurisdictions. The timing of resolution and potential outcome (including any future financial obligations) of these are uncertain, but no cash outflows are considered probable and therefore no provisions have been recognised in relation to these matters.

28. Net debt

	2022 US$m	2021 US$m
External debt	**(1,571.6)**	(1,295.5)
Lease liabilities	**(226.0)**	(181.9)
Cash and cash equivalents	**119.6**	528.9
Net debt	**(1,678.0)**	(948.5)

2022	**At 1 January 2022 US$m**	**Cash flows US$m**	**Other[1] US$m**	**At 31 December 2022 US$m**
Cash and cash equivalents	**528.9**	**(405.0)**	**(4.3)**	**119.6**
External debt[2]	**(1,295.5)**	**(261.2)**	**(14.9)**	**(1,571.6)**
Lease liabilities	**(181.9)**	**40.8**	**(84.9)**	**(226.0)**
Total financing liabilities	**(1,477.4)**	**(220.4)**	**(99.8)**	**(1,797.6)**
Net debt	**(948.5)**	**(625.4)**	**(104.1)**	**(1,678.0)**

2021	At 1 January 2021 US$m	Cash flows US$m	Other[1] US$m	At 31 December 2021 US$m
Cash and cash equivalents	428.7	102.3	(2.1)	528.9
External debt	(989.4)	(351.8)	45.7	(1,295.5)
Lease liabilities	(131.7)	13.3	(63.5)	(181.9)
Total financing liabilities	(1,121.1)	(338.5)	(17.8)	(1,477.4)
Net debt	(692.4)	(236.2)	(19.9)	(948.5)

1 Other includes foreign exchange and non-cash interest movements.

Refer to Note 20 for further details on the year-on-year movements in loans.

29. Loss per share

Basic loss per share has been calculated by dividing the total loss for the year by the weighted average number of shares in issue during the year after adjusting for shares held in the EBT.

To calculate diluted loss per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential shares. Share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year are considered to be dilutive potential shares. Where share options are exercisable based on performance criteria and those performance criteria have been met during the year, these options are included in the calculation of dilutive potential shares.

The Directors believe that Adjusted EBITDA per share is a useful additional measure to better understand the performance of the business (refer to Note 4).

Loss per share is based on:

	2022 US$m	2021 US$m
Loss after tax for the year attributable to owners of the Company	**(171.5)**	(156.2)
Adjusted EBITDA (Note 4)	**282.8**	240.6

	2022 Number	2021 Number
Weighted average number of ordinary shares used to calculate basic earnings per share	**1,047,039,919**	1,024,306,006
Weighted average number of dilutive potential shares	**114,017,600**	84,788,045
Weighted average number of ordinary shares used to calculate diluted earnings per share	**1,161,057,519**	1,109,094,051

Loss per share	**2022 cents**	2021 cents
Basic	**(16)**	(15)
Diluted	**(16)**	(15)

Adjusted EBITDA per share	**2022 cents**	2021 cents
Basic	**27**	23
Diluted	**24**	22

The calculation of basic and diluted loss per share is based on the net loss attributable to equity holders of the Company entity for the year of US$176.4 million (2021: US$159.0 million). Basic and diluted loss per share amounts are calculated by dividing the net loss attributable to equity shareholders of the Company entity by the weighted average number of shares outstanding during the year.

The calculation of Adjusted EBITDA per share and diluted EBITDA per share are based on the Adjusted EBITDA earnings for the year of US$282.8 million (2021: US$240.6 million). Refer to Note 4 for a reconciliation of Adjusted EBITDA to net loss before tax.

30. Non-controlling Interest

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations

	Oman	
	2022 US$m	2021 US$m
Current assets	**11.3**	–
Non-current assets	**512.5**	–
Current liabilities	**(112.8)**	–
Non-current liabilities	**(256.3)**	–
Equity attributable to owners of the Company	**111.9**	–
Non-controlling interests	**47.9**	–

	Oman	
	2022 US$m	2021 US$m
Revenue	**3.6**	–
Expenses	**(9.5)**	–
Loss for the year	**(5.9)**	–
Loss attributable to owners of the Company	**(4.1)**	–
Loss attributable to the non-controlling interests	**(1.8)**	–
Loss for the year	**(5.9)**	–
Net cash inflow (outflow) from operating activities	**(4.6)**	–
Net cash inflow (outflow) from investing activities	**–**	–
Net cash inflow (outflow) from financing activities	**8.2**	–
Net cash inflow (outflow)	**3.6**	–

31. Acquisition of subsidiary undertakings

The Malawi and Oman acquisitions open up considerable growth opportunities to Helios Towers. The portfolios of towers purchased from the MNOs come with lower tenancy ratios initially as they were principally built and operated for a sole MNO. Therefore, whilst the tenancy ratio and EBITDA margins are lower than the Group margins, they offer a platform from which the assets can be developed to serve the needs of all the MNOs in these markets.

Investing cash flows	2022 US$m
Malawi	44.2
Oman	91.4
Total investing cash flows	**135.6**

a) Malawi (March 2022)

On 24 March 2022, the Group completed the acquisition of Malawi Towers Ltd of the previously announced transaction with Airtel Africa. The Group has acquired 100% of the share capital of Malawi Towers Limited which includes the passive infrastructure on 723 sites, colocation contracts and certain supplier contracts. The Group has treated this as a single business combination transaction and accounted for it in accordance with IFRS 3, using the acquisition method. The total consideration in respect of the transaction was US$57.7 million. Goodwill arising on this business combination has been allocated to the Malawi CGU. The goodwill is not deductible for tax purposes. On the same date, in tandem with, but immediately subsequent to the acquisition, the minority shareholder contributed US$5.3m for a 20% stake in the business. See section ii) for the transactions with minority shareholders on the acquisition date. Non-controlling interest is recognised under the proportion of net assets basis method as permitted under IFRS 3.

