

Prospectus

October 2019



This document comprises a prospectus (the “Prospectus”) relating to Helios Towers plc (the “Company”) prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (the “FCA”) made under section 73A of the Financial Services and Markets Act 2000 (as amended) (the “FSMA”). The Prospectus has been filed with, and approved by, the FCA and has been made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

This Prospectus has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129; such approval should not be considered as an endorsement of the Company that is, or the quality of the securities that are, the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

Application will be made to the FCA in its capacity as competent authority under the FSMA (the “UK Listing Authority”) for all of the shares of the Company (the “Shares”) issued and to be issued in connection with the Global Offer (as defined in Part XX: “Definitions”), to be admitted to the premium segment of the Official List of the FCA (the “Official List”) and to trading on the main market for listed securities of the London Stock Exchange plc (the “London Stock Exchange”) (together, “Admission”). Admission to trading on the London Stock Exchange’s main market for listed securities constitutes admission to trading on a regulated market. The Company is allotting and issuing 86,386,373 Shares (the “New Shares”) and the Selling Shareholders (as defined in Part XX: “Definitions”) are selling 131,004,931 Shares (the “Sale Shares”, together with the “New Shares”, the “Offer Shares”) pursuant to an offer to certain institutional and other investors (the “Global Offer”). Conditional dealings in the Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 15 October 2019. It is expected that Admission will become effective, and that unconditional dealings in the Shares on the London Stock Exchange will commence, at 8.00 a.m. on 18 October 2019. **All dealings in the Shares before the commencement of unconditional dealings will be of no effect if Admission does not take place and such dealings will be on a “when issued” basis at the sole risk of the parties concerned.**

No application has been or is currently intended to be made for the Shares to be admitted to listing or trading on any other exchange. The New Shares issued by the Company will rank *pari passu* in all respects with the existing Shares.

The directors of the Company, whose names appear on page 39 of this Prospectus (the “Directors”), and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

Prospective investors should read the entire Prospectus and, in particular, prospective investors are advised to examine all the risks that might be relevant in connection with an investment in the Offer Shares. See Part II: “Risk Factors” for a discussion of certain risks and other factors that should be considered prior to any investment in the Offer Shares.



Helios Towers plc

(incorporated under the Companies Act 2006 and registered in England and Wales with registered number 12134855)

Prospectus

Global Offer of 217,391,304 Shares at an Offer Price of 115 pence per Share and admission to the premium listing segment of the Official List and to trading on the Main Market of the London Stock Exchange

*Sponsor, Joint Global Co-ordinator and
Joint Bookrunner*
BofA Merrill Lynch

*Joint Global Co-ordinator and Joint
Bookrunner*
Jefferies

*Joint Global Co-ordinator and Joint
Bookrunner*
Standard Bank

Joint Bookrunner
EFG Hermes

Joint Bookrunner
Renaissance Capital

Issued and fully paid Share capital immediately following Admission

Number	Nominal Value
1,000,000,000	£1.00

Merrill Lynch International has been appointed as Sponsor, Joint Global Co-ordinator and Joint Bookrunner. Jefferies International Limited and The Standard Bank of South Africa Limited have been appointed as Joint Global Co-ordinators and Joint Bookrunners. EFG Hermes UAE Limited and Renaissance Securities (Cyprus) Limited have been appointed as Joint Bookrunners. Each of Merrill Lynch International, Jefferies International Limited, The Standard Bank of South Africa Limited, EFG Hermes UAE Limited and Renaissance Securities (Cyprus) Limited (collectively, the “Underwriters”) is acting exclusively for the Company and no one else in connection with the Global Offer. They will not regard any other person (whether or not a recipient of this Prospectus) as a client in relation to the Global Offer and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for giving advice in relation to the Global Offer or any transaction or arrangement referred to in this Prospectus. Merrill Lynch International is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority in the United Kingdom. The Standard Bank of South Africa Limited is regulated by the Prudential Authority and the Financial Sector Conduct Authority in South Africa. Jefferies International Limited is authorised and regulated by the Financial Conduct Authority in the United Kingdom. EFG Hermes UAE Limited is authorised and regulated by the Dubai Financial Services Authority in the United Arab Emirates. Renaissance Securities (Cyprus) Limited is authorised and regulated by the Cyprus Securities and Exchange Commission in Cyprus. No representation or warranty, express or implied, is made by the Underwriters as to the accuracy, completeness or verification of the information set forth in this Prospectus, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Apart from the responsibilities and liabilities, if any, which may be imposed on any of the Underwriters by the FSMA or the regulatory regime established thereunder or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, the Underwriters assume no responsibility for the accuracy, completeness or verification of this Prospectus and accordingly disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this document or any such statement.

The Underwriters and any of their respective affiliates (as defined under Rule 501(b) of Regulation D under the U.S. Securities Act) may have engaged in transactions with, and provided various investment banking, financial advisory and other services for, the Company and the Selling Shareholders for which they would have received customary fees.

In connection with the Global Offer, Merrill Lynch International as stabilising manager (the “Stabilising Manager”), or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Shares or effect other transactions with a view to supporting the market price of the Shares at a higher level than that which might otherwise prevail in the open market. The Stabilising Manager is not required to enter into such transactions and such transactions may be effected on any securities market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of conditional dealings of the Shares on the London Stock Exchange and ending no later than 30 calendar days thereafter. However, there will be no obligation on the Stabilising Manager or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. Such stabilisation, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilise the market price of the Shares above the Offer Price. Except as required by law or regulation, neither the Stabilising Manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Global Offer.

In connection with the Global Offer, the Stabilising Manager may, for stabilisation purposes, over-allot Shares up to a maximum of 15 per cent. of the total number of Offer Shares comprised in the Global Offer. For the purposes of allowing the Stabilising Manager to cover short positions resulting from any such over-allotments and/or from sales of Shares effected by it during the stabilising period, the Over-allotment Shareholders (as defined in Part XX: “Definitions”) have granted to it the Over-allotment Option, pursuant to which the Stabilising Manager may purchase or procure purchasers for up to 32,608,696 additional Shares (representing up to 15 per cent. of the total number of Offer Shares comprised in the Global Offer) (the “Over-allotment Shares”) at the Offer Price. The Over-allotment Option is exercisable in whole or in part, upon notice by the Stabilising Manager, at any time on or before the 30th calendar day after the commencement of conditional dealings of the Shares on the London Stock Exchange. Any Over-allotment Shares made available pursuant to the Over-allotment Option will rank *pari passu* in all respects with the Shares, including for all dividends and other distributions declared, made or paid on the Shares, will be purchased on the same terms and conditions as the Shares being issued or sold in the Global Offer and will form a single class for all purposes with the other Shares.

Recipients of this Prospectus are authorised solely to use it for the purpose of considering the acquisition of the Offer Shares and may not reproduce or distribute this Prospectus, in whole or in part, and may not disclose any of the contents of this Prospectus or use any information herein for any purpose other than considering an investment in the Offer Shares. Such recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.

The Offer Shares are subject to selling and transfer restrictions in certain jurisdictions. Prospective purchasers should read the restrictions contained in paragraph 13 of Part XVIII: “*The Global Offer — Selling and Transfer Restrictions*”. Each purchaser of the Offer Shares will be deemed to have made the relevant representations made therein.

This Prospectus does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer to buy or to subscribe for, any Offer Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

The Offer Shares are being offered and sold outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933 (the “U.S. Securities Act”) (“Regulation S”), and within the United States to persons reasonably believed to be “qualified institutional buyers” as defined in and in reliance on Rule 144A under the U.S. Securities Act (“Rule 144A”) or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Prospective purchasers are hereby notified that sellers of the Offer Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A. For a description of these and certain further restrictions on offers, sales and transfers of the Offer Shares and the distribution of this Prospectus, see paragraph 13 of Part XVIII: “*The Global Offer — Selling and Transfer Restrictions*”.

The Offer Shares have not been, and will not be, registered under the U.S. Securities Act. None of the U.S. Securities and Exchange Commission (the “SEC”), any other U.S. federal or State securities commission or any U.S. regulatory authority has approved or disapproved of the Offer Shares nor have such

authorities reviewed, passed upon or endorsed the merits of the Global Offer or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence. There will be no public offering of the Offer Shares in the United States.

In South Africa, the Global Offer will only be made by the Selling Shareholders by way of separate private placements to (i) selected persons falling within one of the specified categories listed in section 96(1)(a) of the South African Companies Act, 2008 (the “South African Companies Act”) and (ii) selected persons, acting as principal, acquiring Offer Shares for a total acquisition cost of R1,000,000 or more, as contemplated in section 96(1)(b) of the South African Companies Act (collectively, “South African Qualifying Investors”), and to whom the Global Offer will specifically be addressed, and only by whom the Global Offer will be capable of acceptance, and this Prospectus is only being made available to such South African Qualifying Investors. The information contained herein in respect of each class of South African Qualifying Investors is combined in this Prospectus for the sake of convenience only. Accordingly: (i) the information contained in this Prospectus does not constitute, nor form part of, any offer or invitation to sell or issue, or an advertisement or any solicitation of any offer or invitation to purchase any Offer Shares or any other securities and is not an offer to the public as contemplated in the South African Companies Act; (ii) this Prospectus does not, nor does it intend to, constitute a “registered prospectus” or “advertisement”, as contemplated by the South African Companies Act; and (iii) no prospectus has been filed with the Companies and Intellectual Property Commission (the “CIPC”) in respect of the Global Offer. As a result, this Prospectus does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC, or any other South African authority.

No South African residents may subscribe for, or purchase, any of the Offer Shares, or beneficially own or hold any of the Offer Shares, unless such subscription, purchase, or beneficial holding or ownership is permitted under the South African exchange control regulations or the rulings promulgated thereunder or specific approval has been obtained by the investor from the Financial Surveillance Department of the SARB, and by participating in the Global Offer investors are deemed to have warranted that they have the requisite exchange control approvals in place for participating in the Global Offer and acquiring Offer Shares.

The information contained in this Prospectus constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act, 37 of 2002, as amended (the “FAIS Act”) and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Offer Shares or in relation to the business or future investments of the Company is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this Prospectus should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. The Company is not a financial services provider licenced as such under the FAIS Act.

Prior to making any decision as to whether to subscribe for or purchase Offer Shares, prospective investors should read this Prospectus in its entirety and should not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination, analysis and enquiries of the Company and the terms of the Global Offer, including the merits and risks involved.

Neither the delivery of this Prospectus nor any sale made hereunder shall under any circumstances imply that there has been no change in the Company’s affairs or that the information set forth in this Prospectus is correct as of any date subsequent to the date of such information. The contents of this document should not be construed as legal, business, financial or tax advice. None of the Company, the Selling Shareholders or the Underwriters, or any of their respective representatives, is making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Each investor should consult with his or her own advisers as to the legal, tax, business, financial and related aspects of a purchase of the Offer Shares.

The distribution of this Prospectus and the offer of the Offer Shares in certain jurisdictions may be restricted by law. Apart from in the United Kingdom, no action has been or will be taken by the Company, the Selling Shareholders or the Underwriters to permit a public offering of the Offer Shares or to permit the possession, issue or distribution of this Prospectus in any jurisdiction where action for that purpose may be required. Accordingly, neither this Prospectus nor any advertisement nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with

any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No actions have been taken to allow a public offering of the Offer Shares under the applicable securities laws of any jurisdiction, including Australia, Canada, Japan, South Africa or the United States. Subject to certain exceptions, the Offer Shares may not be offered or sold in any jurisdiction, or to or for the account or benefit of any national, resident or citizen of any jurisdiction, including Australia, Canada, Japan, South Africa or the United States.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Offer Shares have been subject to a product approval process, which has determined that the Offer Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Offer Shares may decline and investors could lose all or part of their investment; the Offer Shares offer no guaranteed income and no capital protection; and an investment in the Offer Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Global Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Underwriters will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Offer Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Offer Shares and determining appropriate distribution channels.

Dated 15 October 2019.

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PART I

SUMMARY INFORMATION

A. INTRODUCTION AND WARNINGS

A.1.1 *Name and international securities identifier number (ISIN) of the securities*

Ordinary shares; ISIN code GB00BJVQC708

A.1.2 *Identity and contact details of the issuer, including its Legal Entity Identifier (LEI)*

Helios Towers plc is a public limited company, incorporated in England and Wales. Its registered office is at 10th Floor, 5 Merchant Square West, London W2 1AS, United Kingdom. The Company's telephone number is +44 20 7871 3670 and its Legal Entity Identifier is 213800DGC7GS4XCHCU30.

A.1.3 *Identity and contact details of the competent authority approving the prospectus*

This prospectus (the "Prospectus") has been approved by the FCA, as competent authority, with its head office at 12 Endeavour Square, London, E20 1JN, and telephone number: +44 20 7066 1000, in accordance with Regulation (EU) 2017/1129.

A.1.4 *Date of approval of the prospectus*

This Prospectus was approved on 15 October 2019.

A.1.5 *Warning*

This summary (the "Summary Note") has been prepared in accordance with Article 7 of Regulation (EU) 2017/1129 and should be read as an introduction to the Prospectus. Any decision to invest in the Offer Shares should be based on consideration of the Prospectus as a whole by the investor. Any investor could lose all or part of their invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or if it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Offer Shares.

B. KEY INFORMATION ON THE ISSUER

B.1 *Who is the issuer of the securities?*

B.1.1 *Domicile, legal form, LEI, jurisdiction of incorporation and country of operation*

The Company is incorporated in England and Wales with its registered office in England and its Legal Entity Identifier is 213800DGC7GS4XCHCU30. The Company was incorporated and registered as a public company limited by shares in England and Wales on 1 August 2019 with registered number 12134855 under the Companies Act 2006.

B.1.2 *Principal activities*

The Group is a leading Sub-Saharan independent tower company, with operations across five countries in Sub-Saharan Africa. The Group is the sole independent operator and owns and operates more sites than any other operator, in each of Tanzania, DRC and Congo Brazzaville. The Group is also a leading operator in Ghana where it has a strong urban presence and it commenced operations in South Africa in May 2019. The Group's principal business is operating owned telecommunications sites and related passive infrastructure in order to provide site space (measured in terms of effective panel area and related services) to large MNOs and other fixed wireless operators who in turn provide wireless voice and data services to end-user subscribers. The Group's customers can use space on existing sites alongside other telecommunications providers, known as colocation, or commission new sites in unique locations where the customers and the Group do not have existing infrastructure, known as build-to-suit. The Group also offers comprehensive site related operational services, including site selection, site preparation, construction, maintenance, security and power management. As of 30 June 2019, the Group operated 6,882 total online sites with 14,100 tenancies, reflecting a ratio of tenants to online sites ("tenancy ratio") of 2.05x.

As a result of the growth in the Group's overall site portfolio and number of tenancies, from 31 December 2016 to 31 December 2017, the Group's revenue grew from US\$282.5 million to US\$345.0 million and the Group's Adjusted EBITDA increased from US\$105.2 million to US\$146.0 million; from 31 December 2017 to 31 December 2018, the Group's revenue grew from US\$345.0 million to US\$356.0 million and the Group's Adjusted EBITDA increased from US\$146.0 million to US\$177.6 million; and from 30 June 2018 to 30 June 2019, the Group's half-year revenue grew from US\$178.1 million to US\$190.7 million, the Group's half-year Adjusted EBITDA increased from US\$85.9 million to US\$99.0 million, and the Group's last quarter annualised Adjusted EBITDA increased from US\$175.8 million to US\$200.7 million.

B.1.3 *Major shareholders*

In so far as it is known to the Company as at the date of this Prospectus, the following persons will, prior to and immediately following Admission, be directly or indirectly interested (within the meaning of the Companies Act 2006) in 3 per cent. or more of the Company's issued share capital:

Shareholder	Immediately prior to Admission ⁽¹⁾		Immediately following Admission ⁽²⁾	
	Number of Shares	Percentage of voting shares	Number of Shares	Percentage of voting shares
Millicom Holding B.V.	200,682,834	21.97%	170,708,489	17.07%
Quantum Strategic Partners, Ltd.	191,560,750	20.97%	164,527,889	16.45%
Lath Holdings Ltd.	144,403,819	15.81%	124,025,697	12.40%
ACM Africa Holdings, L.P.	102,046,381	11.17%	87,645,697	8.76%
RIT Capital Partners plc.....	63,116,582	6.91%	54,209,633	5.42%
IFC African, Latin American and Caribbean Fund, L.P. ..	53,708,620	5.88%	48,019,605	4.80%
International Finance Corporation.....	42,071,753	4.60%	36,134,630	3.61%
Network i2i Limited	28,644,598	3.14%	24,366,190	2.44%
Certain funds and accounts advised by T. Rowe Price International Ltd and T. Rowe Price Associates, Inc.	—	—	53,000,000	5.3%

Notes:

(1) The interests in Shares immediately prior to Admission have been stated on the basis that the Pre-IPO Reorganisation has been completed.

(2) Assumes no exercise of the Over-allotment Option.

B.1.4 *Key managing directors*

Kash Pandya, born in 1963, will be the Chief Executive Officer of the Company and Tom Greenwood, born in 1981, will be Chief Financial Officer of the Company.

B.1.5 *Identity of the statutory auditors*

By resolution of the Directors dated 1 October 2019, Deloitte LLP, whose registered address is at 1 New Street Square, London EC4A 3HQ, United Kingdom, was appointed as the statutory auditor to the Company.

B.2 *What is the key financial information regarding the issuer?*

The selected financial information set out below has been extracted without material adjustment from the Group's Historical Financial Information as of and for the years ended 31 December 2016, 2017 and 2018, and as of and for the six months ended 30 June 2018 and 2019.

Selected consolidated statement of profit and loss and other comprehensive income information

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
			<i>(US\$ thousands)</i>		
Revenue.....	282,507	344,957	356,049	178,128	190,681
Cost of sales.....	(235,867)	(275,651)	(255,848)	(130,890)	(132,715)
Gross profit.....	46,640	69,306	100,201	47,238	57,966
Administrative expenses	(77,741)	(91,261)	(91,059)	(49,320)	(39,945)
Loss on disposal of property, plant and equipment.....	(3,761)	(2,018)	(5,835)	(6)	(5,367)
Operating (loss)/profit	(34,862)	(23,973)	3,307	(2,088)	12,654
Interest receivable	216	706	951	464	713
Other gains and losses	(6,682)	21,797	(16,831)	(24,097)	24,276
Finance costs.....	(73,268)	(102,757)	(107,005)	(55,516)	(56,351)
Loss before tax	(114,596)	(104,227)	(119,578)	(81,237)	(18,708)
Tax expense.....	(1,514)	(3,207)	(4,369)	(2,113)	(3,783)
Loss for the period.....	(116,110)	(107,434)	(123,947)	(83,350)	(22,491)
Exchange differences on translation of foreign operations – (loss)/gain	(3,603)	(1,384)	(2,214)	(391)	1,224
Total comprehensive loss for the period..	(119,713)	(108,818)	(126,161)	(83,741)	(21,267)

Selected consolidated statement of financial position information

	As at 31 December			As at 30 June 2019
	2016	2017	2018	
			<i>(US\$ in thousands)</i>	
Non-current assets.....	794,627	852,693	800,053	833,476
Current assets.....	300,635	261,132	217,727	252,255
Total assets.....	1,095,262	1,113,825	1,017,780	1,085,731
Total equity	361,325	251,598	121,705	100,438
Non-current liabilities	430,744	677,197	709,510	788,505
Current liabilities	303,193	185,030	186,565	196,788
Total liabilities	733,937	862,227	896,075	985,293
Total equity and liabilities	1,095,262	1,113,825	1,017,780	1,085,731

Selected consolidated statement of cash flows information

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
			<i>(US\$ in thousands)</i>		
Net cash generated by operating activities	25,304	57,572	60,943	16,199	6,110
Net cash used in investing activities....	(295,847)	(169,615)	(105,069)	(57,865)	(52,319)
Net cash generated from/(used in) financing activities.....	316,739	97,870	14,578	(3,673)	47,384
Cash and cash equivalents, at end of period	133,737	119,700	88,987	73,957	89,765

Historical Financial Information for Helios Towers plc

The statement of financial position information set out below has been extracted without material adjustment from the Historical Financial Information for Helios Towers plc as of 1 August 2019. Helios Towers plc was incorporated on 1 August 2019 primarily to act as the future parent company of Helios Towers, Ltd., its consolidated subsidiaries and subsidiary undertakings. The Historical Financial Information for Helios Towers plc is presented as at the date of incorporation on 1 August 2019 for which there were no transactions requiring presentation of a statement of profit and loss and other comprehensive income or a statement of cash flows. Therefore, the statement of financial position, statement of changes in equity and accompanying financial policies and explanatory notes included in this Prospectus comprise the only Helios Towers plc financial information available at the date of the Prospectus.