i) Acquisition of 100% of the share capital of Malawi Towers Ltd

The breakdown of the acquisition price and goodwill generated by the acquisition is as follows:

Acquisition price and goodwill	24 March 2022 US$m
Consideration paid in cash	44.8
Deferred consideration	12.9
Total acquisition price (100%)	**57.7**
Net assets acquired (100%)	(47.4)
Resulting goodwill	**10.3**

The business combination had the following effect on the Group's assets and liabilities:

Identifiable assets acquired	24 March 2022 US$m
Assets	
Fair value of property, plant and equipment	37.6
Fair value of intangible assets	20.7
Right-of-use assets	2.8
Other assets	2.6
Cash	0.6
Total assets	**64.3**
Liabilities	
Other liabilities	(6.6)
Lease liabilities	(2.1)
Deferred taxation	(8.2)
Total liabilities	**(16.9)**
Total net identifiable assets	**47.4**

The identified goodwill reflects the lease-up potential of the asset base. Deferred consideration is payable subject to timing of future closings of sites and to the committed build-to-suit rollout up to March 2025. This has been discounted to reflect the present value of future payments.

The Group has assessed the fair value of assets acquired at US$47.4 million, based on appropriate valuation methodology. The valuation techniques used for measuring fair value of material assets acquired were as follows:

Assets acquired	Valuation technique
Property, plant and equipment	Depreciated replacement cost adjusted for physical deterioration as well as functional and economic obsolescence.
Intangible assets (customer relationships)	Multi-period excess earnings method which considered the present value of net cash flows expected to be generated by the customer relationships.

The Group incurred acquisition related costs of US$2.0 million in 2022 and US$3.1 million in previous financial years. These costs have been included in deal costs in the Group's consolidated income statement when incurred. For the period from 24 March to 31 December 2022 this acquisition contributed revenue of US$23.6 million and EBITDA of US$7.2 million.

Strategic Report
Governance Report
Financial Statements

31. Acquisition of subsidiary undertakings (continued)

The business combination had the following effect on the Group's statement of cash flows:

Total investing cash flows	US$m
Consideration paid in cash	44.8
Less: cash acquired	(0.6)
Total cash outflow	**44.2**

ii) Contribution from minority shareholders

On 24 March 2022 in tandem with but immediately subsequent to the acquisition, the minority shareholder contributed US$5.3 million for a 20% stake in the business. On the same date the minority shareholder also contributed a loan of US$3.5 million to the entity.

b) Oman (December 2022)

On 8 December 2022, the Group completed the acquisition of Oman Tech Infrastructure SAOC of the previously announced transaction with Omantel. The Group has acquired 70% of the share capital of which includes the passive infrastructure on 2,519 sites, colocation contracts and certain supplier contracts. The Group has treated this as a single business combination transaction and accounted for it in accordance with IFRS 3 – Business Combinations (IFRS 3) using the acquisition method. The total consideration in respect of the transaction was US$494.6 million. Goodwill arising on this business combination has been allocated to the Oman CGU. The Goodwill is deductible for tax purposes. This acquisition is in line with the Group's strategy. On the same date, a 30% stake in the business was sold to Rakiza Telecommunications Infrastructure LLC as part of the same agreement for total consideration of US$89.1 million. Non-controlling interest is recognised under the fair value method as permitted under IFRS 3.

The fair value assessment of the assets and liabilities acquired is still ongoing and may be updated within the 12-month period following the acquisition in line with the requirements of IFRS 3. The below figures are therefore provisional.

The breakdown of the acquisition price and goodwill generated by the acquisition is as follows:

	8 December 2022 US$m
Total consideration paid	494.6
Repayment of debt to seller	(328.8)
Consideration paid in cash for minority interest	(49.7)
Deferred receivable	(7.3)
IFRS Consideration	**108.8**
Non-controlling interest	49.7
Less: Net assets acquired	(135.0)
Resulting goodwill	**23.5**

The business combination had the following effect on the Group's assets and liabilities:

Identifiable assets acquired	8 December 2022 US$m
Assets	
Fair value of property, plant and equipment	147.6
Fair value of intangible assets	322.8
Right of use assets	19.4
Other assets	0.7
Cash	0.6
Total assets	491.1
Liabilities	
Other liabilities	(7.9)
Lease liabilities	(19.4)
Loans	(328.8)
Total liabilities	(356.1)
Total net identifiable assets acquired	135.0

The identified goodwill reflects the lease-up potential of the asset base.

The Group has assessed the fair value of net assets acquired at US$477.4 million, based on appropriate valuation methodology. The valuation techniques used for measuring fair value of material assets acquired were as follows:

Assets acquired	Valuation technique
Property, plant and equipment	Depreciated replacement cost adjusted for physical deterioration as well as functional and economic obsolescence.
Intangible assets (customer relationships)	Multi-period excess earnings method which considered the present value of net cash flows expected to be generated by the customer relationships.

The Group incurred acquisition related costs of US$13.4 million in 2022 and US$8.0 million in previous financial years. These costs have been included in deal costs in the Group's consolidated income statement when incurred. For the period from 8 December to 31 December 2022 this acquisition contributed revenue of US$3.6 million and EBITDA of US$2.3 million. It is not possible to disclose full year revenue and EBITDA for FY22 as the business did not operate as a standalone business prior to the acquisition.

31. Acquisition of subsidiary undertakings (continued)

The business combination had the following effect on the Group's statement of cash flows:

Total cash outflow	US$m
Investing	
Acquisition of subsidiary equity	116.0
Less: deposit paid in prior year	(24.0)
Less: cash acquired	(0.6)
Total investing cash flows	**91.4**
Financing	
Repayment of debt	328.8
Drawdown of debt facility	(200.0)
Minority investor loan facility	(39.4)
Total financing cash flows	**89.4**
Total cash outflow	**180.8**

c) Finalisation of Madagascar acquisition purchase price accounting (2021)

On 2 November 2021, the Group completed the acquisition of Madagascar Towers SA of the previously announced transaction with Airtel Madagascar. The group has acquired the passive infrastructure on 490 sites, colocation contracts and certain supplier contracts. The Group has treated this as a single business combination transaction and accounted for it in accordance with IFRS 3 using the acquisitions method. The total consideration in respect of the transaction was US$59.0 million. Goodwill arising on this business combination has been allocated to the Madagascar CGU. The goodwill is not deductible for tax purposes. This acquisition is in line with the Group's strategy.