Statement of financial position

	US\$
As of 1 August 2019	
Current assets	
Other receivables.....	1
Total assets.....	1
Equity	
Issued capital	
Share capital.....	1
Total equity.....	1

Unaudited pro forma statement of net assets

Set out below is an unaudited *pro forma* statement of net assets of the Group at 1 August 2019. It has been prepared on the basis set out in the notes below and in accordance with Annex 20 of the Prospectus Delegated Regulations to illustrate the impact on the net assets of the Group of the Pre-IPO Reorganisation and the Global Offer had these taken place at 1 August 2019.

	Helios Towers plc net assets at 1 August 2019 ⁽¹⁾	Adjustments for the Pre-IPO Reorganisation ⁽²⁾	Adjustments for net proceeds of the Global Offer ⁽³⁾	Pro forma net assets of the Group at 1 August 2019
		<i>(US\$ in thousands)</i>		
Non-current assets	—	833,476	—	833,476
Current assets.....	0	252,255	101,974	354,229
Current liabilities	—	196,788	—	196,788
Non-current liabilities	—	788,505	—	788,505
Net assets.....	0	100,438	101,974	202,412

Notes:

- (1) The financial information of Helios Towers plc has been extracted without material adjustment from the Historical Financial Information for Helios Towers plc at 1 August 2019. The Historical Financial Information for Helios Towers plc has been audited.
- (2) The Pre-IPO Reorganisation is intended to take place prior to Admission pursuant to which Helios Towers plc will be inserted as the ultimate holding company of the Group. The *pro forma* adjustments only reflect the addition of Helios Towers, Ltd. and its subsidiaries (the "HTL Group") net assets as a result of the Pre-IPO Reorganisation. The financial information of the HTL Group has been extracted without material adjustment from the Historical Financial Information as of 30 June 2019.
- (3) The adjustment represents the effect of the receipt by the Company of the gross proceeds of the Global Offer of US\$125.0 million less estimated expenses of US\$23.0 million.

Unaudited pro forma statement of profit and loss and other comprehensive income

The following is an unaudited narrative *pro forma* statement of profit and loss and other comprehensive income of the Group, which has been prepared for illustrative purposes only to illustrate the impact of the Pre-IPO Reorganisation and the Global Offer on the profit and loss and other comprehensive income of the Group had these taken place at 1 August 2019. The Pre-IPO Reorganisation will be accounted for as a common control transaction. Helios Towers plc was incorporated on 1 August 2019 at which date there were no transactions requiring the presentation of a statement of profit and loss and other comprehensive income. As a result of the Pre-IPO Reorganisation and the Global Offer, the statement of profit and loss and other comprehensive income of the Group is adjusted to include the statement of profit and loss and other comprehensive income of the HTL Group for the six months ended 30 June 2019, resulting in *pro forma* statement of profit and loss and other comprehensive income of the Group equal to the statement of profit and loss and other comprehensive income of the HTL Group for the six months ended 30 June 2019,

plus a proportion of the estimated expenses the Group expects to incur in connection with the Global Offer in the amount of US\$11.0 million. In total, the estimated expenses in connection with the Global Offer are expected to be US\$23.0 million, with the residual amount being charged to equity.

The unaudited *pro forma* financial information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Group's actual financial position or results of operations. Such information may not, therefore, give a true picture of the Group's financial position or results of operations nor is it indicative of its results. The unaudited *pro forma* financial information has not been prepared, or shall not be construed as having been prepared, in accordance with Regulation S-X under the U.S. Securities Act.

There are no qualifications in the accountants' reports on the financial information included in this Prospectus.

B.3 What are the key risks that are specific to the issuer?

Risks related to the Group and its business

If, as a result of a prolonged economic downturn or otherwise, one or more of the Group's largest customers experiences financial difficulties or is otherwise unable to meet its obligation to pay sums due under its MLAs with the Group, it could result in uncollectible accounts receivable from the Group's customers, loss of business with that customer and revenue reduction for the Group.

A slowdown in the growth of, or a reduction in demand for, wireless communications services could adversely affect the demand for communications sites and site space and could have a material adverse effect on the Group's financial condition and results of operations.

Any material increases in operating expenses, particularly increased costs for diesel coupled with an inability to pass through increased diesel costs or ground lease costs, could erode the Group's operating margins and adversely affect the Group's business, financial condition and results of operations.

Merger or consolidation among the Group's customers could result in a reduction in the number of their base transmission sites and/or colocation requirements causing the Group's customers to determine not to renew customer site contracts with the Group for the consolidated companies which could have a material and adverse effect on the Group's revenue and cash flow.

The Group does not always operate with the required permits, approvals and licences for some of its sites and, therefore, it may be subject to reprimands, warnings and fines, for non-compliance with the relevant permitting, approval and licensing requirements.

If HTT Infracore does not successfully complete its public listing in Tanzania, it could result in, among other penalties, withdrawal of HTT Infracore's network facilities licence in Tanzania and have a material adverse impact on the Group's financial condition and results of operations.

The Group relies on third-party contractors for various services, and any disruption in or non-performance of those services would hinder the Group's ability to effectively meet the expectations of its customers and/or maintain its site infrastructure.

If the Group is unable to renew and/or extend its ground leases, or protect its rights to the land under its site, it could adversely affect the Group's business and results of operations.

The Group may not successfully execute its growth strategy and the failure to do so could materially and adversely affect the Group's business, financial condition and results of operations.

New technologies designed to enhance the efficiency of wireless networks and potential active sharing of the wireless spectrum could reduce the need for tower-based wireless services and could make the Group's site leasing business less desirable to or necessary for tenants and result in decreasing revenue.

Risks related to Tanzania, DRC, Ghana, Congo Brazzaville and South Africa (the "Relevant Jurisdictions")

Emerging markets, such as the Relevant Jurisdictions, are subject to greater risks than more developed markets, and financial turmoil in any emerging market could disrupt the Group's business, as well as cause the price of the Sale Shares to decrease.

Economic, political or social instability in the Relevant Jurisdictions may have a material adverse effect on the Group's operations and profits.

C. KEY INFORMATION ON THE SECURITIES

C.1 *What are the main features of the securities?*

C.1.1 *Type, class and ISIN*

When admitted to trading, the Shares (which are ordinary shares) will be registered with ISIN number GB00BJVQC708 and SEDOL number BJVQC70.

C.1.2 *Currency, denomination, par value, number of securities issued and duration*

The currency of the Shares is pounds sterling. On Admission, the issued share capital of the Company will be £1,000,000,000, comprising 1,000,000,000 Shares of £1.00 each, all of which will be fully paid or credited as fully paid.

C.1.3 *Rights attached to the Shares*

The rights attaching to the Shares, upon Admission, will be uniform in all respects and they will form a single class for all purposes, including with respect to voting and for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company. Subject to the provisions of the Companies Act 2006, any equity securities issued by the Company for cash must first be offered to the holders of ordinary shares in the capital of the Company in proportion to their holdings. The Companies Act 2006 and the Listing Rules allow for disapplication of pre-emption rights which may be waived by a special resolution of the holders of ordinary shares, whether generally or specifically, for a maximum period not exceeding five years. On a show of hands, every shareholder who is present in person shall have one vote, and on a poll, every shareholder present in person or by proxy shall have one vote per ordinary share held by it.

C.1.4 *Rank of securities in the issuer's capital structure in the event of insolvency*

The Shares do not carry any rights to participate in a distribution (including on a winding-up) other than those that exist under the Companies Act 2006. The Shares will rank *pari passu* in all respects.

C.1.5 *Restrictions on the free transferability of the securities*

The Shares are freely transferable and there are no restrictions on transfer.

C.1.6 *Dividend or payout policy*

The amount, timing and frequency of future distributions will be at the sole discretion of the Board and will be declared based upon various factors, including but not limited to, return on capital of available organic and inorganic investment opportunities, the Group's financial condition and operating cash flows, undertakings to creditors and loan covenants.

C.2 *Where will the securities be traded?*

Application will be made to the FCA for all the Shares, issued and to be issued, to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for such Shares to be admitted to trading on the London Stock Exchange's main market for listed securities.

C.3 *What are the key risks that are specific to the securities?*

Uncertainties in the valuation of the subsidiaries which may be liable to pay certain change of control taxes and the administration of the applicable tax rules may result in the funds committed by certain Selling Shareholders to cover these liabilities not being sufficient, in which case any additional amounts payable will be borne by the Group without recourse to such Selling Shareholders.

After the Global Offer, the Principal Shareholders will continue to be able to exercise significant influence over the Group, its management and its operations.

D. KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET

D.1 *Under which conditions and timetable can I invest in this security?*

It is expected that admission of the Shares to listing and trading on the London Stock Exchange will become effective and that unconditional dealings will commence at 8.00 a.m. (UK time) on 18 October 2019. It is expected that dealings in the Shares will commence on a conditional basis on the London Stock Exchange at 8.00 a.m. on 15 October 2019. The earliest date for settlement of such dealings will be 18 October 2019. All dealings in Shares prior to the commencement of unconditional dealings will be on a “when-issued” basis, will be of no effect if Admission does not take place and will be at the sole risk of the parties concerned.

The Global Offer comprises 86,386,373 New Shares and 131,004,931 Sale Shares. Existing Shareholders will experience an 8.6 per cent. dilution as a result of the issue of the New Shares (that is, its, his or her proportionate interest in the Company will decrease by 8.6 per cent. (excluding the effect of any sale of Sale Shares). The Company will bear approximately £18.3 million of fees and expenses in relation to the Global Offer and Admission.

D.2 *Why is this prospectus being produced?*

This Prospectus has been prepared in connection with the application to adding the Shares to the premium listing segment of the Official List and to trade the Shares on the London Stock Exchange’s main market for listed securities. The Company will receive net proceeds (after deducting estimated underwriting commissions from the sale of the New Shares in the Global Offer (including the maximum amount of any discretionary commissions) and other fees and expenses of the Global Offer (including VAT) payable by the Company) of approximately £81.0 million. The Company intends to use all of the net proceeds from the issue of the New Shares to provide the Group with enhanced flexibility to take advantage of future opportunities in line with the Company’s growth strategy, either in current markets or new geographies (including (i) growing and expanding relationships with customers by adding colocation tenants and colocation amendments; (ii) growing organically through the construction of additional sites on a build-to-suit basis for telecommunications operators; (iii) strategic acquisitions of site portfolios; and (iv) expansion into adjacent technologies and services), and for general corporate purposes.

PART II

RISK FACTORS

An investment in the Offer Shares is subject to significant risks. Prior to investing in the Offer Shares, prospective investors should carefully consider all of the information in this Prospectus and, in particular, the risks described below before deciding to invest in the Offer Shares. The following describes some of the significant risks that could affect the Group and the value of the Offer Shares. Additionally, some risks may be unknown to the Group and other risks, currently believed to be immaterial, could turn out to be material. All of these could materially and adversely affect the Group's business, financial condition, results of operations and prospects. The market price of the Offer Shares could decline due to any of these risks and Shareholders may lose all or part of their investment. This Prospectus also contains forward-looking statements that involve risks and uncertainties, including those described under Part III: "Presentation of Information on the Group — Information Regarding Forward-Looking Statements" elsewhere in this Prospectus. The Group's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by the Group described below and elsewhere in this Prospectus.

The risks described below are not an exhaustive list or explanation of all risks that investors may face when making an investment in the Offer Shares. In general, investing in securities of companies in emerging market countries, such as the countries in which the Group operates, involves risks not typically associated with investing in the securities of companies in more developed economies. To the extent the description in this section relates to government or macroeconomic data, such information has been extracted from official government publications or other third-party sources and has not been independently verified by the Group.

Tanzania, DRC, Ghana, Congo Brazzaville and South Africa are collectively referred to herein as the "Relevant Jurisdictions".

Risks Related to the Group and its Business

Due to the long-term expectations of revenue from customer site contracts, the Group is exposed to the creditworthiness and financial strength of its tenants.

Due to the long-term nature of the Group's customer site contracts (usually 10 to 15 years with provision for subsequent multiple renewals), the Group, like other companies in the tower infrastructure industry, is dependent on the continued viability of its customers. Many telecommunications operators have substantial leverage and rely on capital-raising activities to fund their operations and capital expenditures. A downturn in the economy and/or disruption in the financial and credit markets could make it more difficult and expensive to raise capital. If the Group's largest customers or potential customers are unable to generate sufficient cash flow or raise adequate capital to fund their business plans, they may reduce their capital spending, which could materially reduce and adversely affect demand for the Group's telecommunications sites. If, as a result of a prolonged economic downturn or otherwise, one or more of the Group's largest customers experiences financial difficulties or is otherwise unable to meet its obligation to pay sums due under its master lease agreements ("MLAs") with the Group, it could result in uncollectible accounts receivable from the Group's customers, loss of business with that customer and revenue reduction for the Group. The termination, non-renewal, material modification of or non-payment under the Group's customer site contracts could have a material adverse effect on the Group's business, financial condition and results of operations. The Group derives a substantial portion of its total operating revenue from seven large mobile network operators ("MNOs"). For the year ended 31 December 2018 and the six months ended 30 June 2019, 86.7 per cent. and 86.5 per cent. of the Group's revenue, respectively, was attributable to MNO operating subsidiaries of five of the largest MNO holding companies in Sub-Saharan Africa (Airtel, MTN, Orange, Tigo and Vodacom), each with a long history of operating in multiple Sub-Saharan African jurisdictions and an investment-grade or near-investment-grade credit rating. An additional 12.0 per cent. and 12.3 per cent. of the Group's revenue for the year ended 31 December 2018 and the six months ended 30 June 2019, respectively, was attributable to subsidiaries of Africell, a regional Sub-Saharan MNO, and Viettel Global ("Viettel"), a subsidiary of one of the largest MNOs in Vietnam. Africell and Viettel are more recent but fast-growing entrants to the mobile market in Sub-Saharan Africa. Tigo, Airtel, MTN, Orange, and Vodafone accounted for 19.1 per cent., 23.0 per cent., 4.4 per cent., 12.9 per cent. and 27.3 per cent., respectively, of the Group's revenue for the year ended 31 December 2018, and Tigo, Airtel, MTN, Orange, and Vodafone accounted for 18.7 per cent., 23.1 per cent., 4.3 per cent., 13.4 per cent., and 27.0 per cent., respectively, of the Group's revenue for the six months ended 30 June 2019. If any of these seven

customers is unable to perform its obligations under its customer site contracts with the Group, the Group's revenue, financial condition and results of operations could be materially and adversely affected.

The Group's contractual invoicing cycle is typically quarterly or monthly in advance with the contractual payment cycle on average 30 days' post invoice. The Group also occasionally experiences volatility in terms of timing for settlement of invoices. In addition, no assurance can be given that the Group's customers will renew their site contracts at the expiration of those contracts or that the Group will be successful in negotiating favourable terms with the customers that renew or seek to renegotiate their site contracts. Moreover, the Group's MLAs permit a customer to terminate its obligations in the event such customer loses or fails to renew its licence to operate mobile networks due to local regulatory action or otherwise and is forced to immediately cease its operations. See "*— Risks Related to the Relevant Jurisdictions — HTT Infraco may not successfully complete its listing with the CMSA in Tanzania*". The failure to obtain or successfully negotiate favourable terms for renewals of existing customer site contracts or the termination of existing customer site contracts due to customer licensing issues could result in a reduction in the Group's revenue and may have a material adverse effect on the Group's business, financial condition and results of operations.

A slowdown in the growth of, or a reduction in demand for, wireless communications services could adversely affect the demand for communications sites and site space and could have a material adverse effect on the Group's financial condition and results of operations.

Demand for the Group's site rentals and site space is dependent on demand for communications sites from wireless communications carriers, which, in turn, is dependent on subscriber demand for wireless services. Most types of wireless services currently require ground-based network facilities, including communications sites for transmission and reception. Tower sharing must continue to be seen by wireless telecommunications providers as a cost-effective way to satisfy their passive infrastructure needs. The extent to which wireless communications carriers lease such communications sites depends on a number of factors beyond the Group's control, including the level of demand for such wireless services, the financial condition and access to capital of such carriers, the strategy of carriers with respect to owning or leasing communications sites, changes in telecommunications regulations and general economic conditions as well as geography and population density.

Additionally, government regulation can negatively affect the number of users of wireless services or the expansion plans of MNOs, both of which could adversely affect the demand for communication sites. For example, Tanzania, DRC and Ghana have introduced mandatory subscriber identification module ("SIM") card registration and have deactivated unregistered SIM cards. In Ghana, immediately following the 3 March 2012 deadline for existing mobile phone owners to register, more than 1.5 million mobile SIM cards were deactivated for failure to register. There is also mandatory SIM card registration in Congo Brazzaville, pursuant to which unregistered SIM cards may be deactivated. While these regulations did not have a material impact on the Group, such regulations may deter mobile phone users in these countries by requiring them to go through the additional step of providing documents confirming their identity, which they may not have, before they can buy a SIM card. Furthermore, government regulation may limit or prohibit MNOs using certain brands of technology in the development of their mobile communications networks, thereby causing changes to their supply chain and delays to their growth plans, which may impact the short-term demand for the Group's services. A slowdown in the growth of, or a reduction in demand for, wireless telecommunications services could adversely affect the demand for communications sites, which in turn could have a material adverse effect on the Group's financial condition and results of operations.

Any material increases in operating expenses, particularly increased costs for diesel coupled with an inability to pass through increased diesel costs or ground lease costs, could erode the Group's operating margins and adversely affect the Group's business, financial condition and results of operations.

The Group's primary operating expenses include diesel fuel, electricity, site maintenance and security, security personnel and insurance. In addition, the Group pays ground lease rents on an ongoing basis. The continued development, expansion and maintenance of the Group's site infrastructure requires ongoing capital expenditure. There can be no assurance that the Group's operating expenses, including those noted above, will not increase in the future or that the Group will be able to successfully pass any such increases in operating expenses to its customers.

Diesel costs

The Group requires a substantial amount of diesel to power its site operations. A 10 per cent. movement in diesel prices during the year ended 31 December 2018 would have had an approximate 2.5 per cent. impact

on the Group's Adjusted EBITDA during the same period. The Group, therefore, remains exposed to diesel price volatility, which may result in substantial increases in its operating costs and reduced profits if prices rise significantly. To partially alleviate this risk, approximately 98 per cent. of the Group's customer site contracts as of 31 December 2018 and approximately 96 per cent. of the Group's customer site contracts as of 30 June 2019 permitted the Group to pass-through any change in diesel and electricity costs to its counterparties. Diesel prices are generally readjusted on a quarterly or annual basis in line with the relevant power index at the time of the readjustment; this indexation acts as a natural hedge on the price of diesel but is subject to a time lag in the readjustment. The Group's attempts to reduce diesel consumption through the deployment of direct current generators, grid connections (where possible), hybrid batteries and solar technologies, while presently successful, may not be successful in the future.

Ground lease costs

The Group's ground lease rents are for a fixed duration, typically a 20- to 50-year term, and are, in some cases, paid for in advance (typically 12 months to two years) for a portion of the overall term of the lease. The Group expects a cash cost of approximately US\$25 million per year in ground lease costs in the near-term increasing in line with the number of sites in the medium-term. This comprises US\$10 million in depreciation and US\$14 million to US\$15 million in interest impact. Approximately 3 per cent. of the Group's ground leases are due for renewal within the next 18 months. The renewal of a large proportion of the Group's site portfolio ground leases within a particular year could require a significant upfront rent payment to be made upon such renewal, which in turn could increase the Group's operating cash flows for that particular year. Any material increases in operating expenses referred to above would reduce the Group's operating margins and may have a material adverse effect on the Group's business, financial condition and results of operations.

Merger or consolidation among the Group's customers could have a material and adverse effect on the Group's revenue and cash flow.