Following completion of the purchase price accounting process the fair value of the initial assets acquired has been adjusted as follows:

Identifiable assets acquired at 2 November 2021:	Previously reported US$m	Adjustment US$m	Final allocation US$m
Assets			
Fair value of property, plant and equipment	26.7	(10.5)	16.2
Fair value of intangible assets	34.6		34.6
Right of use assets	3.6		3.6
Other assets	1.6	4.9	6.5
Cash	0.1		0.1
Total assets	**66.6**	**(5.6)**	**61.0**
Liabilities			
Other liabilities	(3.6)	1.5	(2.1)
Lease liabilities	(3.6)		(3.6)
Deferred taxation	(8.4)		(8.4)
Total liabilities	**(15.6)**	**1.5**	**(14.1)**
Total net identifiable assets	**51.0**	**(4.1)**	**46.9**
Goodwill on acquisition	8.0	4.1	12.1
Total consideration	**59.0**	**–**	**59.0**
Consideration paid in cash	46.8		46.8
Deferred consideration	12.2		12.2
Total consideration	**59.0**	**–**	**59.0**

Prior year comparatives have been restated in accordance with the above.

32. Subsequent events

There were no material subsequent events.

Company Statement of Financial Position
As at 31 December

	Note	**2022 US$m**	2021 US$m
Non-current assets			
Investments	3	**1,316.9**	1,240.2
		1,316.9	1,240.2
Current assets			
Trade and other receivables	4	**63.8**	45.5
Prepayments		**0.2**	0.3
Cash and cash equivalents	5	**5.9**	105.8
		69.9	151.6
Total assets		**1,386.8**	1,391.8
Equity			
Issued capital and reserves			
Share capital	6	**13.5**	13.5
Share premium		**105.6**	105.6
Share-based payments reserves		**16.0**	12.4
Other reserves		**7.2**	7.2
Retained earnings		**1,234.4**	1,244.5
Total equity		**1,376.7**	1,383.2
Current liabilities			
Trade and other payables	7	**10.1**	8.6
Total liabilities		**10.1**	8.6
Total equity and liabilities		**1,386.8**	1,391.8

The loss for the year attributable to the shareholders of the Company and recorded through the accounts of the Company was US$10.1 million (2021: US$10.1 million).

The accompanying Notes form an integral part of these Financial Statements.

These Financial Statements were approved and authorised for issue by the Board on 15 March 2023 and signed on its behalf by:

Tom Greenwood

Manjit Dhillon

Company Statement of Changes in Equity
For the year ended 31 December 2022

	Share capital US$m	Share premium US$m	Other reserves US$m	Share-based payments reserves US$m	Retained earnings US$m	Attributable to the owners of the Company US$m	Total equity US$m
Balance at 1 January 2021	12.8	–	7.2	10.9	1,254.6	1,285.5	1,285.5
Total comprehensive loss for the year	–	–	–	–	(10.1)	(10.1)	(10.1)
Transactions with owners:							
Issue of share capital	0.7	105.6	–	–	–	106.3	106.3
Share-based payments	–	–	–	1.5	–	1.5	1.5
Balance at 31 December 2021	13.5	105.6	7.2	12.4	1,244.5	1,383.2	1,383.2
Total comprehensive loss for the year	**–**	**–**	**–**	**–**	**(10.1)**	**(10.1)**	**(10.1)**
Transactions with owners:							
Issue of share capital	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Share-based payments	**–**	**–**	**–**	**3.6**	**–**	**3.6**	**3.6**
Balance at 31 December 2022	**13.5**	**105.6**	**7.2**	**16.0**	**1,234.4**	**1,376.7**	**1,376.7**

Share-based payments reserves relate to share options awarded.

Notes to the Company Financial Statements
For the year ended 31 December 2022

1. Statement of compliance and presentation of financial statements
Helios Towers plc ('the Company'), together with its subsidiaries (collectively, 'Helios', or 'the Group'), is an independent tower company, with operations across seven countries. Helios Towers plc is a public limited company incorporated and domiciled in the UK, and registered under the laws of England & Wales under company number 12134855 with its registered address at 10th Floor, 5 Merchant Square West, London W2 1AS, United Kingdom. The ordinary shares of Helios Towers plc were admitted to the premium listing segment of the Official List of the UK Financial Conduct Authority and trade on the London Stock Exchange plc's main market for listed securities. The Company is the parent and ultimate parent of the Group.

The principal accounting policies adopted by the Company are set out in Note 2. These policies have been consistently applied to all periods presented.

2. Accounting policies
Basis of preparation
The Company Financial Statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102), and with the Companies Act 2006.

The Financial Statements have been prepared on the historical cost basis. The Financial Statements are presented in United States Dollars (US$), and rounded to the nearest hundred thousand (US$0.1 million) except where otherwise stated, which is the functional currency of the Company. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Helios Towers plc meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its Financial Statements. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a cash flow statement, intra-Group transactions and remuneration of key management personnel.

The Company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these Financial Statements.

The principal accounting policies adopted are set out below.

Foreign currency translation
In preparing the Financial Statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Financial instruments
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

(i) Financial assets and liabilities
All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments that are classified as payable or receivable within one year on initial recognition, and which meet the above conditions, are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

(ii) Investments
Investments in subsidiaries and associates are measured at cost less impairment (which is tested when there is an indicator of potential impairment). For investments in subsidiaries acquired for consideration, including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus the fair value of other consideration.

(iii) Equity instruments
Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

(iv) Impairment of assets
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date and if such an indicator exists, an impairment test is performed. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss.

Related parties
For the purpose of these Financial Statements, parties are considered to be related to the Company if they have the ability, directly or indirectly to control the Company or exercise significant influence over the Company in making financial or operating decisions, or vice versa, or where the Company is subject to common control or common significant influence. Related parties may be individuals or other entities.

Notes to the Company Financial Statements continued
For the year ended 31 December 2022

2. Accounting policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are differences between the Company's taxable profits and its results as stated in the Financial Statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the Financial Statements.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme. No employee remuneration is paid by the Company.

Share-based payment

The Company grants to its employees rights to the equity instruments of its Group. The fair value of awards granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to receive the awards. The fair value of the awards granted is measured using a pricing model, taking into account the terms and conditions upon which the awards were granted.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors consider that there are no critical accounting judgements or key sources of estimation uncertainty within the Company's individual Financial Statements.

Financial risk management

The Company has exposure to market risk. The overall framework for managing risk that affects the Company is discussed in Note 2 to the Consolidated Financial Statements. All carrying values are considered to be fair values.

Foreign currency risk

The Company holds monetary assets and liabilities in currencies other than US Dollar. The majority of these relate to intercompany balances.

3. Investments

	2022 US$m	2021 US$m
Cost		
Brought forward	**1,240.2**	1,192.7
Additions in the year	**76.7**	47.5
Carried forward at 31 December	**1,316.9**	1,240.2
Provision for impairment		
Brought forward	**–**	–
Carried forward at 31 December	**–**	–
Net book value as at 31 December	**1,316.9**	1,240.2

Details of the Company's subsidiary undertakings are set out in Note 13 in the Consolidated Financial Statements of the Group.

The following UK subsidiaries will take advantage of the audit exemption set out within section 479A of the Companies Act 2006 for the year ended 31 December 2022.

Name	Company number
Helios Towers UK Holdings Limited	12861165
Helios Towers Malawi Holdings Limited	13074060
Helios Towers Bidco Limited	13325881
Helios Towers Madagascar Holdings Limited	13074064
Helios Towers Partners (UK) Limited	11849776
HTA(UK) Partner Limited	07564867
Helios Towers Africa LLP	OC352332
Helios Towers Gabon Holdings Limited	13636529
Helios Towers Chad Holdings Limited	13547961

No event triggering a possible impairment was identified in the current year and, therefore, no impairment test was performed.

Notes to the Company Financial Statements continued
For the year ended 31 December 2022

4. Trade and other receivables

	2022 US$m	2021 US$m
Amounts receivable from related parties	**63.8**	45.5

Amounts receivable from related parties are unsecured, interest free and repayable on demand.

5. Cash and cash equivalents

	2022 US$m	2021 US$m
Bank balances	**5.9**	105.8

6. Share capital

	2022		2021	
	Number of shares (millions)	**US$m**	Number of shares (millions)	US$m
Authorised, issued and fully paid Ordinary shares of £0.01 each	**1,051**	**13.5**	1,048	13.5
	1,051	**13.5**	1,048	13.5

The share capital is represented by the share capital of the Company, Helios Towers plc. The Company was incorporated on 1 August 2019 to act as the holding company for the Group.

On 16 June 2021, the Company issued 48 million new ordinary shares in the capital of the Company. This raised gross proceeds of US$109.3 million.

7. Trade and other payables

	2022 US$m	2021 US$m
Amounts payable to related parties	**10.1**	8.6

Amounts payable to related parties are unsecured, interest free and repayable on demand.