The Group believes that there will be continued competition among the largest telecommunications operators in the Relevant Jurisdictions, which will increase the number of subscribers, subscribers' use of mobile services and network capacity requirements, and that the current operator business models, involving significant capital expenditure requirements, will be sustainable only for the operators with sufficiently large-scale operations in terms of both network capacity and total number of subscribers. Recently, there has been some consolidation among these operators in the Relevant Jurisdictions. For example, Millicom's Tigo business merged with Airtel in Ghana in 2017 and Orange acquired Millicom's Tigo business in DRC in 2016. Millicom has publicly stated that it actively weighs up strategic opportunities regarding its African businesses, which currently include its Tigo telecommunications companies in Tanzania, and Airtel-Tigo in Ghana. Potential acquirers may include other customers of the Group. Given the number of telecommunications operators in the Relevant Jurisdictions, as well as the benefits of scale enjoyed by larger operators, the Group believes that consolidation is likely to occur among the smaller telecommunications operators (some of whom are the Group's customers) in order to achieve the scale necessary for long-term profitable growth in this market.

Significant consolidation among the Group's customers could result in a change to customers' strategies and a reduction in the number of their base transmission sites and/or colocation requirements for the consolidated companies because certain base transmission sites may become redundant or additional site spaces may be gained in any consolidation. In addition, consolidation may result in a reduction in future capital expenditures in the aggregate if the expansion plans of the consolidated companies are overlapping. As a result of such consolidation, the Group's customers could determine not to renew customer site contracts with the Group. A customer could also make a decision to discontinue operations in a given market and determine not to renew customer site contracts with the Group. If a significant number of such terminations occur as a result of industry consolidation or other changes in industry composition, it could materially and adversely affect the Group's revenue and cash flow, which in turn could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group does not always operate with the required permits, approvals and licences for some of its sites and, therefore, it may be subject to reprimands, warnings and fines for non-compliance with the relevant permitting, approval and licensing requirements.

Although it is Group policy to seek and obtain the requisite state and local approvals prior to the commencement of site construction, the Group may, in exceptional circumstances, proceed with the construction of build-to-suit sites without receiving all required permits, approvals and licences. For example, in Ghana, on a limited number of occasions, the Group has constructed a site in advance of receiving a

required permit because there was a delay in formally issuing the permit even though the Group had completed the requisite applications and paid for the permit. In each of those cases, the Group received approvals in principal in writing from the relevant regulator that permitted the Group to proceed with construction of the sites, pending issuance of the formal permits.

In addition, the Group has purchased, and may in the future purchase, sites from third parties that have not received all required permits, approvals and licences. It is not uncommon in the markets in which the Group operates for companies in the telecommunications tower industry to construct or operate towers in certain circumstances without all of the required permits, approvals and licences. There is sometimes a long lead time required for processing applications for permits, approvals and licences from the local and national authorities, including (i) construction and building permits required from state authorities to construct or build any structure, (ii) environmental approvals and (iii) Aviation Height Clearance Certificates required to construct and operate telecommunications towers, as the case may be. In certain cases, the Group has acquired sites after the application for the requisite permit, approval or licence has been made but prior to the issuance of the requisite permit, approval or licence, or retrospective legislation has been applied which requires the Group to seek a permit, approval or licence for a site that is already operational. In other cases, a permit, approval or licence needs to be annually renewed and there can be periods where the existing permit, approval or licence lapses prior to the new permit, approval or licence being granted.

For instance, as of 30 August 2019, approximately 917, 15, 405 and 15 of the Group's sites in Tanzania, Ghana, Congo Brazzaville and South Africa, respectively, were missing one or more permits. In Tanzania, most of the missing permits are environmental permits, with HTT Infracore Limited ("HTT Infracore"), a subsidiary of the Company, having approximately 915 outstanding environmental permits as of that date. The Company's subsidiaries in Tanzania, Ghana, Congo Brazzaville and South Africa have applied for the missing permits in their respective jurisdictions. Most of the Group's outstanding permits relate to existing sites that the Group purchased from third parties rather than those constructed by the Group, and most are permits that should have been in place at the time the sites were constructed, rather than permits that relate to renewals. The outstanding permits are not in all cases covered by contractual protections such as indemnities from the third parties from whom the Group acquired the affected sites.

While to date none of the regulators in the Relevant Jurisdictions has declined to grant the Group the relevant permits, approvals or licences, there can be no assurance that the relevant authorities will continue to issue the required permits, approvals or licences or that they will be issued in a timely manner or as expected. If such permits, approvals and licences are not obtained, the local or national authorities may prevent the Group from entering its sites and may impose penalties on the Group, such as reprimands, warnings, fines and dismantling orders, for non-compliance with the relevant permitting, approval and licensing requirements. In addition, in certain Relevant Jurisdictions, both federal and local authorities charge taxes and levies in relation to similar services, such as tenement rates and environmental permits for the Group's sites. This leads to confusion over which authority should be paid the relevant levy and in many cases the Group must wait for a demand to be made before it can make the payment.

On 8 February 2018, the General Inspector of the State in Congo Brazzaville (the "General Inspector") issued a letter to the Group's subsidiary in Congo Brazzaville, Helios Towers Congo Brazzaville SASU ("HT Congo"), claiming that 123 of HT Congo's sites were constructed without the payment of taxes related to the opening of a construction site ("Opening Taxes") and environmental impact studies ("EIS") necessary in order to obtain the environmental permit required to operate in Congo Brazzaville. The letter purported to impose a penalty of 615,000,000 Central African francs (approximately US\$1,065,000) payable to the General Inspector for not conforming to obligations related to Opening Taxes and EIS on these 123 sites following their acquisition from a third party in 2015. HT Congo challenged the claim on the basis that the previous owner of the tower sites had paid the Opening Taxes and conducted EIS. HT Congo agreed to pay 50 million Central African francs (approximately US\$86,655) to the Public Treasury upon request of the General Inspector in 2018 to settle the claims made by the General Inspector with regard to the 123 sites. The Group does not expect to pay any additional penalties in respect of the matters raised in the letter, nor does it expect to have to pay Opening Taxes in respect of its acquired sites. The Managing Director of Environment has confirmed the General Inspector's position that the EIS were not transferable if there was a new owner of the sites. HT Congo has been working with a consultancy firm approved by the Ministry of Environment to obtain EIS for all of the 393 sites in Congo Brazzaville that it acquired from a third party. The Group expects the potential payments to the Ministry of Environment in respect of obtaining the EIS for these sites to be up to 108,000,000 Central African francs (approximately US\$187,175).

Except as disclosed above, to date, none of the regulators in the Relevant Jurisdictions has imposed any reprimands, warnings, fines or dismantling orders for missing permits relating to the Group's sites and the Group is not aware of any such sanctions for missing permits imposed on the previous owners of the sites before they were acquired by the Group.

Additionally, a failure to obtain and/or maintain all such permits, approvals and licences would constitute a breach of the Group's obligations under certain of its customer site contracts, giving rise to a right to terminate by the customer of the relevant site if such breach is not remedied within the cure period (and, in some cases, if the breach was systemic, a right to terminate the site contract in respect of all of the sites to which it applies). To date, the Group has not had to relocate or dismantle sites or had customer site contracts terminated due to its failure to obtain and/or maintain the relevant permits, approvals and licences.

If the Group is prevented from entering its sites or is subject to reprimands, warnings and fines for non-compliance with the relevant permitting, approval and licensing requirements or required to relocate or dismantle a material number of its sites and, in the case of relocation, cannot locate replacement sites that are acceptable to its customers, or if a material number of the Group's customer site contracts are terminated, this could materially and adversely affect the Group's revenue and cash flow, and increase its operating costs, which in turn could have a material adverse effect on its business, financial condition and results of operations.

HTT Infracore may not successfully complete its listing with the CMSA in Tanzania in accordance with the requirements of the EPOCA and the expectations of the TCRA, which could result in, among other penalties, withdrawal of HTT Infracore's network facilities licence in Tanzania and have a material adverse impact on the Group's financial condition and results of operations.

Pursuant to the Electronic and Postal Communications Act of 2010 (the "EPOCA"), which came into force in June 2010, as amended by the Finance Act, No 2 of 2016, and as further amended by the Finance Act in June 2017, each person or legal entity holding a licence to provide network facilities in Tanzania before 1 July 2016, which originally included some 89 separate companies such as HTT Infracore, the Group's primary operating subsidiary in Tanzania, is required to offer shares equal to at least 25 per cent. of its total share capital on the Dar es Salaam Stock Exchange by no later than 31 December 2016. In 2017, the number of separate companies subject to the EPOCA decreased from 89 to 23. HTT Infracore remains subject to the legislation.

To that end, following the provision of a written status update by Orbit Securities Company Ltd (the sponsoring broker) to the Capital Markets and Securities Authority in Tanzania (the "CMSA") on 23 December 2016, HTT Infracore provided a draft prospectus to the CMSA on 29 December 2016, whereby HTT Infracore proposed to carry out an initial public offering of 25 per cent. of its total enlarged issued nominal share capital. On 1 February 2017, HTT Infracore made an interim application to the CMSA, including a revised draft prospectus. Furthermore, as part of its preparation for the initial public offering and commitment to comply with the law, HTT Infracore has been undertaking a capital reorganisation to transform itself into a company that is able to conclude a successful initial public offering. Certain steps in the capital reorganisation have required or will require notifications to, or approvals by, the Tanzania Communications Regulatory Authority ("TCRA"), Fair Competition Commission ("FCC") and Business Registrations and Licensing Agency ("BRELA") in Tanzania that have taken or may take many weeks or months to complete. As of 30 June 2019, HTT Infracore had spent approximately US\$1.5 million on costs relating to the initial public offering. It has continued to keep the CMSA informed as to its preparations through its sponsoring broker.

Despite the Group's ongoing preparations to carry out this initial public offering, the listing with the CMSA in Tanzania may be delayed or may not be completed on satisfactory terms or at all, as a result of various factors, including the potentially insufficient liquidity in the economy in general (because there may be a lack of investors with sufficient capital to subscribe for the shares), market conditions in the industry in which the Group operates, economic and political conditions in Tanzania or other countries in the region and other factors affecting demand for the equity securities of HTT Infracore. While the CMSA and the TCRA have engaged in discussions regarding the inherent difficulties of having HTT Infracore and all similarly affected companies list in a short period, they have not as yet been willing to provide any formal deferment of the EPOCA requirements because they have no mandate to grant a waiver or dispensation of the prescribed time frame. Under the EPOCA, the penalties for failing to comply with the legislation can include a substantial fine and the withdrawal of the applicable network facilities licence and a possible criminal action against HTT Infracore and its directors. Under the amendments contained in the Finance Act, 2017, should the 25 per cent. threshold not be met, the CMSA may issue directives on how the subject

company may obtain the 25 per cent. threshold. To date, only Vodacom Tanzania Plc (“Vodacom Tanzania”) has complied with the relevant listing requirements.

To the Group’s knowledge, neither the CMSA nor the TCRA has taken any action against a licence holder for failing to comply with the EPOCA; however, there is no assurance that the CMSA and the TCRA will continue to hold off taking any such enforcement action for any particular length of time. The Group continues to engage with the regulators to comply with the EPOCA requirements and neither the CMSA nor the TCRA has given any indication that it expects the Group to accelerate the preparations it is making or that it might seek enforcement for a violation of the EPOCA listing requirement. The Group is progressing its reorganisation and is not aware of any reason why it could not meet the current requirements in due course once the necessary preparatory steps have been completed. The Group believes that prior to any proposed enforcement for a violation of EPOCA against HTT Infracore it would be contacted and asked to proceed more expeditiously or that there would be a discussion with it as to outstanding requirements and that the CMSA and the TCRA would work with HTT Infracore to support it in the completion of the listing. However, if the TCRA is determined to enforce a violation of the EPOCA against HTT Infracore, it could be materially adverse to the Group in extreme but very unlikely circumstances and result in a cessation of operations in Tanzania until the violation could be sufficiently remedied or otherwise addressed. Additionally, in similarly low probability circumstances, the Group’s MNO customers in Tanzania who are also subject to the EPOCA may also be at risk of suffering the same penalties for failure to comply with the EPOCA. Suspension of their operations in Tanzania could jeopardise their ability to perform under their contracts with the Group, and certain of the Group’s MLAs entitle its customers to terminate their obligations thereunder in the event of the loss of their licence to operate mobile networks. See “— *Risks Related to the Group and its Business — Due to the long-term expectations of revenue from customer site contracts, the Group is exposed to the creditworthiness and financial strength of its tenants*”. Tanzania is an important market for the Group and accounted for 42.1 per cent. of the Group’s revenue and 48.5 per cent. of the Group’s Adjusted EBITDA for the year ended 31 December 2018, and 42.2 per cent. of the Group’s revenue and 47.4 per cent. of the Group’s Adjusted EBITDA for the six months ended 30 June 2019. As of 30 June 2019, Tanzania accounted for 37.4 per cent of the Group’s total assets. Therefore, any of the foregoing consequences could have a material adverse impact on the Group’s financial condition and results of operations.

The Group relies on third-party contractors for various services, and any disruption in or non-performance of those services would hinder the Group’s ability to effectively meet the expectations of its customers and/or maintain its site infrastructure.

The Group engages third-party contractors to provide it with various services in connection with the power management, site acquisition, construction, access management, security and maintenance of sites. For example, the Group has outsourced power management, refurbishment, operations and maintenance, and security functions for certain of its sites to contractors. These power management functions include the supply of diesel to and deployment of alternative power technologies, such as hybrid and solar power technologies and grid connections (where possible), on certain sites, to help reduce diesel consumption. As of 30 June 2019, the Group’s third-party contractors provided 671 maintenance technicians and 6,596 security guards to the Group. Although the Group monitors third-party suppliers carefully, the Group is exposed to the risk that the services rendered by its third-party contractors will not always be satisfactory or match the Group’s and/or its customers’ targeted quality levels, standards and operational specifications. As a result, the Group’s customers may be dissatisfied with the Group’s services and the Group may be required to pay service credits under its contracts, or its customers may terminate their MLAs in the event of a material breach, either of which could adversely affect the Group’s business, financial condition and results of operations (without back-to-back compensation from the Group’s service providers).

In addition, vendors and suppliers hired by the Group in relation to power management at certain sites have strict execution targets placed upon them. If these vendors do not deliver satisfactorily both financially and operationally, the Group has a contractual right to step in and complete the process itself. If the Group’s suppliers are unable to continue to provide timely and reliable services or key products, the Group could experience interruptions in delivery of its services to its customers, which could have a material adverse effect on the Group’s business, financial condition, cash flows and results of operations. If the Group is required to undertake this work itself, it would require time and attention from the Group’s management and lead to increased future operating costs while the work is carried out, which could in turn adversely affect the Group’s business, financial condition and results of operations.

The Group also relies on third parties for the supply of diesel and this supply could be disrupted by events that are beyond the Group’s control. While the Group maintains planning, monitoring and logistics systems

aimed at providing a consistent supply of diesel to its sites, a lack of available trucks, personnel strikes, road accidents, the presence of wild animals, queues and other issues at fuel depots and security concerns at certain sites, amongst other things, have in the past and may in the future cause this supply to be disrupted. Disruption in the supply of diesel would impede the Group's ability to continue to power its sites and adversely affect uptimes. While to date the Group has not experienced any disruptions to its diesel supply that have materially adversely impacted its results of operations, widespread or long-term disruptions in the supply of diesel may result in the Group being unable to meet the service-level agreement ("SLA") targets under its MLAs, and in some cases the Group would be required to pay service credits (subject to typical force majeure protection), which could have a material adverse effect on the Group's business, financial condition and results of operations.

If the Group is unable to renew and/or extend a material number of its ground leases, or protect its rights to the land under its sites, it could adversely affect the Group's business and results of operations.

The Group's site portfolio consists primarily of ground-based towers constructed on land that it has leased under long-term ground lease agreements. Since foreign ownership of land is typically difficult to achieve in the jurisdictions in which the Group operates, as of 30 June 2019, approximately 83 per cent. of the sites in the Group's portfolio were operated under ground leases. For sites on leased land, the average remaining life of the Group's ground leases was 18 years as of 30 June 2019.

Since advance payments for ground leases typically represent a substantial rental yield for the landlord, ground leases are, in most cases, not difficult to obtain or renew. However, for various reasons, including an inability to locate the landlords, the Group may not be able to renew and/or extend its ground leases. In the event that the Group cannot renew and/or extend a material number of its ground leases, it will be required to dismantle or relocate these sites. Furthermore, from time to time, the Group may experience disputes with lessors regarding the terms of the Group's ground leases for its sites, which can affect the Group's ability to access and operate a site. The dismantlement or relocation of, or the termination of ground leases at, a material number of the Group's sites would interfere with its ability to operate and generate revenue, which would have a material adverse effect on the Group's business, financial condition and results of operations.

In addition, a portion of the Group's Tanzanian sites, which are owned by HTT Infracore, are situated on village land, which the Group believes to be common amongst most infrastructure companies in Tanzania. Leasing village land (whether from a village council or an individual) may restrict or prohibit HTT Infracore's ability to enforce its rights under the ground lease as HTT Infracore may be considered a majority-owned foreign company which is not, under strict interpretation of Tanzanian law, permitted to occupy village land.

The Group may not successfully execute its growth strategy.

The Group's strategy for the growth of its business involves four components: (i) adding colocation tenants to its existing site portfolio; (ii) increasing the effective panel area or space on a tower sold to existing tenants; (iii) growing organically through the construction of additional sites on a build-to-suit basis for telecommunications operators; and (iv) growing through strategic acquisitions. The implementation of this strategy is subject to certain risks described below.

Colocations

The Group's ability to implement its strategy in relation to adding colocation tenants to its existing portfolio may be affected by a number of factors beyond the Group's control, including:

- a slowdown in the growth of, or a reduction in demand for, wireless communications services;
- the development and implementation of new technologies that could reduce the use and need for tower-based wireless services transmission and decrease the demand for tower space; and
- customer churn due to a merger or consolidation of the Group's customers, which could result in a decrease of the number of colocation requirements for the consolidated companies.

There can be no assurance that the Group will be able to continue to add colocations to its existing portfolio or implement colocations in a timely and cost-effective manner and the failure to do so could materially and adversely affect the Group's business, financial condition and results of operations.

Build-to-suit

The Group's ability to construct new build-to-suit sites can also be affected by a number of factors beyond its control, including the availability of suitable land that meets the requirements of the customer and the availability of construction equipment and skilled construction personnel. Delays could also adversely affect

the Group's ability to deliver build-to-suit sites in a timely and cost-effective manner, particularly in connection with timelines contractually agreed with customers. Furthermore, there can be no assurance that:

- every individual build-to-suit site will be commercially viable or meet the Group's investment criteria;
- the Group will be able to overcome setbacks to new construction, including local opposition;
- the Group will be able to maintain relationships with the regulatory authorities and obtain any required governmental approvals for new construction;
- the number of sites planned for construction will be completed in accordance with the requirements of customers;
- there will be a significant need for the construction of new sites; or
- the Group will be able to finance the capital expenditures associated with build-to-suit activity.

Strategic acquisitions

The Group's ability to grow through further acquisitions will also depend on a number of factors, including:

- its ability to identify suitable and available site asset acquisition candidates at an acceptable cost, reach agreement with acquisition candidates and their shareholders on commercially reasonable terms and also secure financing to complete larger acquisitions or investments; and
- the willingness of other telecommunications operators (many of whom are major Group customers) to engage with the Group in site asset acquisitions or managed services transactions for their site portfolios on terms that meet the Group's return on investment criteria.

The benefits of any site asset acquisition may take considerable time to develop, and there can be no assurance that any particular transaction will produce the intended results or benefits, particularly when certain benefits are under the control of third parties (including regulators and colocators on the relevant sites). For example, there can be no assurance that the Group will be able to successfully develop the SA Towers (Pty) Ltd. ("SA Towers") site pipeline, that it acquired through Helios Towers South Africa Holdings (Pty) Ltd ("Helios Towers South Africa") in April 2019, or effectively leverage its and SA Towers' expertise in the South African market. The Group's failure to do so could significantly affect its ability to expand its operations into South Africa. Revenue streams from third parties may not be robust or may be subject to additional taxation. Given the nature of the individual assets (which are numerous and geographically diverse), it can be difficult to conduct effective physical diligence on all the sites in a site asset portfolio. The condition of the sites can deteriorate during the period prior to closing (and after physical site audits) because sellers often reduce operating and capital expenditure on such sites. Moreover, site asset portfolio acquisitions may take a considerable period of time to sign and close (and usually close in stages) but involve up-front investments that cannot be recovered regardless of whether the transaction is successfully completed. For example, the Group spent US\$1.4 million and US\$3.3 million on deal costs for aborted acquisitions for the years ended 31 December 2016 and 2017, respectively. The Group did not incur any such fees or costs during the year ended 31 December 2018 or the six months ended 30 June 2019. Furthermore, in the year ended 31 December 2015, the Group incurred costs of US\$17.8 million related to uncompleted acquisition transactions in certain African markets.