List of subsidiaries

Name of subsidiary	Registered office address
Helios Towers Africa LLP	10th Floor, 5 Merchant Square West, London, United Kingdom, W2 1AS
Helios Towers Partners (UK) Limited	10th Floor, 5 Merchant Square West, London, United Kingdom, W2 1AS
HTA (UK) Partner Ltd	10th Floor, 5 Merchant Square West, London, United Kingdom, W2 1AS
Helios Towers UK Holdings Limited	10th Floor, 5 Merchant Square West, London, United Kingdom, W2 1AS
Helios Towers Madagascar Holdings Limited	10th Floor, 5 Merchant Square West, London, United Kingdom, W2 1AS
Helios Towers Malawi Holdings Limited	10th Floor, 5 Merchant Square West, London, United Kingdom, W2 1AS
Helios Towers Chad Holdings Limited	10th Floor, 5 Merchant Square West, London, United Kingdom, W2 1AS
Helios Towers Gabon Holdings Limited	10th Floor, 5 Merchant Square West, London, United Kingdom, W2 1AS
Helios Towers Bidco Limited	10th Floor, 5 Merchant Square West, London, United Kingdom, W2 1AS
Helios Towers, Ltd.	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
HTA Holdings, Ltd	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
HTA Group, Ltd	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
HT Congo Brazzaville Holdco Limited	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
HT Holdings Tanzania, Ltd	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
Helios Chad Holdco Limited	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
Helios Towers Congo Brazzaville SASU	1st Floor TPI Building, Boulevard Denis Sassou-Nguesso, opposite the SCLOG, Mpila, Brazzaville, Congo
Helios Towers DRC SARL	1st Floor, Tower LE 130, 130B, Avenue Kwango, Kinshasa, Gombe, DRC
HT DRC Infraco SARL	1st Floor, Tower LE 130, 130B, Avenue Kwango, Kinshasa, Gombe, DRC
Helios Towers Tanzania Limited	Ground Floor, Peninsula House, Plot No. 251 Toure Drive, P.O. Box 105297, Oysterbay, Dar es Salaam, Tanzania
HTT Infraco Limited	Ground Floor, Peninsula House, Plot No. 251 Toure Drive, P.O. Box 105297, Oysterbay, Dar es Salaam, Tanzania
HS Holdings Limited	Ground Floor, Peninsula House, Plot No. 251 Toure Drive, P.O. Box 105297, Oysterbay, Dar es Salaam, Tanzania
Helios Towers Ghana Limited	No.31, Akosombo Road, Airport Residential Area, Private Mail Bag CT 409, Cantonments, Accra, Ghana
HTG Managed Services Limited	No.31, Akosombo Road, Airport Residential Area, Private Mail Bag CT 409, Cantonments, Accra, Ghana
Towers NL Cooperatief U.A.	EDGE Amsterdam West (Basisweg 10, 1043 AP, Amsterdam)
McTam International 1 B.V.	Oslo 1, 2993 LD Barendrecht, The Netherlands
McRory Investment B.V.	Oslo 1, 2993 LD Barendrecht, The Netherlands
Helios Towers South Africa Holdings (Pty) Ltd	First Floor, Hertford Office Park Block I, Bekker Road, Vorna Valley, Midrand, Gauteng, 1686
Helios Towers South Africa (Pty) Ltd	First Floor, Hertford Office Park Block I, Bekker Road, Vorna Valley, Midrand, Gauteng, 1686
Helios Towers South Africa Services (Pty) Ltd	First Floor, Hertford Office Park Block I, Bekker Road, Vorna Valley, Midrand, Gauteng, 1686
Helios Towers Group Services (Pty) Ltd	First Floor, Hertford Office Park Block I, Bekker Road, Vorna Valley, Midrand, Gauteng, 1686
HTSA Towers (Pty) Ltd	First Floor, Hertford Office Park Block I, Bekker Road, Vorna Valley, Midrand, Gauteng, 1686
Helios Towers FZ-LLC	DIC, Unit 102, Floor 1, Building 5, Dubai Internet City, United Arab Emirates
Helios Towers Senegal SAU	Dakar (Sénégal), Résidence Malaado Plaza, Tour de l'œuf, Point E, 5e étage Bâtiment
Helios Towers (SFZ) SPC	Salalah Free Zone, PO Box 87, Postal code: 217
HT Services Limited	2nd Floor, Glass House, Area 14, Lilongwe, Malawi
Madagascar Towers SA	Immeuble S, Lot II J 1 AA Morarano Alarobia, Antananarivo, Madagascar
Malawi Towers Limited	Malawi Towers Limited, 2nd Floor, Glass House, Area 14, P.O. Box 30450, Capital City, Lilongwe, Malawi
Helios Towers Gabon S.A.	Immeuble Assia 1, 1er Etage, Haut de guegue, BP 936, Libreville, Gabon
Oman Tech Infrastructure SAOC	6th Floor, Al Fardan Heights Building, Al Maardh St, Muscat, Oman

Officers, professional advisors and shareholder information

Directors (as at 31 December 2022)
Sir Samuel Jonah
Tom Greenwood
Manjit Dhillon
Magnus Mandersson
Alison Baker
Richard Byrne
Helis Zulijani-Boye
Temitope Lawani
Sally Ashford
Carole Wamuyu Wainaina

Company Secretary
Paul Barrett

Registered Office
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United Kingdom

Registered number
12134855

Banker
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63 Piccadilly & New Bond Street
London
W1J 0AJ

Auditor
Deloitte LLP
1 New Street Square
London
EC4A 3HQ

Solicitor
Linklaters LLP
One Silk Street
London
EC2Y 8HQ

Financial PR
FTI Consulting
200 Aldersgate Street
Barbican
London
EC1A 4HD

Shareholder Information

Corporate website
The website provides information regarding the Company's:

- governance;
- Sustainable Business Strategy;
- business model; and
- values and approach.

There is also a dedicated Investors section which contains up-to-date information for shareholders and future investors including:

- results, reports and presentations;
- regulatory announcements;
- share price data;
- financial calendar; and
- recent M&A transactions and financing projects.

Registrar
Computershare Investor Services plc
The Pavilions, Bridgwater Road
Bristol
BS13 8AE

All general queries regarding holdings of ordinary shares in the Company should be addressed to the Company's Registrar at the above address or online at www-uk.computershare.com/Investor/#Help/Index

Telephone for both UK and overseas shareholders: +44 (0)370 703 6049

Electronic communications
We encourage our shareholders to receive documentation from Helios Towers plc electronically to benefit from:

- viewing the Annual Report and Financial Statements on their publication date;
- receiving email alerts when shareholder documents are available;
- casting their AGM vote electronically; and
- managing their shareholding quickly and securely online, through Computershare.

Receiving electronic shareholder communications also carries environmental benefits through reduced use of printing, paper and couriers. For further information and to register for electronic shareholder communications, visit www-uk.computershare.com/Investor/#Home.

Shareholder security
Companies have become increasingly aware of shareholders receiving unsolicited telephone calls or correspondence concerning investment matters. These callers typically cold-call investors offering worthless, overpriced, or potentially non-existent shares, or to buy shares at an inflated price in return for an upfront payment.

More detailed information on this or similar activity, and how to avoid investment scams, can be found on the Financial Conduct Authority's website.

Glossary

We have prepared the annual report using a number of conventions, which you should consider when reading information contained herein as follows.

All references to 'we', 'us', 'our', 'HT Group', 'Helios Towers' our 'Group' and the 'Group' are references to Helios Towers, plc and its subsidiaries, taken as a whole.

'**2G**' means the second-generation cellular telecommunications network commercially launched on the GSM and CDMA standards.

'**3G**' means the third-generation cellular telecommunications networks that allow simultaneous use of voice and data services, and provide high-speed data access using a range of technologies.

'**4G**' means the fourth-generation cellular telecommunications networks that allow simultaneous use of voice and data services, and provide high-speed data access using a range of technologies (these speeds exceed those available for 3G).

'**5G**' means the fifth generation cellular telecommunications networks. 5G does not currently have a publicly agreed upon standard; however, it provides high-speed data access using a range of technologies that exceed those available for 4G.