Additional risks associated with acquisitions include, but are not limited to, the following:

- it may be difficult to integrate the operations of an acquired site asset business into the Group's organisation;
- management, information and accounting systems of an acquired site asset business may be different from, and incompatible with, the Group's current systems and may need to be successfully integrated;
- the Group's management must devote its attention to integrating acquired site asset businesses, which diverts its attention from the Group's existing business;
- the Group's failure to manage regulatory non-compliance following the acquisition of a site asset business may result in the requirement that the Group dismantles sites in the site portfolio of the acquired site asset business;
- the Group could lose some of its key employees or the key employees of an acquired site asset business; and

- to the extent the Group expands its operations to additional emerging markets, the Group may be subject to the same or similar risks as those faced in its markets. See “-Risks Related to the Relevant Jurisdictions”.

The resolution of any of the foregoing could be time-consuming and costly. There can be no assurance that the Group will be able to efficiently or effectively manage the integration of acquisitions or the growth of its operations post-acquisition, and the Group’s failure to do so could materially and adversely affect its business, financial condition, results of operations and ability to implement its business strategy.

Competition in the telecommunications tower industry may create pricing pressures that materially and adversely affect the Group.

The Group is the sole independent tower company in three of its markets, but the Group’s customers could adopt alternative strategies for the provision of site space including contracting directly with owners of alternative site structures such as build-to-suit, building rooftops and in-building cellular enhancement (“IBS”). The Group may also face competition in the future if new competitors were to enter its markets, particularly those markets in which it is currently the sole independent tower company.

Ghana and South Africa are the only markets in which the Group competes with other independent tower companies. In Ghana, the Group’s primary independent tower company competitors are American Tower Corporation (“American Tower”) and Eaton Towers Limited (“Eaton Towers”). On 30 May 2019, American Tower announced that it was acquiring Eaton Towers. Following the merger, which is expected to close by the end of 2019, the Group will be one of two independent tower companies in Ghana. The Group’s experience in Ghana is that competition in the telecommunications tower industry is based principally on power management expertise, site location, relationships with telecommunications operators, site quality and height and, to a lesser extent, on the size of a company’s site portfolio, pricing and ability to offer additional services to tenants. In addition, some of the Group’s competitors in Ghana may have lower return on investment criteria than the Group. In South Africa, the Group is a new entrant in a largely fragmented market in which only approximately 15 per cent. of the towers are owned and operated by independent tower companies, according to a report prepared by Hardiman Telecommunications Ltd (“Hardiman”) (the “Hardiman Report”).

The Group believes that large telecommunications operators tend not to lease extensively from their direct competitors because site location and investment in capacity are considered competitive advantages. A change in this policy or any other event, including regulatory action that increases colocation among major telecommunications operators, could result in increased competition for colocations.

Competitive pressures and the Group’s failure to remain competitive could materially and adversely affect the Group’s contract rates and services income, and could result in the Group’s existing customers not renewing their site contracts, or new customers contracting space on sites from MNOs or, in the case of Ghana, other independent tower companies, and not from the Group. Any of the foregoing factors could materially and adversely affect the Group’s business, financial condition and results of operations.

New technologies designed to enhance the efficiency of wireless networks and potential active sharing of the wireless spectrum could reduce the need for tower-based wireless services and could make the Group’s business less desirable to or necessary for tenants and result in decreasing revenue.

The development and implementation of new technologies designed to enhance the efficiency of wireless networks or the implementation by MNOs of active sharing technologies could reduce the use of and need for tower-based wireless transmission and reception services and could have the effect of decreasing demand for tower space. Examples of such new technologies that may reduce the demand for tower-based antenna space might include single antennae that can operate in multiple frequency bands, and spectrally efficient technologies, which could potentially relieve some 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 onto fixed line networks where such fixed line network capacity exists, which would reduce the need for telecommunications operators to add more tower-based antenna equipment at certain sites. MNOs in certain more well-developed African countries, including South Africa, have implemented active sharing technologies in which MNOs share the wireless spectrum and, therefore, need fewer of their own antennae and less tower space for such equipment. Moreover, the emergence of alternative technologies could reduce the need for tower-based wireless services transmission and reception. For example, the growth in the delivery of wireless communication, radio and video services by direct broadcast satellites could materially and adversely affect demand for the Group’s antenna space if such new technology were to gain scale and the end-user devices used to access the service were to become more

affordable. As a result, the development and implementation of alternative technologies to any significant degree could have a material adverse effect on the Group's business, financial condition and results of operations.

Many of the Group's customer site contracts contain liquidated damages provisions, which, upon the occurrence of certain triggers costs, may require the Group to make unanticipated payments to its customers.

Many of the Group's customer site contracts contain liquidated damages provisions in the event that the Group fails to perform its obligations thereunder in a timely manner or in accordance with the agreed terms, conditions and standards. These liquidated damages provisions generally require the Group to make a payment to the customer, most often by means of set-off against fees payable by the customer, if the Group fails to uphold a specified level of uptime. For example, pursuant to site contracts with Tanzanian telecommunications operators, the Group paid US\$9.9 million in net liquidated damages (comprising payments to customers net of amounts recouped from suppliers) as a result of its failure to meet required levels of uptime in 2015. However, the operational failures that led to these costs have been largely corrected, and the Group incurred only US\$0.4 million of net liquidated damages for the year ended 31 December 2018 and no net liquidated damages for the six months ended 30 June 2019. The Group generally tries to limit its exposure under any individual long-term leasing agreement with maximum liability caps. Nevertheless, if the Group incurs liquidated damages, it may be required to make unanticipated and potentially significant payments that may materially harm the Group's reputation, business, financial condition and results of operations.

Fluctuations or devaluations in local currencies in the markets in which the Group operates could materially adversely affect the Group's business, financial condition and results of operations and that of the Group's clients.

Changes to currency exchange rates may impact the Group's profitability. The currencies of the Relevant Jurisdictions are subject to fluctuation, which is particularly acute in emerging markets. For example, the local currency in Ghana depreciated by 10.8 per cent., 5.6 per cent. and 6.8 per cent. against the U.S. dollar in the years ended 31 December 2016, 2017 and 2018, respectively, and 5.6 per cent., and 10.5 per cent. in the six months ended 30 June 2018 and 2019, respectively. For the year ended 31 December 2018, approximately 35.0 per cent. of the Group's Adjusted EBITDA was denominated in local currencies, which meant that a 10.0 per cent. movement in the Group's basket of exchange rates would have resulted in an approximate 3.5 per cent. impact on the Group's Adjusted EBITDA for that year. The Group reports in U.S. dollars. While 53.3 per cent. and 52.9 per cent. of the Group's revenue was denominated in U.S. dollars during the year ended 31 December 2018 and the six months ended 30 June 2019, respectively, the Group is subject to translation risk relating to the conversion into U.S. dollars of the statements of financial position and statements of profit or loss and other comprehensive income of the Group's subsidiaries in Tanzania, Ghana, Congo Brazzaville and South Africa because the functional and reporting currency of these countries is not the U.S. dollar.

The Group is also subject to transaction risk when future commercial transactions or recognised assets or liabilities are denominated in currencies other than U.S. dollars. While DRC is a largely dollarised economy, the government of DRC has from time to time implemented reforms to readopt the use of the Congolese franc and adopted policies to de-dollarise DRC's economy. Outside DRC, the Group collects a significant portion of its revenue from customers in local currencies. There may be limits to the Group's ability to convert these local currencies into U.S. dollars or for customers earning revenue in local currency to make payments. Moreover, while Congo Brazzaville's currency, the Central African franc, is "pegged" to the euro, allowing for a set euro exchange ratio, the Central African franc may be "de-pegged" from the euro in the future and, in any event, the Group is still exposed to prospective fluctuations of the U.S. dollar against the euro, and any such fluctuations may have an adverse effect on the Group's earnings, assets and cash flows. In addition, the Group is subject to risks arising from outstanding nominal foreign currency financial and trade receivables or payables incurred prior to but due to be settled after a change to the relevant exchange rate of the local currency against the U.S. dollar, which impacts the Group's current cash flows. Therefore, to the extent they are not effectively hedged, local currency exchange rate fluctuations in relation to the U.S. dollar may have an adverse effect on the Group's earnings, assets and cash flows when translating or converting local currency into U.S. dollars and the Group may not be able to manage effectively the currency risks it faces, and volatility in currency exchange rates. Given the historical fluctuations in certain Relevant Jurisdictions and limited change in the economic policies of the Relevant Jurisdictions, their currencies remain vulnerable to external shocks, which could lead to a sharp decline in their value.

Due to a lack of available instruments in many of the countries or currencies in which the Group operates, the Group is not able to hedge against foreign currency exposures. The Group had net foreign exchange losses of US\$9.8 million, US\$3.2 million and US\$18.0 million for the years ended 31 December 2016, 2017 and 2018, and US\$12.2 million, and US\$8.0 million for the six months ended 30 June 2018 and 2019, respectively. At the operational level, the Group seeks to reduce its foreign exchange exposure through a policy of matching, as far as possible, cash inflows and outflows. Where possible and where financially viable, the Group borrows in local currencies to hedge against local currency exchange risks. The Group's ability to reduce its foreign currency exposure may be limited by a lack of long-term financing in local currencies. As such, there is a risk that the Group may not be able to finance local capital expenditure needs or reduce its foreign exchange exposure by borrowing in local currencies. For these reasons, fluctuations in the currencies of the markets in which the Group operates may have a material adverse effect on its business, financial condition, results of operations and prospects.

For more information about the market risks to which the Group is exposed as a result of foreign currency exchange rate fluctuations, see Part XIII: *“Operating and Financial Review and Prospects — Market Risk Disclosures”*.

The Group may experience local community opposition to some of its sites.

The Group has experienced, and may in the future experience, local community opposition to its existing sites or the construction of new sites for various reasons, including concerns about alleged health risks. While the Group is typically required by the permitting process to consult with communities before constructing new sites, as a result of such local community opposition, the Group may not be granted a permit (and so may not be able to build) or could be required by the local authorities to dismantle and relocate certain sites. If the Group is not granted permits in certain areas or is required to relocate a material number of its sites and cannot locate replacement sites that are acceptable to its customers, such circumstances could materially and adversely affect the Group's revenue and cash flow, which in turn could have a material adverse effect on its business, financial condition and results of operations.

The Group relies on key management personnel, and its business may be adversely affected by any inability to recruit, train, retain and motivate key employees.

The Group believes that its current management team contributes significant experience and expertise to the management and growth of its business. The continued success of the Group's business and its ability to execute the Group's business strategies in the future will depend in large part on the efforts of the Group's key personnel. There is also a shortage of skilled personnel in the telecommunications tower industry in the Relevant Jurisdictions, which the Group believes is likely to continue. As a result, the Group may face increased competition for skilled employees in many job categories from tower companies and telecommunications operators and this competition is expected to intensify. Although the Group believes that its employee salary and benefit packages are generally competitive with those of its peers, if the number of independent tower companies in the Relevant Jurisdictions increases, the Group may face difficulties in retaining skilled employees. In addition, as the Group expands its business through acquisitions, it may need to retain and integrate skilled employees from acquired companies or businesses. If the Group is unable to successfully integrate, recruit, train, retain and motivate key skilled employees it could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's business is subject to government regulations and any changes in current or future laws or regulations could restrict the Group's ability to operate its business as it currently does.

The Group's business, and that of its customers, is subject to national, state and local regulation governing telecommunications as well as the construction and operation of sites. These regulations and opposition from local zoning authorities can delay, prevent or increase the cost of new site construction, modifications, additions of new antennae to a site, or site upgrades, thereby limiting the Group's ability to respond to customer demands and requirements.

For example, legislation in Ghana currently imposes limitations on the proximity of new tower construction to residential areas. If any tower mast does not comply with this regulation, the tower company may be notified by the Municipal, Metropolitan and District Assemblies (the “MMDA”) to remove the tower within 60 days of receipt of the notice, failing which the company could be fined 35,000 Ghanaian cedis (approximately US\$6,400) for non-compliance. A five-year moratorium originally expired on 31 December 2016, but such moratorium has been repeatedly extended most recently until 30 June 2019. Following the expiration of the moratorium, a company that fails to comply with the regulation will incur a penalty of 10,000 Ghanaian cedis (approximately US\$1,800) per day and such facility may be removed with a lien on

the property to cover the cost of removal. These regulations also apply retroactively to pre-existing towers. Residential areas were built near certain of the Group's existing towers in Ghana in contravention of the proximity limitations set out in the legislation after the towers already existed. HTG Managed Services Limited, the Group's operating subsidiary in Ghana, has not constructed any towers in violation of the legislation. As of 30 June 2019, HTG Managed Services Limited had 117 towers out of a total of 889 owned towers in Ghana that were within the proximity limitations set out in the legislation. HTG Managed Services Limited has been working with other affected companies in Ghana to pursue the further extension of the moratorium or amendment or abolition of the provision of the legislation that imposes a penalty of 10,000 Ghanaian cedis (approximately US\$1,800) per day and requires the removal of the tower with a lien on the property to cover the cost of removal following expiration of the moratorium. The Group believes, based on meetings with and oral statements made by the relevant regulators, that the moratorium has not been further extended because of the likelihood that the provision of the legislation that imposes a penalty of 10,000 Ghanaian cedis (approximately US\$1,800) per day and requires the removal of the tower with a lien on the property to cover the cost of removal following expiration of the moratorium will be amended or abolished. If the legislation is not amended or abolished and the moratorium is not extended beyond 30 June 2019, HTG Managed Services Limited may be required to pay a penalty and remove the affected towers. HTG Managed Services Limited would seek to relocate the towers affected by the legislation. The Group would incur capital expenditure to relocate towers, and it may not be able to successfully relocate all of the affected towers or it may not be able to relocate them to sites that are as favourable as its original sites, which could have an adverse effect on the Group's business and results of operations.

In addition, certain licences for the operation of the Group's sites may be subjected to additional terms and conditions with which it cannot comply. As public concern over tower proliferation has grown in recent years, some communities now try to restrict tower construction or delay granting permits. Existing regulatory policies and changes in such policies may materially and adversely affect the associated timing or cost of such projects and additional regulations may be adopted which increase delays, result in additional costs or prevent completion of the Group's projects in certain locations. Any failure to complete new tower construction, modifications, additions of new antennae to a site or site upgrades could harm the Group's ability to add additional site space and maintain existing lessees, which could have a material adverse effect on the Group's revenue.

The Group could have liability under environmental, occupational safety and health laws.

The Group's operations, like those of other companies engaged in similar businesses, are subject to the requirements of various environmental and occupational safety and health laws and regulations, including those relating to the management, use, storage, disposal, emission and remediation of, and exposure to, hazardous and non-hazardous substances, materials and waste and those relating to the construction of sites. As the owner, lessee or operator of many thousands of real estate sites underlying the Group's sites, the Group may be liable for substantial costs of remediating soil and groundwater contaminated by hazardous materials (including fuel and battery acid), without regard to whether the Group, as the owner, lessee or operator, knew of or was responsible for the contamination. Many of these laws and regulations contain information reporting and record-keeping requirements. The Group may be subject to potentially significant fines or penalties if it fails to comply with any of these requirements. The requirements and interpretations of these laws and regulations are complex, change frequently and could become more stringent in the future. It is possible that these requirements or interpretations will change or that liabilities will arise in the future in a manner that could have a material adverse effect on the Group's business, financial condition or results of operations.

The Group's sites may be affected by natural disasters and other unforeseen damage for which the Group's insurance may not provide adequate coverage.

The Group's sites are subject to risks associated with natural disasters, such as windstorms, floods, hurricanes and earthquakes, as well as theft, vandalism, terror attacks and other unforeseen damage. Any damage or destruction to the Group's sites as a result of these or other risks would impact the Group's ability to provide services to its customers. While the Group maintains all-scenario insurance to cover the cost of replacing damaged towers and general liability insurance to protect the Group in the event of an accident involving a tower, the Group might have claims that exceed its coverage under its insurance policy or are denied and, as a result, the Group's insurance may not be adequate. While the Group carries business interruption insurance, such insurance may not adequately cover all of the Group's lost revenue, including potential revenue from new tenants that could have been added to the Group's sites but for the damage. If the Group is unable to provide services to its customers as a result of damage to the Group's sites, it could

lead to customer loss, resulting in a corresponding material adverse effect on the Group's business, financial condition and results of operations.

The collapse of a site may result in property damage or injury to, or the death of, members of the public, which may adversely affect the Group's financial condition and reputation.

If a site, or part of a site, collapses, there is a risk that such collapse could result in property damage, injury to, or the death of, members of the public or employees, subcontractors or customer personnel. This could result in the Group being subject to civil damages and criminal penalties under local law. It could also have a negative impact on the Group's reputation and may affect its ability to win or service future business or recruit employees or may increase the risk of local community opposition to the Group's existing sites or the construction of new sites. The consequences the Group may suffer due to the foregoing could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may become party to disputes and legal and regulatory studies, reviews or proceedings.

In the ordinary course of business, the Group may be named as a defendant or an interested party in legal actions, claims and disputes in connection with its business activities. Any such litigation, dispute or proceedings, as well as lawsuits initiated by the Group for the collection of payables, may be costly and may divert management attention and other resources away from the business, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may also be subject to regulatory studies, reviews or proceedings in connection with its business activities. For example, in Tanzania, the TCRA is responsible for, amongst other things, overseeing passive network infrastructure. It is not uncommon for the TCRA to conduct studies or reviews of the market from time to time, although the scope and purpose of those reviews are not always available to the Group. The TCRA conducted an assessment of competition in the telecommunications and broadcasting sectors in Tanzania covering the period from March to December 2018 (the "2018 Review"). HTT Infracore was not contacted by the TCRA in connection with the TCRA's undertaking of the 2018 Review. The Group understands that as a result of the 2018 Review, the TCRA is currently undertaking a new study/review of the tariffs charged by passive network infrastructure providers in Tanzania. In September 2019, HTT Infracore received a letter from the TCRA requesting copies of its lease agreements and certain information relating to its costs and tariffs. As far as the Group is aware, there have been no other consequences for the Group following the conclusion of the 2018 Review. It is not possible for the Group to predict the exact scope, timing or outcome of the TCRA's review. In the event that HTT Infracore were deemed to have contravened the EPOCA, any regulations made under EPOCA or the Fair Competition Act, 2003 (the "FCC Act"), it could result in amendments to the terms of HTT Infracore's lease agreements (including tariffs), fines or other penalties. The Group believes that its tariffs and the terms of its lease agreements comply with the relevant provisions of the EPOCA, all regulations made under EPOCA (as applicable) and the FCC Act and would seek to appeal any decision to the contrary.

Material litigation could have adverse reputational and financial consequences for the Group and it may not have established adequate provisions for any potential losses associated with litigation not otherwise covered by insurance, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. Additionally, any negative outcome with respect to any legal actions or regulatory studies, reviews or proceedings in which the Group is involved in the future could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's level of indebtedness and the terms of its indebtedness could materially adversely affect the Group's financial condition and its ability to finance potential expansion opportunities.

As of 30 June 2019, the Group had US\$805.5 million of indebtedness, comprising outstanding loans and lease liabilities. The Group currently uses debt financing and plans to continue to use debt financing for opportunities that may arise for expansion. Thus, the Group's indebtedness may increase from time to time in the future for various reasons, including fluctuations in operating results, capital expenditures and potential acquisitions or joint ventures. The Group is well-capitalised, highly cash generative and, based on its expected sources and uses of funds, does not believe the risks normally associated with debt financing will materially affect it for at least a 12-month period. However, beyond that period, should potential expansion opportunities arise, these risks may materially adversely affect the Group's business, financial condition, results of operations and prospects because:

- the Group's level of indebtedness may, together with the financial and other restrictive covenants in the agreements governing its indebtedness, significantly limit or impair the Group's ability in such circumstances to obtain financing, refinance some or all of its indebtedness, sell assets or raise equity on commercially reasonable terms or at all;
- a downgrade in the Group's credit rating could restrict or impede its ability to access capital markets at attractive rates and increase its borrowing costs;
- the Group's level of indebtedness may reduce its flexibility to respond to changing business and economic conditions or to take advantage of business opportunities that may arise;
- a portion of the Group's cash flow from operations must be dedicated to interest payments on its indebtedness and is not available for other purposes; this amount will increase if prevailing interest rates rise; and
- the Group's level of indebtedness could make it more vulnerable to downturns in general economic or industry conditions or in its business.