'**Adjusted EBITDA**' is defined by management as loss before tax for the year, adjusted for finance costs, other gains and losses, interest receivable, loss on disposal of property, plant and equipment, amortisation of intangible assets, depreciation and impairments of property, plant and equipment, depreciation of right-of-use assets, deal costs for aborted acquisitions, deal costs not capitalised, share-based payments and long-term incentive plan charges, and other adjusting items. Adjusting items are material items that are considered one-off by management by virtue of their size and/or incidence.

'**Adjusted EBITDA margin**' means Adjusted EBITDA divided by revenue.

'**Adjusted gross margin**' means Adjusted Gross Profit divided by revenue.

'**Adjusted gross profit**' means gross profit adding back site and warehouse depreciation.

'**Airtel**' means Airtel Africa.

'**amendment revenue**' means revenue from amendments to existing site contracts when tenants add or modify equipment, taking up additional vertical space, wind load capacity and/or power consumption under an existing site contract.

'**anchor tenant**' means the primary customer occupying each site.

'**Analysys Mason**' means Analysys Mason Limited.

'**Annualised Adjusted EBITDA**' means Adjusted EBITDA for the last three months of the respective period, multiplied by four, adjusted to reflect the annualised contribution from acquisitions that have closed in the last three months of the respective period.

'**Annualised portfolio free cash flow**' means portfolio free cash flow for the respective period, adjusted to annualise for the impact of acquisitions closed during the period.

'**Average diesel emissions per tenant**' have been calculated from diesel consumption figures for our five established markets, comparing diesel consumption on towers with one, two, three or four tenants.

'**average remaining life**' means the average of the periods through the expiration of the term under certain agreements.

'**APMs**' Alternative Performance Measures are measures of financial performance, financial position or cash flows that are not defined or specified under IFRS but used by the Directors internally to assess the performance of the Group.

'**Average diesel emissions reductions**' have been calculated from diesel consumption figures for our five established markets, comparing diesel consumption on towers with one, two, three and four tenants.

'**Average grid hours**' or '**average grid availability**' reflects the estimated site weighted average of grid availability per day across the Group portfolio in the reporting year.

'**B-BBEE**' refers to '**Broad-Based Black Economic Empowerment**' a South African Government policy promoting the participation of ethnically diverse South Africans in the local economy.

'**BEIS**' means Department for Business, Energy and Industrial Strategy.

'**build-to-suit/BTS**' means sites constructed by our Group on order by a MNO.

'**CAGR**' means compound annual growth rate.

'**Carbon emissions per tenant**' is the metric used for our intensity target. The carbon emissions include Scope 1 and 2 emissions for the markets included in the target and the average number of tenants is calculated using monthly data.

'**Chad**' means Republic of Chad.

The '**Code**' means the UK Corporate Governance Code 2018.

'**colocation**' means the sharing of site space by multiple customers or technologies on the same site, equal to the sum of standard colocation tenants and amendment colocation tenants.

'**colocation tenant**' means each additional tenant on a site in addition to the primary anchor tenant and is classified as either a standard or amendment colocation tenant.

'**committed colocation**' means contractual commitments relating to prospective colocation tenancies with customers.

'**Company**' means Helios Towers, Ltd prior to 17 October 2019, and Helios Towers plc on or after 17 October 2019.

'**Congo Brazzaville**' otherwise also known as the Republic of Congo.

'**contracted revenue**' means total undiscounted revenue as at that date with local currency amounts converted at the applicable average rate for US Dollars held constant. Our contracted revenue calculation for each year presented assumes: (i) no escalation in fee rates, (ii) no increases in sites or tenancies other than our committed tenancies (which include committed colocations and/or committed anchor tenancies), (iii) our customers do not utilise any cancellation allowances set forth in their MLAs (iv) our customers do not terminate MLAs early for any reason and (v) no automatic renewal.

'**corporate capital expenditure**' primarily relates to furniture, fixtures and equipment.

'**CPI**' means Consumer Price Index.

'**Downtime per tower per week**' refers to the average amount of time our sites are not powered across each week.

'**DEI**' means Diversity, Equity and Inclusion.

'**Deloitte**' means Deloitte LLP.

'**DRC**' means Democratic Republic of Congo.

'**EBT**' means Employee Benefit Trust.

'**ESG**' means Environmental, Social and Governance.

'**Executive Committee**' means the Group CEO, the Group CFO, the regional CEO's, the Director of Business Development and Regulatory Affairs, the Director of Delivery and Business Excellence, the Director of Operations and Engineering, the Director of Human Resources, the Director of Property and SHEQ and the General Counsel and Company Secretary.

'**Executive Leadership Team**' means the Executive Committee, the regional directors, the country managing directors and the functional specialists.

'**Executive Management**' means Executive Committee.

'**Fatality frequency rate**' refers to occupational fatalities per million hours worked (five-year roll).

'**FCA**' means 'Financial Conduct Authority'.

'**FRC**' means the Financial Reporting Council.

'**FRS 102**' means the Financial Reporting Standard Applicable in the UK and Republic of Ireland.

'FTSE' refers to 'Financial Times Stock Exchange'.

'**FTSE WLR**' means FTSE Women Leaders Review.

'**Free Cash Flow**' means Adjusted free cash flow less net change in working capital, cash paid for adjusting and EBITDA adjusting items, cash paid in relation to non-recurring taxes and proceeds on disposal of assets.

'**Gabon**' means Gabonese Republic.

'**Ghana**' means the Republic of Ghana.

'**GHG**' means greenhouse gases.

'**gross debt**' means non-current loans and current loans and long-term and short-term lease liabilities.

'**gross leverage**' means gross debt divided by annualised Adjusted EBITDA.

'**gross margin**' means gross profit, adding site and warehouse depreciation, divided by revenue.

'**growth capex**' or '**growth capital expenditure**' relates to (i) construction of build-to-suit sites (ii) installation of colocation tenants and (ii) and investments in power management solutions.

'**Group**' means Helios Towers, Ltd (HTL) and its subsidiaries prior to 17 October 2019, and Helios Towers plc and its subsidiaries on or after 17 October 2019.

'**GSMA**' is the industry organisation that represents the interests of mobile network operators worldwide.

'**Hard currency Adjusted EBITDA**' refers to Adjusted EBITDA that is denominated in US Dollars, US$ pegged, US Dollar linked or Euro pegged.

'**Hard currency Adjusted EBITDA %**' refers to Hard currency Adjusted EBITDA as a % of Adjusted EBITDA

'**Helios Towers Congo Brazzaville**' or '**HT Congo Brazzaville**' means Helios Towers Congo Brazzaville SASU.

'**Helios Towers DRC**' or '**HT DRC**' means HT DRC Infraco SARL.

'**Helios Towers Ghana**' or '**HT Ghana**' means HTG Managed Services Limited.

'**Helios Towers Oman**' or '**HT Oman**' means Oman Tech Infrastructure SAOC.

'**Helios Towers plc**' means the ultimate Company of the Group.

'**Helios Towers South Africa**' or '**HTSA**' means Helios Towers South Africa Holdings (Pty) Ltd and its subsidiaries.

'**Helios Towers Tanzania**' or '**HT Tanzania**' means HTT Infraco Limited.

'**IAL**' means Independent Audit Limited.

'**IFRS**' means International Financial Reporting Standards as adopted by the European Union.

'**independent tower company**' means a tower company that is not affiliated with a telecommunications operator.

'**Indicative site ROIC'** is for illustrative purposes only, and based on Group average build-to-suit tower economics as of December 2022. Site ROIC calculated as site portfolio free cash flow divided by indicative capital expenditure. Site portfolio free cash flow reflects indicative Adjusted gross profit per site less ground lease expense and non-discretionary capex.

'**Indicative site Adjusted gross profit and profit/(loss) before tax**' is for illustrative purposes only, and based on Group average build-to-suit tower economics as of December 2021. Site profit/(loss) before tax calculated as indicative Adjusted gross profit per site less indicative selling, general and administrative (SG&A), depreciation and financing costs.

'**IPO**' means Initial Public Offering.

'ISO accreditations' refers to the International Organisation for Standardisation and its published standards: ISO 9001 (Quality Management), ISO 14001 (Environmental Management), ISO 45001 (Occupational Health and Safety) and ISO 37001 (Anti-Bribery Management).

'**Lath**' means Lath Holdings, Ltd.

'**Lean Six Sigma**' is a renowned approach that helps businesses increase productivity, reduce inefficiencies and improve the quality of output.

Glossary continued

'**lease-up**' means the addition of colocation tenancies to our sites.

'**Levered portfolio free cash flow**' means portfolio free cash flow less net payment of interest.

'**Lost Time Injury Frequency Rate**' means the number of lost time injuries per 1m person-hours worked (12-month roll)

'**LSE**' means London Stock Exchange.

'**LTIP**' means Long Term Incentive Plan.

'**Madagascar**' means Republic of Madagascar.

'Malawi' means Republic of Malawi.

'**maintenance capital expenditure**' means capital expenditures for periodic refurbishments and replacement of parts and equipment to keep existing sites in service.

'**Mauritius**' means the Republic of Mauritius.

'**MSCI**' means Morgan Stanley Capital International.

'**Middle East**' region includes thirteen countries namely Hashemite Kingdom of Jordan, Kingdom of Bahrain, Kingdom of Saudi Arabia, Republic of Iraq, Republic of Lebanon, State of Kuwait, Sultanate of Oman, State of Palestine, State of Qatar, Syrian Arab Republic, The Republic of Yemen, The Islamic Republic of Iran and The United Arab Emirates.

'**Millicom**' means Millicom International Cellular SA.

'**MLA**' means master lease agreement.

'**MNO**' means mobile network operator.

'**mobile penetration**' means the amount of unique mobile phone subscriptions as a percentage of the total market for active mobile phones.

'**MTN**' means MTN Group Ltd.

'**MTSAs**' means master tower services agreements.

'**Near miss**' is an event not causing harm but with the potential to cause injury or ill health.

'**NED**' means Non- Executive Director.

'**net debt**' means gross debt less adjusted cash and cash equivalents.

'**net leverage**' means net debt divided by last quarter annualised Adjusted EBITDA.

'**net receivables**' means total trade receivables (including related parties) and accrued revenue, less deferred income.

'**Newlight**' means Newlight Partners LP.

'**Oman**' means Sultanate of Oman.

'**Orange**' means Orange S.A.

'**our established markets**' refers to Tanzania, DRC, Congo Brazzaville, Ghana and South Africa.

'**our markets**' or '**markets in which we operate**' refers to Tanzania, DRC, Congo Brazzaville, Ghana, South Africa, Senegal, Madagascar, Malawi and Oman.

'**Percentage of employees trained in Lean Six Sigma**' is the percentage of permanent employees who have completed the Orange or Black Belt training programme.

'**Population coverage**' refers to the Company estimated potential population that falls within the network coverage footprint of each of our towers, calculated using WorldPop source data.

'**Portfolio free cash flow**' defined as Adjusted EBITDA less maintenance and corporate capital additions, payments of lease liabilities (including interest and principal repayments of lease liabilities) and tax paid.

'**PoS**' means points of service, which is an MNO's antennae equipment configuration located on a site to provide signal coverage to subscribers. At Helios Towers, a standard PoS is equivalent to one tenant on a tower.

'**Power uptime**' reflects the average percentage our sites are powered across each month, and is a key component of our service offering to customers. Figures presented reflects towers that are under service level agreements with customers.

'**Principal Shareholders**' refers to Quantum Strategic Partners Ltd, Helios Investment Partners and Albright Capital Management.

'**Project 100**' refers to our commitment to invest US$100 million between 2022 and 2030 on carbon reduction and carbon innovation.