Prevailing interest rates or other factors at the time of refinancing, such as the possible reluctance of creditors to make commercial loans to operations in developing markets, could result in higher interest rates, and the increased interest expense could, in the longer term, adversely affect the Group's ability to service its debt and to complete its capital expenditure programme.

Failure to refinance indebtedness when required could result in a default under such indebtedness. Assuming the Group meets certain financial ratios, it has the ability under its debt instruments to incur additional indebtedness, and any additional indebtedness it incurs could exacerbate the risks described above.

The Group is subject to restrictive debt covenants, which may restrict its ability to expand and pay dividends.

The Group is subject to restrictive covenants under its debt instruments. These covenants restrict, amongst other things, the Group's ability to:

- incur or guarantee additional debt or issue preferred stock;
- pay dividends and make other restricted payments;
- create or incur liens;
- make certain investments;
- agree to limitations on the ability of the Company's subsidiaries to make distributions;
- engage in sales of assets and subsidiary stock;
- enter into transactions with affiliates;
- make substantial changes to its existing lines of business; and
- transfer all or substantially all of its assets or enter into merger or consolidation transactions.

Based on its expected sources and uses of funds, the Group does not believe the restrictive covenants above will materially affect it for at least a 12-month period. However, beyond that period, the restrictions contained in the Group's debt instruments may limit its ability to react to market conditions or take advantage of potential opportunities should they arise. For example, these restrictions could adversely affect the Group's ability to finance its future operations, make strategic acquisitions, investments or alliances, restructure its organisation or debt-finance longer term expansion opportunities that may arise. Additionally, the Group's ability to comply with these covenants and restrictions may be affected by events beyond the Group's control. These include prevailing economic, financial and industry conditions.

The Group's costs could increase and the growth of its revenue could decrease due to perceived health risks from radio emissions.

Public perception of possible health risks associated with cellular and other wireless communications technology could negatively impact the demand for wireless services, which could in turn slow the Group's revenue growth. The potential connection between radio frequency emissions, including high-frequency microwaves, and certain negative health effects as a result of tower proximity has been the subject of substantial study by the scientific community in recent years, and numerous health-related lawsuits have been filed around the world against wireless carriers and wireless device manufacturers. Negative public perception of, and regulations regarding, perceived health risks could slow the market acceptance of wireless

communications services and increase opposition to the development and expansion of sites. If a scientific study or court decision resulted in a finding that radio frequency emissions pose health risks to consumers, such finding could negatively impact the market for wireless services, as well as the Group's wireless carrier customers, which could materially and adversely affect the Group's business, financial condition and results of operations. The Group does not maintain any significant insurance with respect to these matters.

The Group is exposed to the risk of violations of anti-corruption laws, sanctions or other similar regulations.

The Group operates and conducts business in the Relevant Jurisdictions, which, as with many countries in emerging markets, at times experience high levels of fraud, bribery and corruption. The Group has policies and procedures in place designed to assist its compliance with applicable laws and regulations, including the U.S. Foreign Corrupt Practices Act of 1977 (the "FCPA") and the United Kingdom Bribery Act of 2010 (the "Bribery Act"). The FCPA prohibits providing, offering, promising or authorising, directly or indirectly, anything of value to government officials, political parties or political candidates for the purposes of obtaining or retaining business or securing any improper business advantage. As part of the Group's business, it deals with state-owned business enterprises, the employees of which may be considered government officials for the purposes of the FCPA. The provisions of the Bribery Act extend beyond bribery of government officials, and are more extensive than the FCPA in a number of other respects, including territorial reach, the non-exemption of facilitation payments and penalties. In particular, the Bribery Act (unlike the FCPA) does not require a corrupt or improper intent to be established in relation to the bribery of a public official and also applies to the active payment of bribes as well as the passive receiving of bribes. Furthermore, unlike the vicarious liability regime under the FCPA, whereby corporate entities can be liable for the acts of their employees, the Bribery Act introduced a new corporate offence directly applicable to corporate entities that fail to prevent bribery and do not establish and adopt adequate procedures to prevent bribery from occurring and, in certain circumstances, can render parties liable for the acts of their joint venture or commercial partners.

The Group is exposed to a risk of violating anti-corruption laws and sanctions regulations applicable in those countries where it does business. Some of the countries in which the Group does business lack a fully developed legal system and have high levels of corruption. Violations of anti-corruption laws and sanctions regulations may be punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures and revocations or restrictions of licences, as well as criminal fines and imprisonment. In addition, any major violations could have a significant impact on the Group's reputation and consequently on its ability to grow its business.

The Group trains all of its employees to comply with such laws and regulations and the Group seeks to ensure that all of its third-party supply contracts include an undertaking that such third parties will refrain from activities that are, amongst others, illegal or unethical. However, the Group can make no assurance that its policies and procedures will be followed at all times or effectively detect and prevent all violations of the applicable laws and every instance of fraud, bribery and corruption. The Group receives claims relating to such matters by whistle-blowers from time to time which the Group investigates using internal and external resources in line with its policies. For example, in 2019 the Group received a complaint concerning a potential conflict of interest at its operations in DRC. The complaint was investigated and it was determined that a member of staff involved in supplier procurement had a personal relationship with one of the Group's suppliers. Following the investigation, which determined that a conflict of interest did exist but had not resulted in any material improprieties at the time, the contracts of two staff members and the supplier were terminated and the Group enhanced its policies and procedures related to conflicts of interest in DRC. The Group can make no assurances that whistle-blower claims will not be made in the future, or that the Group will be able to adequately address their concerns. As a result, the Group could be subject to civil or criminal penalties under the applicable law and to reputational damage which may have adverse consequences on the Group's business, financial condition, results of operations or prospects if it fails to prevent any such violations or is the subject of investigations into potential violations. In addition, such violations could also negatively impact the Group's reputation and, consequently, its ability to win future business. In Ghana and South Africa, where the Group competitively bids for contracts, any such violation by the Group's competitors, if undetected, could give them an unfair advantage when bidding for contracts. The consequences that the Group may suffer due to the foregoing could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks Related to the Relevant Jurisdictions

Emerging markets, such as the Relevant Jurisdictions, are subject to greater risks than more developed markets, and financial turmoil in any emerging market could disrupt the Group's business.

The Group operates all of its business in the Relevant Jurisdictions with the majority of its revenue arising in DRC and Tanzania. All of the Group's customers are also located in the Relevant Jurisdictions. Accordingly, the Group's business, financial condition, results of operations, cash flows, liquidity and/or prospects depend significantly on the economic and political conditions prevailing in each of the Relevant Jurisdictions.

Emerging markets, such as the Relevant Jurisdictions, are subject to greater risks than more developed markets. These risks include, but are not limited to, the following:

- greater political risk, and changes in, and the instability of, the political and economic environment;
- civil strife, ethnic conflict, religious and regional tensions, acts of war, terrorism and insurrection;
- government interventions;
- potential adverse changes in laws and regulatory practices, including import and export licence requirements and restrictions, tariffs, legal structures, and telecommunications and tax laws;
- trade barriers;
- underinvestment in infrastructure, including roads, railways and shipping;
- difficulties in staffing and managing operations;
- the lack of well-developed legal systems, which could make it difficult for the Group to enforce its contractual rights and intellectual property;
- controversy in interpretation of laws;
- the security and safety of employees;
- outbreaks of infectious diseases;
- the risk of uncollectible accounts and long collection cycles;
- currency fluctuations and hyperinflation;
- the consequences of corrupt practices on the economy;
- exchange controls;
- logistical and communications challenges; and
- changes in labour conditions.

Moreover, financial turmoil in any emerging market country tends to adversely affect prices in the financial markets of other emerging market countries, as investors move their money to more stable, developed markets. As has happened in the past, financial problems or an increase in the perceived risks associated with investing in emerging economies could dampen foreign investment in any of the Relevant Jurisdictions and adversely affect any such jurisdiction's economy. In addition, during such times, companies that operate in emerging markets can face severe liquidity constraints as foreign funding sources are withdrawn. Thus, even if a Relevant Jurisdiction's economy remains relatively stable, financial turmoil in any emerging market country could adversely affect the Group's business. Companies with operations in countries in emerging markets may be particularly susceptible to disruptions in the capital markets and the reduced availability of credit or the increased cost of debt, which could result in them experiencing financial difficulty. In addition, the availability of credit to entities operating within emerging markets is significantly influenced by levels of investor confidence in such markets as a whole and so any factors that impact market confidence (for example, a decrease in credit ratings or state or central bank intervention) could affect the price or availability of funding for entities within any of these markets.

Economic, political or social instability in the Relevant Jurisdictions may have a material adverse effect on the Group's operations and profits.

Any significant changes in the political, economic or social environments in any of the Relevant Jurisdictions, including changes affecting the stability of the government or involving a rejection, reversal or significant modification of policies, favouring the privatisation of state-owned enterprises, or reforms,

including in the power, banking and oil and gas sectors, may have negative effects on such Relevant Jurisdictions' economies, government revenue or foreign reserves. Should there be a material deterioration in the economy, government revenue or foreign reserves of any of the Relevant Jurisdictions, companies operating in these jurisdictions, including the Group, may be subject to higher capital costs and lower customer demand for their services, each of which could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and/or prospects.

DRC has high levels of poverty and political and social instability, which have had a negative effect on the economy. The incumbent president was scheduled to relinquish power when his second term limit expired on 19 December 2016, but the electoral commission announced in October 2016 that the elections would be postponed, leading to widespread protests and unrest. Although elections were held in December 2018 and an opposition candidate was declared the winner, the result was challenged on the basis of fraud due to an alleged alliance between the incumbent president and the winning candidate, resulting in further calls for new elections from opposition leaders and regional African bodies. The new president took office in January 2019; however, in April 2019 a coalition of groups supporting the former president won large victories in elections for provincial governors prompting protests by supporters of the new president. Ongoing political instability in DRC could lead to armed conflict and pose a significant risk to the country's stability. Certain regions of DRC, particularly the eastern province of Kasai, have undergone civil unrest, instability and fighting between militias and the armed forces that has resulted in a refugee crisis and has had and will continue to have an impact on political, social and economic conditions in DRC generally. The impact of further political, economic or social unrest in DRC could have a material adverse effect on the Group's operations there.

In Tanzania, government action has resulted in a deterioration in business sentiment due to perceived risks resulting from intensified government efforts to collect revenue and police anti-corruption, which has resulted in unpredictable policy initiatives and has delayed payment of government debts to suppliers and contractors and tax refunds, according to The World Bank. Tanzania's main port has been effectively closed by the government imposing high taxes on goods passing through it and foreign mining companies have also been subject to tax penalties and property seizures, leading some foreign investors to close their operations in Tanzania. According to reports by the United Nations Conference on Trade and Development, World Investment Report, 2018 (the "World Investment Report 2018"), foreign direct investment ("FDI") inflows to Tanzania decreased by 43.5 per cent. to US\$1.2 billion in 2017 compared to 2013. If business sentiment continues to weaken, this could lower private investment in Tanzania and reduce growth.

In Ghana, there have recently been scattered ethnic clashes in the northern part of the country, mainly caused by the perceived polarisation of minority and majority ethnic groups and a feeling of inequality. This conflict led to the deployment of military personnel into the affected areas and the establishment of a curfew by the government in those areas. Ghana's high levels of public debt and inflation have had an adverse effect on economic activity, public expenditure and other macroeconomic variables. The poor state of public finances, weak policy implementation and lack of policy credibility resulted in Ghana requesting an International Monetary Fund ("IMF") bailout in August 2014 and requesting further modification of the performance criteria in 2016.

Congo Brazzaville has seen significant political unrest in recent years, including, between 2016 and 2017, the shutdown of internet and television networks as a security measure for a few days prior to the 2016 presidential election; shootings in opposition strongholds following the re-election of the president; airstrikes and a ground offensive targeting the command centres of a former militia leader; the displacement of over 100,000 people following ground offensives in the Pool region; and the arrest of some of those who contested the 2016 election results (including candidates who also ran for president). In the Parliamentary elections held in July 2017, the vote had to be postponed in eight of the 14 constituencies of the Pool region due to continued violence. In addition, following the sharp decline in oil prices in 2014, Congo Brazzaville's economic output decreased by 50 per cent. and its national debt rose to 110 per cent. of its GDP. While it has slowly recovered in 2019, Congo Brazzaville's economy has been in a recession since 2015 and the Government has agreed a debt support programme with the International Monetary Fund in order to refinance its foreign debt. While the terms of the agreement were agreed in May 2019, the governing board of the International Monetary Fund still has to approve the deal, which will likely impose conditions on the Government and may be accompanied by obligations to restructure its debt.

Any significant changes in the political, economic or social climate in the Relevant Jurisdictions, including changes affecting the stability of the government or involving a rejection, reversal or significant modification of policies, favouring the privatisation of state-owned enterprises, or reforms, including in the power, banking and oil and gas sectors, may have negative effects on the economy, government revenue or foreign

reserves and, as a result, a material adverse effect on the Group's business, financial condition, results of operations, cash flows and/or prospects.

Unpredictable tax systems give rise to significant uncertainties and risks that could complicate the Group's tax planning and business decisions.

The tax systems in the Relevant Jurisdictions are unpredictable, which gives rise to significant uncertainties and complicates the Group's tax planning and business decisions. As emerging market economies, the Relevant Jurisdictions' government policies and regulations on taxation, customs and excise duties may change from time to time as is considered necessary for the development of the economy. The tax authorities in the Relevant Jurisdictions are often arbitrary in their interpretation of tax laws, as well as in their enforcement and tax collection activities. For example, the Ghanaian Government has taken steps to (i) make income tax provisions more specific, relevant and straightforward through the enactment of the Income Tax Act 2015/896 ("Act 896"); and (ii) consolidate the tax authority's power in a single law, the Income Tax Act 2016/915 ("Act 915"), to simplify the administration of taxes and reduce the loss of revenues due to ineffective tax collection. However, Act 896 and Act 915 contain many untested rules and there is little or no judicial precedent as to how strictly the courts would interpret them.

In addition, in certain of the Relevant Jurisdictions, the characterisation of the intragroup lending arrangements from a tax perspective is uncertain because certain of the Relevant Jurisdictions have requirements to contract on arm's length terms, which term is not clearly defined. Changes in government policies on taxation, customs and excise duties, as well as inconsistencies in the interpretation of and decisions relating to tax laws, may have an adverse effect on the Group's business, financial condition, results of operations, cash flows and/or prospects. A failure by the Group to meet any of these taxation requirements, such as specific debt-to-equity ratios for the capitalisation of the Group companies, could also have an adverse effect on the Group's business, financial condition, results of operations, cash flows and/or prospects.

Many of the Group's operating companies are forced to negotiate their tax bills with tax inspectors who may assess additional taxes. The Group is currently subject to tax audits and tax reviews in the various jurisdictions in which it operates and has been the subject of tax challenges in some of these jurisdictions. Any additional tax liability, as well as any unforeseen changes in applicable tax laws or changes in the tax authority's interpretation of local laws or the respective double tax treaties in effect in the Relevant Jurisdictions (including measures enacted in response to the ongoing initiatives in relation to fiscal legislation at an international level, such as the Action Plan on Base Erosion and Profit Shifting of the Organization for Economic Co-operation and Development) could have a material adverse effect on the Group's future results of operations and cash flows, especially if the Group is unable to pass these taxes on to its customers. Such amounts may not be sufficient to meet any liability the Group may ultimately face, or the Group may identify tax contingencies for which it has not recorded an accrual. Local authorities in some countries in which the Group operates are entitled to freeze the Group's bank accounts until amounts due (or provisional amounts) have been paid, which could have a material adverse effect on the Group's financial condition.

The Relevant Jurisdictions suffer from chronic electricity shortages.

Failure to adequately and permanently address the significant deficiencies in each of the Relevant Jurisdictions' electricity generation, transmission and distribution infrastructure and related concerns within the electricity sector could lead to lower GDP growth and hamper the development of these economies which, in turn, may decrease customer demand for the Group's services. If this did occur, it may have an adverse effect on the Group's business, financial condition, results of operations, cash flows and/or prospects.

By way of example, Ghana has experienced significant shortages in electricity supply in the last two decades. Between 2013 and 2015, Ghana suffered an extensive electricity crisis. The country was declaring planned shut downs of part or parts of the country's electricity grid, known colloquially as "load shedding", in the range of 90 to 300 megawatts daily because of the deficit in electricity generation. This led to the collapse of many businesses since they were forced to seek alternative sources of power, which were unusually expensive. The government executed various agreements to generate enough electricity to meet the demand. The success of the project aimed at increasing electricity generation in the country has led to a more stable supply of electricity; however, there can be no assurance that similar electricity shortages will not impact Ghana in the future.

Tanzania also has electricity shortages. Tanzania is reliant on hydroelectric power which makes electricity shortages more frequent in the summer months when there is less rainfall. There are small and off-grid

electricity stations, but these are insufficient to meet demand or to promote widespread industrialisation. Tanzania's national electricity company, TANESCO, continues to struggle financially, leading to underinvestment in transmission and distribution capabilities.

In Congo Brazzaville, disruption to the rail transportation between Pointe-Noire and Brazzaville following violence breaking out in connection with the 2016 elections caused fuel shortages in Brazzaville and part of the northern part of Congo Brazzaville. Moreover, an electricity shortage has forced Congo Brazzaville to import increasing amounts of electricity from DRC. Congo Brazzaville's plans to reduce its reliance on electricity imports by expanding current facilities and constructing additional generation facilities may be unsuccessful.

In DRC, despite two existing hydroelectric dams connected to one of the largest waterfalls in the world, DRC's national electricity utility ("SNEL") cannot meet the growing energy needs and electricity demands of the vast country, primarily due to the age and poor maintenance of SNEL electricity stations. As a result, DRC has one of the lowest electricity supply rates in the world and its electrical grid is subject to constant electricity outages. Furthermore, as a result of the remoteness of the locations in which some of the Group's sites in DRC are situated, only 52 per cent. of the Group's sites in DRC were connected to the electrical grid as of 30 June 2019.

South Africa has experienced electricity shortages since the mid-2000s, caused by shortages of coal and diesel and delays in building new plants and maintenance on existing plants. Although the electricity supply in South Africa had improved prior to this year, Eskom, the state energy provider, began "load shedding" in December 2018. This "load shedding" rose to Stage 4 in February 2019 and was reinstated in March 2019. Under Stage 4, approximately 80 per cent. of the country's demand is met through scheduled shutdowns 12 times over a four-day period for two hours at a time, or 12 times over an eight-day period for four hours at a time. Eskom's inability to fully meet the country's demand for electricity has led and may continue to lead to rolling blackouts, unscheduled power cuts and surveillance programmes to ensure non-essential lighting and electricity appliances are powered off.

Failure to adequately address actual and perceived risks of corruption may adversely affect the Relevant Jurisdictions' economies and ability to attract FDI.

Although the Relevant Jurisdictions have implemented and are pursuing initiatives to prevent and fight corruption and unlawful enrichment, corruption remains a significant issue across Africa and in emerging markets. The Relevant Jurisdictions have the following rankings in Transparency International's 2018 Corruption Perceptions Index:

- Congo Brazzaville: 165 out of 180;
- DRC: 161 out of 180;
- Tanzania: 99 out of 180;
- Ghana: 78 out of 180; and
- South Africa: 73 out of 180.

Despite various reform efforts, corruption continues to be a serious problem impacting the Relevant Jurisdictions. For example, although an anti-corruption framework is in place, the government of Congo Brazzaville has not implemented anti-corruption laws effectively and government officials engage in corruption, with corruption-related prosecutions frequently politically motivated. Failure to address these issues, continued corruption in the public sector and any future allegations of, or perceived risk of, corruption in any of the Relevant Jurisdictions could have an adverse effect on that Relevant Jurisdiction's economy and may have a negative effect on its ability to attract foreign investment and, as a result, may have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and/or prospects.

High inflation could have a material adverse effect on the Relevant Jurisdictions' economies.

Inflation in some of the Relevant Jurisdictions has historically been high and in certain jurisdictions continues to increase.

- In Ghana, while monthly inflation decreased during 2019 to 9.1 per cent. in June 2019, historically the country has undergone periods of significant inflation. For example, according to the Bank of Ghana, monthly inflation of the Ghanaian cedi rose from 17.7 per cent. at the end of December 2015 to

19.2 per cent. at the end of March 2016. This marked an increase from the inflationary rate of 16.5 per cent. at the end of 2014. The increase was due mainly to: (i) the pass-through effect of upward adjustments in utilities and fuel prices; and (ii) depreciation of the value of the Ghanaian cedi.

- In Tanzania, monthly inflation reached a high of 19.8 per cent. in December 2011 but has more recently been low, at 3.7 per cent. in June 2019.
- The inflation rate in DRC increased significantly between 2015 and 2017. Monthly inflation increased from 1.44 per cent. in February 2015 to 70.75 per cent. in August 2017. Since 2017, monthly inflation has fallen to 4.95 per cent. in April 2019.

If inflation levels in any of the Relevant Jurisdictions materially increase, the economy of such Relevant Jurisdiction may be adversely affected as a result of, amongst other things, a decline in the purchasing power of its inhabitants.

Risks Related to the Global Offer and the Offer Shares

Certain countries in which the Group operates treat an indirect change of control of the local Group company as triggering tax liabilities for that local Group company. The Escrow Shareholders have put in place arrangements for an amount to be held under an escrow arrangement which is currently expected to be sufficient to cover these liabilities. However, uncertainties regarding the valuation of the subsidiaries which may be liable to pay those tax liabilities at the point in time at which a change of control occurs and the administration of the applicable tax rules may result in the funds committed by the Escrow Shareholders to cover these liabilities not being sufficient, in which case any additional amounts payable will be borne by the Group without recourse to the Escrow Shareholders.

In Tanzania, Ghana and Congo Brazzaville, a change of control of more than 50 per cent. of the ultimate beneficial ownership of the relevant local Group company (which is calculated over a three-year period in Tanzania and Ghana) will give rise to tax liabilities (“Change of Control Taxes”) payable by that local Group company.

An indirect change of control giving rise to Change of Control Taxes may occur at the time of the Global Offer, taking into account factors including the number of Sale Shares sold and New Shares issued in the Global Offer. If the Change of Control Taxes are not triggered by the Global Offer, they are likely to be triggered by a subsequent sell-down of Shares by the Existing Shareholders, or potentially by another corporate event such as a future issuance of Shares by the Company, taken together with the Global Offering.

The amount of Change of Control Taxes payable in each relevant country is determined by the valuation of the Group’s business in that country at the time of the relevant change of control. In addition, the valuation methodology for calculating the relevant liabilities is subjective. The Group has, therefore, appointed independent third-party tax and valuation experts to assist it in estimating the Group’s potential liabilities in each of the relevant countries and the amounts that should be provided for to cover these liabilities.

To cover these potential Change of Control Taxes and various other fees (including certain fees of the Underwriters in respect of the Sale Shares), expenses and taxes payable by Shareholders in connection with the Global Offer (together, the “Shareholder Global Offer Costs”), the Escrow Shareholders (as defined in Part XX: “Definitions”) have agreed to contribute approximately US\$130 million (the “Escrow Amount”), which may be paid in cash or retained from the net proceeds of the Global Offer payable to them pending determination of the final amounts of certain Shareholder Global Offer Costs. The Escrow Amount will be held under an escrow arrangement and the Group will be entitled to apply funds from the Escrow Amount to discharge Shareholder Global Offer Costs without further action from the Escrow Shareholders. The escrow arrangement will remain in place until the Directors are satisfied that all material Shareholder Global Offer Costs have been settled or the applicable statute of limitations periods for bringing claims in the specified countries have expired or any ongoing appeal by any member of the Group in respect of Change of Control Taxes is settled, whichever is earlier. For more information about the Escrow Amount and the escrow arrangements, see paragraph 13.3 of Part XIX: “Additional Information — Material Contracts — Escrow Documents”.

Based on the Company’s evaluation of the potential Change of Control Taxes (following the advice it has received from independent third-party tax and valuation experts), the Company believes the Escrow Amount is sufficient to cover its current estimate of the aggregate Change of Control Taxes, as well as the other Shareholder Global Offer Costs. The Escrow Amount also includes a buffer amount in case amounts in excess of the Group’s estimate are determined to be payable. However, there is a risk that the actual

Change of Control Taxes will exceed the Company's estimates thereof and the buffer amount (and accordingly, the Escrow Amount). If the Change of Control Taxes and the other Shareholder Global Offer Costs exceed the Escrow Amount, the relevant local Group company will be required to fund the excess itself and the Group would not have further recourse to the Escrow Shareholders, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

After the Global Offer, the Principal Shareholders will continue to be able to exercise significant influence over the Group, its management and its operations.

Following the Global Offer, Millicom Holding B.V., Quantum Strategic Partners, Ltd., Lath Holdings Ltd., ACM Africa Holdings, LP, RIT Capital Partners plc, IFC African Latin American and Caribbean Fund, LP and International Finance Corporation (together, the "Principal Shareholders") are expected to continue to hold Shares in the Company. In particular, following the Global Offer, three of the Principal Shareholders will each exercise or control the exercise of more than 10 per cent. of the voting rights in the Company and will, pursuant to the terms of the Shareholders' Agreement (see paragraph 13.2 of Part XIX: "Additional Information — Material Contracts — Shareholders' Agreement"), each be entitled to appoint a Director to the board of directors of the Company (the "Board"). Additionally, the Principal Shareholders will, through the votes they will be able to exercise at general meetings of the Company, be able to exercise a significant degree of influence over the Group's operations and over its shareholders' meetings, such as in relation to the declaration of dividends, the appointment and removal of Directors, the approval of significant transactions entered into by the Group and changes in the Group's capital structure.

There can be no assurance that the interests of the Principal Shareholders will align with the interests of the Group or those who invest in the Offer Shares. The Principal Shareholders may make acquisitions of, or investments in, other businesses in the same sector as the Group. These businesses may be, or may become, competitors of the Group. Although corporate law and board governance arrangements contain provisions seeking to restrict Directors appointed by the Principal Shareholders from voting on matters where there are conflicts of interest and from using information obtained during their appointments, these and other measures may not be sufficient to safeguard the interests of other Shareholders.

There is no existing market for the Offer Shares and an active trading market for the Offer Shares may not develop or be sustained.

Prior to the Global Offer, there has been no public trading market for the Offer Shares. The Offer Price will be determined by the Selling Shareholders and the Company in consultation with the Joint Global Co-ordinators and may not be indicative of the market price for the Offer Shares following Admission. Although the Company intends to apply to the FCA for admission to the premium listing segment of the Official List and intends to apply to the London Stock Exchange for admission to trading on its main market for listed securities, the Group can give no assurance that an active trading market for the Offer Shares will develop or, if developed, can be sustained following the closing of the Global Offer. If an active trading market does not develop or is not sustained, the liquidity and trading price of the Offer Shares could be materially adversely affected and investors may have difficulty selling their Offer Shares.

The value of the Offer Shares may fluctuate significantly.

Following the Global Offer, the value of the Offer Shares may fluctuate significantly as a result of a large number of factors, including, but not limited to, those referred to in this Part II: "Risk Factors", as well as period-to-period variations in operating results or changes in revenue or profit estimates by the Group, industry participants or financial analysts. The value of the Offer Shares could also be affected by developments unrelated to the Group's operating performance, such as the operating and share price performance of other companies that investors may consider comparable to the Group, speculation about the Group in the press or investment community, strategic actions by competitors, including acquisitions and/or restructurings, changes in market conditions and regulatory changes in any number of countries, whether or not the Group derives significant revenue therefrom.

The market price of the Offer Shares could be negatively affected by sales of substantial amounts of Shares in the public markets, including following the expiry of the lock-up period, or the perception that such sales could occur.

Following the Global Offer, the Existing Shareholders will own beneficially, in aggregate, 78.3 per cent. of the Company's issued share capital (assuming the Over-allotment Option is not exercised and 75.0 per cent. if the Over-allotment Option is exercised in full). The Existing Shareholders are subject to restrictions on the sale and/or transfer of their respective holdings in the Company's Shares as described in paragraph 10 of

Part XVIII: “*The Global Offer — Lock-up Arrangements*”. The issue or sale of a substantial number of Shares by the Existing Shareholders in the public market after the lock-up restrictions in the Underwriting Agreement (as defined in Part XX: “*Definitions*”) expire (or are waived by the Joint Global Co-ordinators), or the perception that these sales may occur, may depress the market price of the Shares and could impair the Company’s ability to raise capital through the issuance of additional Shares.

The issuance of additional Shares in connection with future acquisitions, any share incentive or share option plan or otherwise may dilute all other shareholdings.

The Group may seek to raise financing to fund future acquisitions and other growth opportunities, invest in its business, or for general corporate purposes. The Group may, for these and other purposes, such as in connection with share incentive and share option plans, issue additional Shares or securities convertible into Shares. As a result, Shareholders may suffer dilution in their percentage ownership or the price of the Shares may be adversely affected.

Shareholders may not receive dividends.

The Group’s financial condition and results of operations are dependent on its trading performance. There can be no assurance that the Company will pay dividends in the future. Any decision to declare and pay dividends in the future will be made at the discretion of the Board and will depend on, amongst other things, applicable law, regulation, restrictions, the Group’s financial position, regulatory capital requirements, working capital requirements, finance costs, general economic conditions and other factors the Board deem significant from time to time. The Company’s ability to pay dividends will also depend on the level of distributions, if any, received from its operating subsidiaries. In addition, under the terms of the Senior Notes, the Group’s ability to pay dividends is restricted, unless certain financial covenants are satisfied. Such restrictions will remain in place until the redemption or maturity of the Senior Notes.

Pre-emptive rights may not be available to U.S. holders of the Offer Shares.

U.S. holders of the Offer Shares may not be able to receive (or trade) or exercise pre-emptive rights for new shares unless a registration statement under the U.S. Securities Act is effective with respect to such rights or an exemption from the registration requirements of the U.S. Securities Act is available. The Company does not plan to become a registrant under the U.S. securities laws. If U.S. holders of the Offer Shares are not able to receive (or trade) or exercise pre-emptive rights granted in respect of their Offer Shares in any pre-emptive offering by the Company, then they may not receive the economic benefit of such rights. In addition, their proportional ownership interests in the Company will be diluted.

Overseas Shareholders may face currency exchange risks by investing in the Offer Shares.

The Offer Shares are, and any dividends to be paid in respect of the Offer Shares will be, denominated in pounds sterling. An investment in the Offer Shares by an investor whose principal currency is not pounds sterling exposes the investor to currency exchange rate risk that may impact the value of the investment in the Offer Shares or any dividends.

PART III

PRESENTATION OF INFORMATION ON THE GROUP

General

Investors should only rely on the information in this Prospectus. No person has been authorised to give any information or to make any representations in connection with the Global Offer other than the information and representations contained in this Prospectus and, if any other information or representations is or are given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Directors, the Selling Shareholders or the Underwriters. No representation or warranty, express or implied, is made by any Underwriter or any selling agent as to the accuracy, completeness or verification of the information set forth in this Prospectus, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by the Underwriters or any selling agent as to the past, present or future.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G of the FSMA and paragraph 3.4.1 of the Prospectus Regulation Rules, neither the delivery of this Prospectus nor any sale made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or of the Group taken as a whole since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

None of the Company, the Directors, the Selling Shareholders or the Underwriters accepts any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Company, the Group or the Global Offer. None of the Company, the Directors, the Selling Shareholders or the Underwriters makes any representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

This Prospectus has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129; such approval should not be considered as an endorsement of the company that is the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The Company will update the information provided in this Prospectus by means of a supplement hereto if a significant new factor that may affect the ability of prospective investors to make an informed assessment of the Global Offer occurs prior to Admission or if this Prospectus contains any material mistake or inaccuracy. Any supplement to this Prospectus will be subject to approval by the FCA and will be made public in accordance with the Prospectus Regulation Rules. If a supplement to this Prospectus is published prior to Admission, investors shall have the right to withdraw their subscriptions made prior to the publication of the supplement. Such withdrawal must be done within the time limits set out in the supplement (if any) (which shall not be shorter than two days after publication of the supplement).

The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult its, his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice in relation to any purchase or proposed purchase of Offer Shares. In making an investment decision, each investor must rely on his or her own examination, analysis and enquiry of the Company and the terms of the Global Offer, including the merits and risks involved.

In connection with the Global Offer, any of the Underwriters and any of their respective affiliates may take up a portion of the Offer Shares in the Global Offer as a principal position and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its or his or her own account(s) in the Offer Shares, any other securities of the Company or other related investments in connection with the Global Offer and may offer or sell such Offer Shares or other related investments in connection with the Global Offer or otherwise. Accordingly, references in this Prospectus to the Offer Shares being offered or otherwise dealt with should be read as including any offer to, or dealing by, the Underwriters and any of their respective affiliates acting as an investor for its or his or her own account(s). In addition, certain of the Underwriters or their affiliates may enter into financing arrangements (including swaps) with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of Shares. None of the Underwriters or any of their respective affiliates intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

None of the Company, the Directors, the Selling Shareholders or the Underwriters is making any representation to any offeree or purchaser of the Shares regarding the legality of an investment by such offeree or purchaser.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Underwriters by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of the Underwriters accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the contents of this Prospectus, including its accuracy, completeness or verification, or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Group, the Shares or the Global Offer, and nothing in this Prospectus is, or shall be relied upon as, a promise or representation in this respect, whether or not to the past or the future. Each of the Underwriters accordingly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement.

The Underwriters and any of their respective affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services for, the Company and the Selling Shareholders for which they would have received customary fees.

Prior to making any decision as to whether to purchase Offer Shares, prospective investors should read this Prospectus in its entirety and should not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination, analysis and enquiries of the Company and the terms of the Global Offer, including the merits and risks involved.

Investors who purchase Offer Shares in the Global Offer will be deemed to have acknowledged that: (i) they have not relied on any of the Underwriters or any person affiliated with any of them in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision; and (ii) they have relied only on the information contained in this Prospectus, and no person has been authorised to give any information or to make any representation concerning the Company, the Group or the Offer Shares (other than as contained in this Prospectus) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company, the Directors, the Selling Shareholders or any of the Underwriters.

Presentation of Financial and Other Information

The Historical Financial Information (as defined below) has been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board as adopted by the European Union (“IFRS”). The Historical Financial Information is presented in U.S. dollars, which is the Group’s presentational currency. Except as indicated, financial information presented is to the nearest U.S. thousand dollars. The Historical Financial Information is prepared on a going concern basis using the historical cost as modified by the revaluation for certain financial assets and liabilities.

Part XV: “*Historical Financial Information*” includes the Historical Financial Information, as well as an Accountants’ Report thereon prepared by Deloitte LLP, and the historical financial information for Helios Towers plc as of 1 August 2019 (the “Historical Financial Information for Helios Towers plc”), as well as the Accountants’ Report thereon prepared by Deloitte LLP. Part XV: “*Historical Financial Information*” is set out in four parts as follows:

- Part A sets out Deloitte LLP’s Accountants’ Report on the Historical Financial Information;
- Part B sets out the Historical Financial Information and includes the accounting policies and notes, including the notes to the Historical Financial Information;
- Part C sets out Deloitte LLP’s Accountants’ Report on the Historical Financial Information for Helios Towers plc; and
- Part D sets out the Historical Financial Information for Helios Towers plc.

Historical financial information

Unless otherwise indicated, Historical Financial Information in this Prospectus related to the Group has been extracted from the Group’s consolidated historical financial information as of and for the three years ended 31 December 2016, 2017 and 2018 and as of and for the six months ended 30 June 2018 and 2019 (the “Historical Financial Information”), in all cases prepared in accordance with IFRS. The Historical Financial

Information has been prepared in accordance with the requirements of the Prospectus Regulation Rules. The Historical Financial Information was also prepared in accordance with the provisions of the Mauritian Companies Act, which requirements are in addition to, and do not conflict with, the requirements under IFRS.

The Historical Financial Information for Helios Towers plc in this Prospectus has been extracted from Helios Towers plc's historical financial information as of 1 August 2019, prepared in accordance with IFRS. The Historical Financial Information for Helios Towers plc has been prepared in accordance with the requirements of the Prospectus Regulation Rules.

The Historical Financial Information (excluding the historical financial information for the six months ended 30 June 2018) and the Historical Financial Information for Helios Towers plc are covered by the accountants' report issued by Deloitte LLP, a member firm of Deloitte Touche Tohmatsu Limited, located at 1 New Street Square, London, EC4A 3HQ, United Kingdom, in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom.

The Historical Financial Information as of and for the six months ended 30 June 2018 in this Prospectus has been extracted from the Group's accounting records and is unaudited.

In this Prospectus, no representation is made that any foreign currency in the countries in which the Group operates or U.S. dollar amounts referred to in this Prospectus could have been or could be converted into U.S. dollars, as the case may be, at any particular rate or at all. See "— *Exchange Controls*".

The financial information included in this Prospectus was not prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). There could be significant differences between IFRS, as applied by the Group, and U.S. GAAP. The Group neither describes the differences between IFRS and U.S. GAAP nor reconciles its IFRS financial statements to U.S. GAAP. The financial information included in this Prospectus is not intended to comply with the U.S. Securities and Exchange Commission's reporting requirements. Compliance with such requirements would require the modification, reformulation or exclusion of certain financial measures. In addition, changes would be required in the presentation of certain other information.

Pro forma financial information

In this Prospectus, any reference to "*pro forma*" financial information is to information that has been extracted without material adjustment from the unaudited *pro forma* financial information contained in Part XVI: "*Unaudited Pro Forma Financial Information*". The unaudited *pro forma* financial information comprises an unaudited *pro forma* statement of consolidated net assets of the Group at 1 August 2019 and an unaudited narrative *pro forma* statement of profit and loss and other comprehensive income of the Group.

The unaudited *pro forma* financial information has been prepared on the basis described in Part B of Part XVI: "*Unaudited Pro Forma Financial Information*" and in accordance with Annex 20 of the Prospectus Delegated Regulation to illustrate the impact of the Pre-IPO Reorganisation and the Global Offer on the net assets and profit and loss and other comprehensive income of the Group had these taken place at 1 August 2019. The Pre-IPO Reorganisation will be accounted for as a common control transaction.

The unaudited *pro forma* financial information is for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Group's actual financial position or results of operations. Future results of operations may differ materially from those presented in the *pro forma* information due to various factors. The unaudited *pro forma* financial information has not been prepared, or shall not be construed as having been prepared, in accordance with the Regulation S-X under the U.S. Securities Act.

Rounding

Rounding adjustments have been made in calculating some of the financial and operating information included in this Prospectus. As a result, numerical figures shown as total amounts in some tables may not be exact arithmetic aggregations of the figures that make up such total amounts.

Statistical and non-IFRS measures

The Group has included in this Prospectus statistical data relating to its business, such as the number of sites, number of tenancies, tenancy ratio, contracted revenue and the weighted average remaining life of its customers' site contracts. The Group has described the manner in which it calculated this data in this Prospectus. This data is derived from management estimates and is not part of the Historical Financial

Information and has not been audited or reviewed by auditors, consultants or experts. Other companies in the telecommunications tower industry may calculate and present this data in a different manner and, therefore, the Group's data, when compared with data presented by other companies, may not be directly comparable.

This Prospectus presents supplemental measures of the Group's performance and financial position that are not required by, or presented in accordance with, IFRS ("Non-IFRS measures"). These Non-IFRS measures include Adjusted EBITDA, last quarter annualised Adjusted EBITDA, Adjusted EBITDA margin, gross debt, net debt, gross leverage, net leverage, Portfolio Free Cash Flow, Leveraged Portfolio Free Cash Flow, Adjusted Free Cash Flow and Free Cash Flow.

A reconciliation of each of the Non-IFRS measures to the most directly comparable measures calculated and presented in accordance with IFRS and a discussion of their limitations are set out below. The Group does not regard these Non-IFRS measures as a substitute for, or superior to, the equivalent measures calculated and presented in accordance with IFRS or those calculated using financial measures that are calculated in accordance with IFRS. Each Non-IFRS financial measure has limitations as an analytical tool, and each measure should not be considered in isolation from, or as a substitute for, analysis of the Group's financial condition, cash flows, or results of operations, as reported under IFRS. In addition, the Non-IFRS financial measures are not standardised terms, hence, a direct comparison between companies using such terms may not be possible.