'**Quantum**' means Quantum Strategic Partners, Ltd.

'**Road Traffic Accident Frequency Rate**' means the number of work related road traffic accidents per 1m km driven (12-month roll).

'**ROIC**' means return on invested capital and is defined as annualised portfolio free cash flow divided by invested capital.

'**Rural area**' while there is no global standardised definition of rural, we have defined rural as milieu with population density per square kilometre of up to 1,000 inhabitants. These include greenfield sites, small villages and towns with a series of small settlement structures.

'**Rural coverage**' is the population living within the footprint of a site located in a rural area.

'**Rural sites**' means sites which align to the above definition of 'Rural area'.

'**Senegal**' means the Republic of Senegal.

'**Shares**' means the shares in the capital of the Company.

'**Shareholders Agreement**' means the agreement entered into between the Principal Shareholders and the Company on 15 October 2019, which grants certain governance rights to the Principal Shareholders and sets out a mechanism for future sales of shares in the capital of the Company.

'**SHEQ**' means safety, health, environment and quality.

'**site acquisition**' means a combination of MLAs or MTSAs, which provide the commercial terms governing the provision of site space, and individual ISA, which act as an appendix to the relevant MLA or MTSA, and include site-specific terms for each site.

'**site agreement**' means the MLA and ISA executed by us with our customers, which act as an appendix to the relevant MLA and includes certain site-specific information (for example, location and any grandfathered equipment).

'**SLA**' means service-level agreement.

'**South Africa**' means the Republic of South Africa.

'**standard colocation**' means tower space under a standard tenancy site contract rate and configuration with defined limits in terms of the vertical space occupied, the wind load and power consumption.

'**standard colocation tenant**' means a customer occupying tower space under a standard tenancy lease rate and configuration with defined limits in terms of the vertical space occupied, the wind load and power consumption.

'**strategic suppliers**' means suppliers that deliver products or provide us with services deemed critical to executing our strategy such as site maintenance and batteries.

'**Sub-Saharan Africa**' or '**SSA**' means African countries that are fully or partially located south of the Sahara.

'**Tanzania**' means the United Republic of Tanzania.

'**TCFD**' means Task Force on Climate-Related Financial Disclosures.

'**telecommunications operator**' means a company licensed by the government to provide voice and data communications services.

'**tenancy**' means a space leased for installation of a base transmission site and associated antennae.

'**tenancy ratio**' means the total number of tenancies divided by the total number of our sites as of a given date and represents the average number of tenants per site within a portfolio.

'**tenant**' means an MNO that leases vertical space on the tower and portions of the land underneath on which it installs its equipment.

'**the Code**' means the UK Corporate Governance Code published by the FRC and dated July 2018, as amended from time to time.

'**the Regulations**' means the Large and Medium-sized Companies and Groups (Accounts and Reports) regulations 2008 (as amended).

'**the Trustee**' means the trustee(s) of the EBT.

'**Tigo**' refers to one or more subsidiaries of Millicom that operate under the commercial brand 'Tigo'.

'**total colocations**' means standard colocations plus amendment colocations as of a given date.

'**total tenancies**' means total anchor, standard and amendment colocation tenants as of a given date.

'**tower contract**' means the MLA and individual site agreements executed by us with our customers, which act as a schedule to the relevant MLA and includes certain site-specific information (for example, location and equipment).

'**towerco**' means tower company, a corporation involved primarily in the business of building, acquiring and operating telecommunications towers that can accommodate and power the needs of multiple tenants.

'**tower sites**' means ground-based towers and rooftop towers and installations constructed and owned by us on property (including a rooftop) that is generally owned or leased by us.

'**TSR**' means total shareholder return.

'**UK Corporate Governance Code**' means the UK Corporate Governance Code published by the Financial Reporting Council and dated July 2018, as amended from time to time.

'**UK GAAP**' means the United Kingdom Generally Accepted Accounting Practice.

'**upgrade capex**' or '**upgrade capital expenditure**' comprises structural, refurbishment and consolidation activities carried out on selected acquired sites.

'**US-style contracts**' means the structure and tenor of contracts are broadly comparable to large US-based companies.

'**Viettel**' means Viettel Tanzania Limited.

'**Vodacom**' means Vodacom Group Limited.

'**Vodacom Tanzania**' means Vodacom Tanzania plc.

Our customers, as well as certain other telecommunications operators named in this Annual Report, are generally referred to in this document by their trade names. Our contracts with these customers are typically with an entity or entities in that customer's group of companies.

URLs included in the Annual Report and Financial Statements 2022

Annual Report and Financial Statements 2022: https://www.heliostowers.com/annual-report-2022.pdf

Reporting supplement to the Annual Report and Financial Statements 2022: https://www.heliostowers.com/annual-report-supplement-2022.pdf

GSMA State of Mobile Connectivity 2022: https://www.gsma.com/r/wp-content/uploads/2022/12/The-State-of-Mobile-Internet-Connectivity-Report-2022.pdf

Strategic Community Investment: https://www.heliostowers.com/media/icwftqys/helios-towers-strategic-community-investment.pdf

World Population Prospects 2022: https://population.un.org/wpp/

International Energy Agency – African Energy Outlook 2022: https://iea.blob.core.windows.net/assets/6fa5a6c0-ca73-4a7f-a243-fb5e83ecfb94/AfricaEnergyOutlook2022.pdf

Code of Conduct: https://www.heliostowers.com/media/d4dhgw43/the-helios-towers-code-of-conduct_20220929.pdf

Third party code of conduct: https://www.heliostowers.com/media/gtno4feb/third-party-code-of-conduct.pdf

Human Rights Policy: https://www.heliostowers.com/media/yzrlkopy/ht-human-rights-policy-2021.pdf

Modern Slavery and Human Trafficking Statement: https://www.heliostowers. com/media/i1cpkilk/modern-slavery-and-human-trafficking-statement-2022-1.pdf

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This document 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.

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