The Group defines "Adjusted EBITDA" as loss for the period, adjusted for tax expenses, finance costs, other gains and losses, interest receivable, loss on disposal of property, plant and equipment, amortisation and impairment of intangible assets, depreciation and impairment of property, plant and equipment, depreciation of right-of-use assets, recharged depreciation, deal costs for aborted acquisitions, deal costs not capitalised, share-based payments and long-term incentive plan charges, and exceptional items. Exceptional items are material items that are considered exceptional in nature by management by virtue of their size and/or incidence. Adjusted EBITDA is not a measure of financial performance or liquidity under IFRS and should not be considered as an alternative to net profit, income from operations or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities as a measure of liquidity.

Adjusted EBITDA is the measure used by the Group to assess the performance of its businesses and is therefore the measure of segment profit that the Group presents under IFRS. Adjusted EBITDA is also presented on a Group basis because the Group believes it is important to consider profitability on a basis consistent with that of its operating segments. When presented on a consolidated basis, Adjusted EBITDA is a Non-IFRS measure.

The Group believes that Adjusted EBITDA facilitates 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 on periods or companies 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 exceptional items because it believes they are not indicative of its underlying trading performance. Adjusted EBITDA has been presented because the Group believes that it is frequently used by securities analysts, investors and other interested parties in evaluating similar companies, many of whom present such Non-IFRS measures when reporting their results.

The Group defines "last quarter annualised Adjusted EBITDA" as Adjusted EBITDA for a three-month period of a respective year multiplied by four. In this Prospectus, the Group defines "last quarter annualised Adjusted EBITDA" as Adjusted EBITDA for the three months ended 30 June of the respective year multiplied by four, unless otherwise stated.

The Group defines "Adjusted EBITDA margin" as Adjusted EBITDA divided by revenue.

Adjusted EBITDA, last quarter annualised Adjusted EBITDA and Adjusted EBITDA margin have limitations as analytical tools. Some of these limitations are:

- they do not reflect cash outlays for capital expenditures or contractual commitments;
- they do not reflect changes in, or cash requirements for, working capital;
- they do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments on indebtedness;

- they do not reflect tax expense or the cash necessary to pay income taxes;
- although depreciation and amortisation are non-cash charges, the assets being depreciated and amortised will often have to be replaced in the future and Adjusted EBITDA does not reflect the cash requirements for such replacements; and
- other companies, including companies in the Group's industry, may calculate these measures differently than as presented in this Prospectus, limiting the usefulness of these measures for comparative purposes.

For a quantitative reconciliation of the Group's loss for the period to Adjusted EBITDA, see Part XII: *"Selected Financial and Operating Information"*.

The Group defines "gross debt" as its non-current loans and current loans and long-term and short-term lease liabilities. The Group defines "net debt" as its gross debt less cash and cash equivalents. The Group defines "gross leverage" as gross debt divided by Adjusted EBITDA as of 31 December 2016, 31 December 2017, 31 December 2018, and gross debt divided by Last Quarter Annualised Adjusted EBITDA as of 30 June 2018 and 30 June 2019. The Group defines "net leverage" as net debt divided by Adjusted EBITDA as of 31 December 2016, 31 December 2017, 31 December 2018, and net debt divided by Last Quarter Annualised Adjusted EBITDA as of 30 June 2018 and 30 June 2019. The Group presents gross debt, net debt, gross leverage and net leverage in this Prospectus for use in evaluating the Group's capital structure and leverage. Gross debt, net debt, gross leverage and net leverage are not measurements of financial position under IFRS and should not be considered as alternatives to total debt outstanding, total liabilities or any other performance measure derived in accordance with IFRS. Gross debt, net debt, gross leverage, net leverage and similar measures are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. Accordingly, caution is required in comparing these measures as reported by the Group to similar measures of other companies.

The Group defines "Portfolio Free Cash Flow" as Adjusted EBITDA less tax paid, maintenance and corporate capital expenditure and cash payments in respect of lease liabilities (including related interest). The Group defines "Leveraged Portfolio Free Cash Flow" as Portfolio Free Cash Flow less net payment of interest. The Group defines "Adjusted Free Cash Flow" as Leveraged Portfolio Free Cash Flow less investment capital expenditure. The Group defines "Free Cash Flow" as Adjusted Free Cash Flow less cash flows from changes in working capital, exceptional items, deal costs, the Vodacom Tanzania Plc share repurchase and the proceeds from the disposal of assets. The Group presents Portfolio Free Cash Flow, Leveraged Portfolio Free Cash Flow, Adjusted Free Cash Flow and Free Cash Flow in this Prospectus because it believes that these metrics facilitate the comparison of cash generation from existing assets between periods and companies in the sector in which the Group operates. Portfolio Free Cash Flow, Leveraged Portfolio Free Cash Flow, Adjusted Free Cash Flow and Free Cash Flow are not measures of financial performance or liquidity under IFRS and should not be considered as alternatives to cash flow from operating activities as a measure of liquidity. For a quantitative reconciliation of the Group's Portfolio Free Cash Flow, Leveraged Portfolio Free Cash Flow, Adjusted Free Cash Flow and Free Cash Flow to cash flow from operating activities see Part XII: *"Selected Financial and Operating Information"*.

Portfolio Free Cash Flow, Leveraged Portfolio Free Cash Flow, Adjusted Free Cash Flow and Free Cash Flow do not reflect any restrictions on the transfer of cash and cash equivalents within the Group or any requirement to repay the Group's loans and do not take into account cash flows that are available from disposals or the issue of shares. The Group therefore takes such factors into account in addition to these measures when determining the resources available for acquisitions and for distribution to shareholders.

Currency Presentation

Unless otherwise indicated, all references in this Prospectus to "sterling", "pounds sterling", "GBP", "£" or "pence" are to the lawful currency of the United Kingdom. All references to "euro" or "€" are to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended. All references to "U.S. dollars", "USD" or "US\$" are to the lawful currency of the United States. All references to "Rand", "R" or "ZAR" are to the lawful currency of the Republic of South Africa. All references to "Tanzanian shilling" are to the lawful currency of the United Republic of Tanzania. All references to "Congolese franc" are to the lawful currency of the Democratic Republic of Congo. All references to "cedi" are to the lawful currency of the Republic of Ghana. All references to "Central African franc" or "XAF" are to the currency used by the members of the Central African Economic and Monetary Community, of which the Republic of Congo is one.

The Group prepares its financial statements and the Historical Financial Information included in this Prospectus in U.S. dollars. Unless otherwise indicated, the Historical Financial Information contained in this Prospectus is presented in U.S. dollars on a consolidated basis.

U.S. dollar translation

For illustrative purposes only, this Prospectus presents unaudited translations of the currencies used in the countries in which the Group operates to amounts in U.S. dollars at the relevant exchange rates as of 30 June 2019.

No representation is made that the Tanzanian shilling, Congolese franc, Ghanaian cedi, Central African franc, South African rand or the U.S. dollar amounts in this Prospectus could have been converted into U.S. dollars or Tanzanian shillings, Congolese francs, Ghanaian cedis or Central African francs, as the case may be, at any particular rate or at all. In addition, fluctuations in the exchange rate between the Tanzanian shilling, the Congolese franc, the Ghanaian cedi, the Central African franc and the U.S. dollar in the past are not necessarily indicative of fluctuations that may occur in the future.

Exchange Controls

Tanzania

In Tanzania, the exchange of foreign currency is allowed under the law provided that the exchange is undertaken either with a registered bank or financial institution or a registered exchange bureau within Tanzania. After undertaking an exchange of foreign currency, it is a legal requirement to demand a fiscal receipt and to provide identification of the person who has exchanged foreign currency.

DRC

The philosophy underpinning DRC exchange control policy is the liberalisation of transactions into and out of DRC. However, in order to avoid large capital outflows and the disequilibrium in the balance of payments, restricted exchange control measures have been adopted from time to time, according to circumstances. The Central Bank of Congo has authority to regulate the transfers of corporeal and incorporeal assets into and out of DRC by subjecting the transactions at the origin of such transfers to its authorisations and by setting forth all formalities and conditions of execution pertaining to these transactions. The existing exchange regime is liberal despite the introduction of new exchange regulations by the Central Bank of Congo on 25 March 2014, which, *inter alia*, establish the primacy of the Congolese franc over foreign currencies with respect to certain types of transactions.

Although the external value of the Congolese franc is allowed to fluctuate according to market forces, the government actually maintains strict control over the relationships between the national currency and foreign currencies and official rates are fixed in an administrative fashion. The official buying and selling rates of exchange fixed by the Central Bank of Congo are used as reference rates by the authorised banks and intermediaries. Commercial banks may avail themselves of a 5 per cent. maximum margin in addition to the official selling rate.

Congo Brazzaville

The Republic of Congo is a member of the Central African Economic and Monetary Community (CEMAC), and the Central African CFA (*Coopération financière en Afrique central*) franc (which is referred to herein as the Central African franc) is also used by the other members of the monetary zone. Members are required by international agreement to apply exchange control regulations modelled on those of France. This agreement guarantees the availability of foreign exchange and the unlimited convertibility of the Central African franc with the euro at a fixed rate. Transfers within the monetary zone are not restricted but inward direct investment requires a prior declaration when valued at more than 100 million Central African francs. The term inward direct investment means the purchase or acquisition of equity in a resident entity in view of having a lasting interest in that entity. Holding at least 10 per cent. of the shares in a resident entity is also regarded as an inward direct investment.

Exchange control regulations are liberal and capital movements are generally permitted subject to certain exceptions. Loans obtained by companies in the Republic of Congo from foreign entities require prior authorisation when the outstanding amount exceeds 100 million Central African francs, through declaration made to the Ministry of Finances as well as to the central bank 30 days prior to the receipt of funds. Repayments of such loans must also be notified to the Ministry of Finances and central bank within 30 days. The absence of a declaration gives rise to a 20 per cent. fine on the amount of the transaction.

The reinvestment of undistributed profits, through increase of share capital, does not require prior declaration.

Transfers of currency outside of the monetary zone of 1,000,000 Central African francs or more require prior declaration. Transfers for payments of transactions abroad, in excess of 5,000,000 Central African francs, must be made through an authorised intermediary, namely a bank authorised by the central bank to act as an intermediary. Transfers of currency outside of the monetary zone, by foreign nationals residing and salaried in the country, to cover family and dependants' expenses are permitted and limited to a portion of their remuneration. Transfers in settlement of imports in excess of 100 million Central African francs are subject to reinforced control from the authorised intermediary.

Ghana

Under the Foreign Exchange Act, 2006 (Act 723) and notices issued by the Bank of Ghana thereunder, payments made in foreign currency to and from Ghana between residents and non-residents, or between non-residents, must be made through a bank or any other person authorised by the Bank of Ghana to carry on the business of foreign exchange transfers. Furthermore, without permission from the Bank of Ghana, residents are prohibited from receiving or making payments in foreign currencies in respect of the provision of goods or services other than payments required to meet legitimate external payment obligations.

South Africa

The South African Exchange Control Regulations issued under the South African Currency and Exchange Act, 1933 (the "South African Exchange Control Regulations") provide for restrictions on exporting capital from South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland (the "Common Monetary Area"). Transactions between residents of the Common Monetary Area, on the one hand, including corporations, and persons whose normal place of residence, domicile or registration is outside of the Common Monetary Area ("Non-residents"), on the other hand, are subject to these Exchange Control Regulations.

Currency and shares are not freely transferable from South Africa to any jurisdiction outside the geographical borders of South Africa or jurisdictions outside of the Common Monetary Area. These transfers must comply with the South African Exchange Control Regulations.

Market, Economic and Industry Data

Certain market, economic and industry data and forecasts in this Prospectus were obtained from the Hardiman Report, which examines the largest tower markets in Sub-Saharan Africa, and in particular those markets where the Group has operations namely DRC, Tanzania, Congo Brazzaville, Ghana and South Africa. The Hardiman Report was commissioned by the Company and is entitled "Helios Towers: Sub-Saharan Africa Tower Market Assessment and Lease Up Analysis" and is dated August 2019. This report was prepared during the first quarter of 2019 and updated with respect to South Africa in June 2019. The Hardiman Report has been produced by making use of publications comprising industry data, forecasts, surveys and other information made available to Hardiman by third-party data providers and MNOs operating in DRC, Tanzania, Congo Brazzaville, Ghana and South Africa. Those publications are based on estimates in respect of the Group and the Group's markets whereas Hardiman has been provided with actual data by the Group. The Hardiman Report is therefore based on a combination of third-party sources, adjusted where appropriate to reflect actual Group data. As such, the data, statistics and analysis provided by Hardiman may differ from the data, statistics and analysis contained in other industry publications.

In addition, the Company obtained market data, certain industry forecasts and other statistical data used in this Prospectus from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry and other publications, including publications and data compiled by Detecon Consulting, The Economist, Ericsson, Fitch Solutions, GSMA Intelligence, Hardiman, TeleGeography and TowerXchange, trade associations, telecommunications regulators and governmental and intergovernmental organisations including the International Monetary Fund ("IMF"), the United Nations, the U.S. Central Intelligence Agency, the African Development Bank Group and The World Bank Group.

The Company has also used information provided by ministries in the jurisdictions in which the Group operates. The official data published by these ministries may be substantially less complete or researched than data published in more developed countries. Official statistics may also be produced on different bases from those used in more developed countries.

While the Directors believe the third-party information included herein to be reliable, the Company has not independently verified such third-party information, and the Company does not make any representation or warranty as to the accuracy or completeness of such information as set forth in this Prospectus. The Company confirms that all third-party data contained in this Prospectus has been accurately reproduced and, so far as the Company is aware and able to ascertain from information published by those third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading.

Where third-party information has been used in this Prospectus, the source of such information has been identified.

Information Regarding Forward-Looking Statements

Certain statements included herein may constitute forward-looking statements within the meaning of the securities laws of certain jurisdictions. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as “believes”, “expects”, “may”, “are expected to”, “intends”, “will”, “will continue”, “should”, “would be”, “seeks”, “anticipates” or similar expressions or the negative thereof or other variations thereof or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include statements regarding the Group’s intentions, beliefs or current expectations concerning, amongst other things, its results in relation to operations, financial condition, liquidity, prospects, growth, strategies and the industry in which it operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.

Forward-looking statements are not guarantees of future performance and the Group’s actual results of operations, financial condition and liquidity, and the development of the industry in which it operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Prospectus. In addition, even if the Group’s results of operations, financial condition and liquidity and the development of the industry in which it operates are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause those differences include, but are not limited to:

- a reduction in the creditworthiness and financial strength of the Group’s tenants;
- increases in operating expenses;
- the effects of potential consolidation or competition in the telecommunications tower industry in the countries in which the Group operates;
- the Group’s ability to maintain its licences and permits for its sites and other licences and permits necessary for the conduct of its business;
- the ability of third-party contractors to perform in accordance with contractual terms and specifications;
- failure to renew and/or extend the Group’s ground leases or protect the Group’s rights to the land under its sites;
- technological changes in cellular and other telecommunications equipment used by the Group’s tenants;
- liquidated damages provisions contained in the Group’s customer site contracts;
- the Group’s inability to successfully execute its growth business strategy, which depends on factors outside its control;
- competition in the telecommunications tower industry, which may create pricing pressure;
- foreign exchange risks;
- failure to construct build-to-suit towers due to factors outside the Group’s control;
- local community opposition to the construction or presence of the Group’s sites;
- a reduction in demand for the Group’s services;
- the effects of changes in laws and regulations;
- liability under environmental laws;
- unforeseen damage for which the Group’s insurance may not provide adequate coverage;
- dependence on the Group’s ability to recruit, train, retain and motivate key employees;

- the effect of perceived health risks from radio emissions;
- the effect of disputes, material litigation and other legal proceedings;
- disputes or conflicts of interest with the Group's related parties;
- violations of anti-corruption laws, sanctions and regulations;
- unpredictable changes in the relevant tax systems;
- general political and economic conditions in the jurisdictions in which the Group operates; and
- the Group's success at managing the risks of the above factors and the other financial, business and operating risks referred to elsewhere in this Prospectus.

The sections of this Prospectus entitled Part II: "*Risk Factors*", Part X: "*Information on the Group*" and Part XIII: "*Operating and Financial Review and Prospects*" contain a more complete discussion of the factors that could affect the Group's future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the forward-looking events described in this Prospectus may not occur.

These forward-looking statements speak only as of the date of this Prospectus. Subject to the requirements of the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation or applicable law, the Group explicitly disclaims any intention or obligation or undertaking publicly to release the result of any revisions to any forward-looking statements in this Prospectus that may occur due to any change in the Group's expectations or to reflect events or circumstances after the date of it. All subsequent written and oral forward-looking statements attributable to either the Group or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

Definitions

Certain terms used in this Prospectus, including all capitalised terms and certain technical and other terms, are defined and explained in Part XX: "*Definitions*". Additional industry-related terms and those specific to the Group's operations are defined and explained in Part XXI: "*Glossary*".

No Incorporation of Website Information

The contents of the Company's website, any website mentioned in this Prospectus or any website directly or indirectly linked to these websites have not been verified and do not form part of this Prospectus.

Available Information for U.S. Investors

The Company has agreed that for so long as any Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Company will, during any period in which it is neither subject to Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934 nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act.

Service of Process and Enforcement of Civil Liabilities

The Company is a public limited company incorporated under English law. The Directors and officers of the Company, other than Richard Byrne and David Wassong, named herein are non-residents of the United States. A substantial proportion of the assets of these individuals are located outside the United States. The Company's assets are all located outside of the United States. As a result, it may be impossible or difficult for investors to effect service of process upon such persons or the Company, or to enforce against them in U.S. courts a judgment obtained in such courts. In addition, there is doubt as to the enforceability in the UK of original actions or actions for enforcement based on the federal or State securities laws of the United States or judgments of U.S. courts, including judgments based on the civil liability provisions of the U.S. federal or State securities laws. As a result, it may not be possible for an investor to serve process on such persons in the United States or to enforce judgments obtained in U.S. courts against them based on the civil liability provisions of the securities laws of the United States or the securities laws of any State within the United States.

PART IV

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE, HEADQUARTERS OF THE GROUP AND ADVISERS

Directors	Sir Samuel Jonah (<i>Chair</i>) Kash Pandya (<i>Chief Executive Officer</i>) Tom Greenwood (<i>Chief Financial Officer</i>) Richard Byrne (<i>Independent Non-Executive Director</i>) Alison Baker (<i>Independent Non-Executive Director</i>) Magnus Mandersson (<i>Senior Independent Non-Executive Director</i>) David Wassong (<i>Non-Executive Director</i>) Temitope Lawani (<i>Non-Executive Director</i>)
Company Secretary	Helen Shaw (Ebert)
Registered office of the Company	Helios Towers plc 10th Floor 5 Merchant Square West London W2 1AS United Kingdom
Headquarters of the Group	DIC Unit 102 1 st Floor Building 05 Dubai United Arab Emirates
Sponsor, Joint Global Co-ordinator and Joint Bookrunner	Merrill Lynch International 2 King Edward Street London EC1A 1HQ United Kingdom
Joint Global Co-ordinators and Joint Bookrunners	Jefferies International Limited Vintners Place 68 Upper Thames Street London EC4V 3BJ United Kingdom The Standard Bank of South Africa Limited 30 Baker Street Rosebank Johannesburg 2196 South Africa
Joint Bookrunners	EFG Hermes UAE Limited Gate Village 11, Office 301 The Exchange, DIFC P.O. Box 30727 Dubai UAE Renaissance Securities (Cyprus) Limited Arch. Makariou III 2-4 Capital Center, 9 th Floor 1065 Nicosia Republic of Cyprus
English and U.S. legal advisers to the Company	Linklaters LLP One Silk Street London EC2Y 8HQ United Kingdom

English and U.S. legal advisers to the Underwriters	Freshfields Bruckhaus Deringer LLP 65 Fleet Street London EC4Y 1HS United Kingdom
Reporting Accountants and Auditors	Deloitte LLP 1 New Square Street London EC4A 3HQ United Kingdom
Communications Consultant	FTI Consulting 200 Aldersgate Street London EC1A 4HD United Kingdom
Registrars	Computershare The Pavilions Bridgwater Road Bristol BS13 8AE United Kingdom

PART V

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Expected timetable of principal events

Event	Time and Date ⁽¹⁾⁽²⁾
Latest time and date for receipt of indications of interest from institutional investors under the Global Offer	5.00 p.m. on 14 October 2019
Prospectus published/Announcement of Offer Price and notification of allocations	15 October 2019
Commencement of conditional dealings on the London Stock Exchange.....	8.00 a.m. on 15 October 2019
Admission and commencement of unconditional dealings on the London Stock Exchange....	8.00 a.m. on 18 October 2019
CREST accounts credited	18 October 2019
Despatch of definitive share certificates (where applicable).....	from 18 October 2019

Notes:

- (1) References to times are to London times unless otherwise stated. Each of the times and dates in the above timetable is subject to change without further notice.
- (2) Times and dates set out in the timetable above and mentioned throughout this Prospectus that fall after the date of publication of this Prospectus are indicative only and may be subject to change without further notice. **In particular, the dates and times of the announcement of the Offer Price, Admission and start of conditional dealings in Shares on the London Stock Exchange may be accelerated or extended by agreement between the Joint Global Coordinators and the Company.**

It should be noted that, if Admission does not occur, all conditional dealings will be of no effect and any such dealings will be at the sole risk of the parties concerned. Temporary documents of title will not be issued.

PART VI

GLOBAL OFFER STATISTICS

Global Offer statistics⁽¹⁾

Offer Price (per Offer Share).....	115 pence
Number of Shares in issue on Admission	1,000,000,000
Number of Shares in the Global Offer ⁽²⁾	217,391,304
— New Shares.....	86,386,373
— Sale Shares.....	131,004,931
Number of Offer Shares in the Global Offer as a percentage of total number of Shares in existence on Admission	21.7%
Maximum number of Shares subject to the Over-allotment Option	32,608,696
Market capitalisation of the Company at the Offer Price.....	£1,150 million
Estimated net proceeds of the Global Offer receivable by the Company ⁽²⁾⁽³⁾	£81.0 million
Estimated net proceeds of the Global Offer receivable by the Selling Shareholders ⁽²⁾⁽⁴⁾	£145.4 million

Notes:

- (1) Assuming all the Pre-IPO Reorganisation steps set out in Part XIX: “Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital — Pre-IPO Reorganisation” are completed in full.
- (2) Assuming no exercise of the Over-allotment Option.
- (3) The estimated net proceeds receivable by the Company are stated after the deduction of estimated underwriting commissions (including the maximum amount of any discretionary commissions) and other fees and expenses of the Global Offer (including VAT) payable by the Company, which are expected to be approximately £18.3 million. The Company will not receive any of the net proceeds from the sale of the Sale Shares in the Global Offer by the Selling Shareholders or the sale of Offer Shares pursuant to the Over-allotment Option.
- (4) The estimated net proceeds receivable by the Selling Shareholders are stated after the deduction of estimated underwriting commissions (including the maximum amount of discretionary commissions) and applicable taxes payable by the Selling Shareholders in connection with the Global Offer, which are expected to be approximately £5.3 million. The Escrow Amount (less any amounts contributed to the Escrow Account in cash) will be paid into the Escrow Account and the Selling Shareholders will receive the balance.

PART VII

USE OF PROCEEDS AND DIVIDEND POLICY

1 Use of Proceeds

The Company will receive net proceeds (after deducting estimated underwriting commissions from the sale of the New Shares in the Global Offer (including the maximum amount of any discretionary commissions) and other fees and expenses of the Global Offer (including VAT) payable by the Company) of approximately £18.3 million.

The Company intends to use all of the net proceeds from the issue of the New Shares:

- to provide the Group with enhanced flexibility to take advantage of future opportunities in line with the Company's growth strategy, either in current markets or new geographies, including (i) growing and expanding relationships with customers by adding colocation tenants and colocation amendments; (ii) growing organically through the construction of additional sites on a build-to-suit basis for telecommunications operators; (iii) strategic acquisitions of site portfolios; and (iv) expansion into adjacent technologies and services; and
- for general corporate purposes.

The Selling Shareholders will together raise net proceeds (after deducting estimated underwriting commissions from the sale of the Sale Shares in the Global Offer (including the maximum amount of any discretionary commissions) and applicable taxes) of approximately £145.4 million, excluding any proceeds receivable by the Over-allotment Shareholders pursuant to any exercise of the Over-allotment Option. The Escrow Amount (less any amounts contributed to the Escrow Account in cash) will be paid into the Escrow Account and the Selling Shareholders will receive the balance.

No commissions, fees or expenses will be charged to investors in connection with the Admission or the Global Offer by the Company or the Selling Shareholders.

The Directors believe the Global Offer and Admission will position the Company for its next stage of development by:

- (a) supporting the Group's growth plans;
- (b) enhancing the Group's public profile;
- (c) giving the Company access to a wider range of capital-raising options which may be of use in the future;
- (d) assisting in the incentivisation and retention of key management and employees; and
- (e) creating a liquid market in the Shares for Shareholders.

The Global Offer will also provide the Selling Shareholders with an opportunity for a partial realisation of their shareholding in the Company.

2 Dividend Policy

Under the terms of the Senior Notes, the Group's ability to pay dividends is restricted, unless certain financial covenants are satisfied. Such restrictions will remain in place until the redemption or maturity of the Senior Notes. However, the Group is highly cash generative and while its first priority is the reinvestment of cash flows in strategic growth opportunities, it expects to commence paying a dividend which is appropriate given its financial profile in the medium term.

The amount, timing and frequency of future distributions will be at the sole discretion of the Board and will be declared based upon various factors, including but not limited to, return on capital of available organic and inorganic investment opportunities, the Group's financial condition and operating cash flows, limitations on distributions in existing and future debt instruments, undertakings to creditors and loan covenants, the Group's ability to utilise net operating losses to offset, in whole or in part, distribution requirements, and other factors that the Board may deem relevant from time to time. See Part II: "*Risk Factors — Risks Related to the Global Offer and the Sale Shares — Shareholders may not receive dividends*".

PART VIII

INDUSTRY OVERVIEW

The information in the following section has been provided for background purposes. The information has been extracted from a variety of sources released by public and private organisations as described in Part III: “Presentation of Information on the Group”. The information has been accurately reproduced from these sources and, as far as the Company is aware and is able to ascertain from information published by these sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. The Company believes that these industry publications, surveys and forecasts are reliable but the Company has not independently verified them and cannot guarantee their accuracy or completeness.

The projections and forward-looking statements in this section are not guarantees of future performance and actual events and circumstances could differ materially from current expectations. Numerous factors could cause or contribute to such differences. See Part II: “Risk Factors” and “Information regarding forward looking statements” in Part III: “Presentation of Information on the Group”.

The Mobile Telecommunications Ecosystem

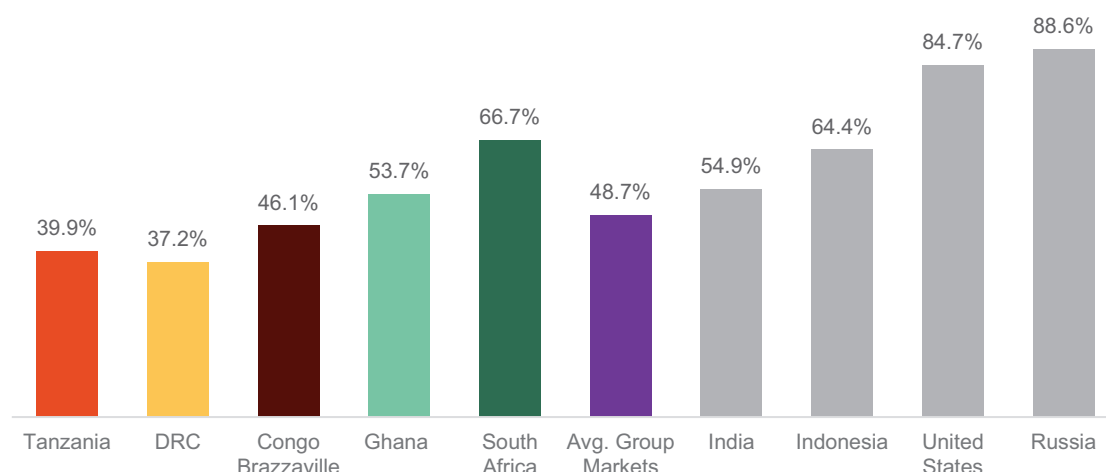
The key participants in the mobile telecommunications sector include:

- mobile subscribers, end users of handsets subscribing (either on a postpaid or prepaid basis) to an automatic public mobile telephone service;
- MNOs, which operate their own network to provide publicly available wireless voice and data services primarily to end-user subscribers;
- independent tower companies, such as the Group, which own and manage telecommunications sites and related passive infrastructure in order to provide tower site space and related services to large MNOs and other telecommunications providers;
- mobile device vendors, which sell handsets, prepaid airtime contracts to end-user subscribers; and
- regulatory authorities, which provide mobile licenses and telecommunications spectrum to MNOs, enforce required governmental approvals for the construction of new sites and the operation of existing sites, and drive initiatives to encourage infrastructure sharing.

Sub-Saharan Africa Mobile Telecommunications Sector

The mobile telecommunications sector in Sub-Saharan Africa is large, growing and benefits from a number of favourable macroeconomic, structural and regulatory conditions. In 2018, Sub-Saharan Africa accounted for nearly a tenth of the global mobile subscriber base; however it remains substantially underpenetrated compared to other global markets and is expected to grow faster than any other region of the world between 2018 and 2025 based on unique subscribers (*GSMA Report, The Mobile Economy 2019*). Sub-Saharan Africa is a mobile-dominated region in which most of the incumbent fixed-line operators experience difficulties providing services to large subscriber bases and fixed line penetration is less than one per cent. (*Detecon Consulting, Telecommunications in Sub-Saharan Africa, May 2016*). While Sub-Saharan Africa has comparatively low mobile penetration, mobile networks play an increasingly significant role in improving socioeconomic development in many countries in the region, which have a combined population of over one billion people.

Penetration – Unique Subscribers as Percentage of Population



Source: GSMA Intelligence Database, June 2019

The Independent Tower Company Model

The independent tower company model is driven by MNOs seeking to release capital from passive infrastructure investment by disposing of their towers to specialised infrastructure companies, by way of sale or long lease, with the MNO then leasing back space on those towers as an anchor tenant to install and operate their radio frequency and transmission equipment. This model enables MNOs to focus on their core business model of acquiring customers and providing or developing services for those customers, and expanding network coverage and services without the distractions and complexities of operating passive assets. This trend has been emphasised by various sale and leaseback deals in recent years. The independent tower company model is well-established in the United States, Latin America, China, India and Indonesia. Independent telecommunications towers companies have recently grown in prominence in Sub-Saharan Africa as MNOs seek to reduce costs, densify network coverage in urban areas and accelerate expansion into rural communities. Similarly, independent tower companies in Sub-Saharan Africa are increasingly regarded as partners of MNOs and the Group believes there is little strategic benefit to MNOs operating in Sub-Saharan Africa owning and managing towers rather than leasing tower infrastructure. Tower construction can make up a substantial proportion of capital investments for MNOs and managing towers in many African countries can be more difficult than in most other parts of the world, not least because of the extensive coverage areas and unreliable power supplies. Power cuts can lead to considerable network downtime and force MNOs to invest in backup generators to maintain network operations. Tower companies have the knowhow to build and optimise telecommunications sites, as well as rationalise the necessary operating costs. Following the expected closing of American Tower's merger with Eaton Towers by the end of 2019, the main independent tower companies in Sub-Saharan Africa will be the Group, American Tower and IHS.

Key Growth Drivers

The combination of continued population growth (particularly of under 30s), rapid urbanisation, increases in GDP and disposable incomes, reduced prices for end-user devices with greater functionality and the slow development of fixed broadband connectivity (particularly with regard to last mile access) is expected to provide a favourable context for continued growth in the demand for basic and more data-centric mobile communications services. This dynamic is in turn expected to favour continued investment and growth in mobile communications infrastructure and generally benefit the independent tower company sector.

Population Growth and Urbanisation

The fast-growing population of and rapid urbanisation in Sub-Saharan Africa are among the key driving forces behind the growing adoption of mobile technology. The population across the five markets in which the Group operates is expected to almost double from 233 million at the end of 2018 to 462 million in 2050 (*UN World Population Prospects, 2019*). Over the period 2018 to 2050, the population of Sub-Saharan

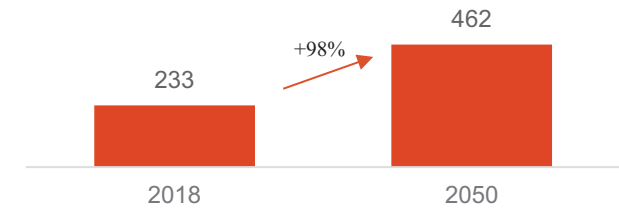
Africa is projected to grow by 104 per cent., compared to 19 per cent. in Latin America and 16 per cent. in Asia (*UN World Population Prospects, 2019*).

The scope for further growth of the mobile sector in Sub-Saharan Africa is further underlined by the relatively low number of people using mobile voice or data services in the region compared to the number globally. The unique mobile subscriber penetration in Sub-Saharan Africa was 44 per cent. at the end of 2018, substantially below the global average of 67 per cent. Lack of network coverage remains a major barrier for many unconnected people in the region; approximately a third of the region’s population are not covered by a mobile broadband (“MBB”) network, most in rural areas where more than half of the population live. The unique subscriber base in the region totalled 471 million, equivalent to approximately nine per cent. of unique global subscribers, and is expected to grow to 636 million by 2025, a compound annual growth rate of 4.4 per cent., more than double the global compound annual growth rate over the same period. As a result, the mobile penetration rate in Sub-Saharan Africa is forecast to reach 50 per cent. by the end of 2023, and 51 per cent. by the end of 2025 (*GSMA Report, The Mobile Economy 2019*).

The Group’s markets also have young populations that are enthusiastic mobile users, with an average of over 67 per cent. of the population of the Group’s markets being under 30 compared to 35 per cent. in G7 countries. Under 30s are early adopters of mobile technology and use it extensively for social activities and entertainment, resulting in prolonged use coupled with heavy data consumption. Furthermore, the number of unique subscribers in the Group’s markets is expected to increase by 25.4 million between 2018 and 2023 (*GSMA Intelligence, The Mobile Economy 2019*).

Urbanisation is a further factor supporting the growth of mobile communications in Africa. An affluent, educated urban population with increasing digital skills creates demand for new mobile services and drives data consumption. Africa is forecast to be the home of the 10 fastest growing cities in the world in the period between 2020 and 2035 (*UN World Urbanisation Prospects, May 2018*) of which four are in the Group’s current markets (Dar es Salaam – Tanzania, Mbuji-Mayi – DRC, Kinshasa – DRC and Lubumbashi – DRC). By 2024, the number of people living in urban areas in the Group’s markets is expected to increase by 27 million, or 11 per cent., compared to 2018 (*UN World Urbanisation Prospects, May 2018*).

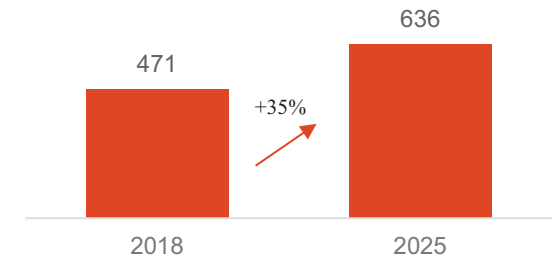
Group markets – Population (millions)



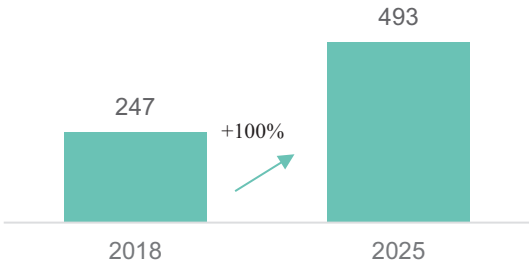
Source: UN World Population Prospects, 2019

Sub-Saharan Africa

Unique Subscribers (millions)



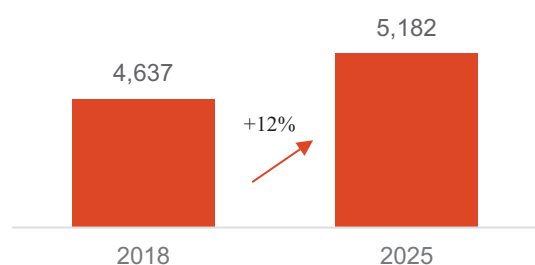
Data Subscribers (millions)



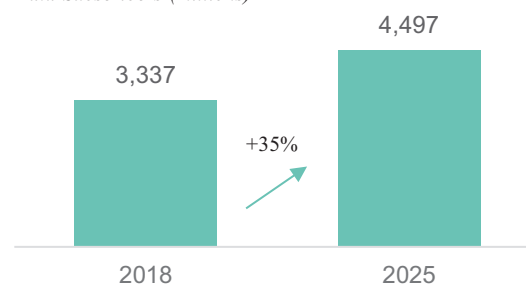
Source: GSMA Report, The Mobile Economy, 2019

Rest of the world

Unique Subscribers (millions)



Data Subscribers (millions)



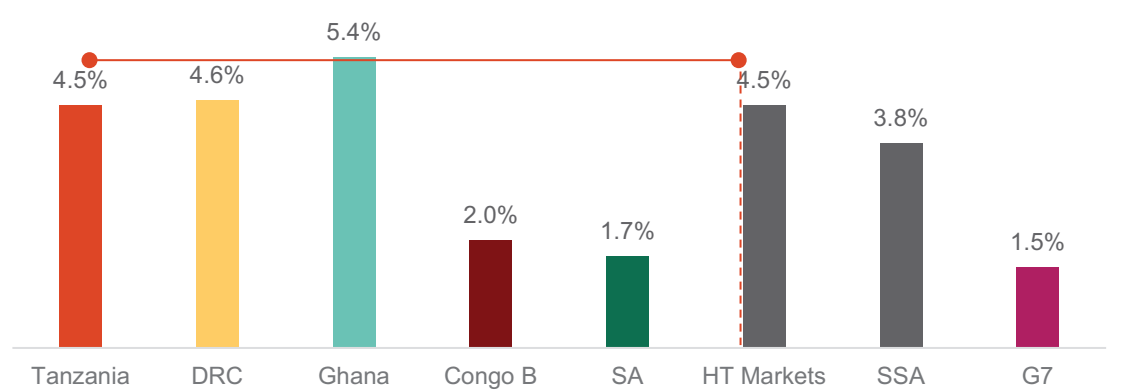
Source: GSMA Report, *The Mobile Economy*, 2019

GDP Growth

Annual real GDP growth between 2018 and 2024 for the Group's markets excluding South Africa is expected to be 4.5 per cent. (revenue weighted), compared to 3.8 per cent. across Sub-Saharan Africa as a whole, and 1.5 per cent. in the G7 countries, over the same period (*IMF World Economic Outlook Database, April 2019*). As of 31 December 2018, five of the top 10 forecasted fastest growing economies in the world were in Africa and include Ghana (*World Bank, Global Economic Prospects, January 2019*). Strong GDP growth in the Group's markets combined with growing disposable incomes and falling prices of devices and subscription plans will fuel the increased adoption of mobile services and promote usage.

Real GDP: 2018 to 2024 Compound Annual Growth Rate

Group Markets



Source: IMF, *World Economic Outlook Database*, April 2019

Mobile Digital Services as an Enabler of the Economy

The Group believes that the mobile telecommunications sector is not just a beneficiary of GDP growth, but that it is also a driver of continued economic development. For many consumers across Sub-Saharan Africa, the mobile phone is not only a communication device but also the primary means to access online services. It is a vital tool for accessing social networks and entertainment, a means of participating in commercial and financial activities as well as a gateway to healthcare, education and other government services offered online. This is particularly true in rural areas, where more than half the population live and the provision of these services by conventional means is constrained by acute funding, skills and infrastructure gaps.

Mobile money continued to expand rapidly across Sub-Saharan Africa in 2018. The total value and number of mobile money transactions grew year-on-year by 15.3 per cent. and 11.8 per cent., respectively, to reach US\$26.8 billion and 1.7 billion. There were 132 live mobile money services across the region at the end of 2018, with 146 million active accounts (*GSMA Report, State of the Industry Report on Mobile Money 2018*). Although East Africa remains the largest mobile money market, accounting for 56.4 per cent. of total users in the region, West Africa and Central Africa have seen rapid uptake in recent years, helped by enabling regulatory policies. Both sub-regions have seen their share of the mobile money market double to

30.9 per cent. and 9.7 per cent., respectively, over the five years to 2017 (*GSMA Report, The Mobile Economy Sub-Saharan Africa 2018*).

It is estimated that more than 20 per cent. of mobile connections in the region are linked to a mobile money account and that, in Tanzania, there are more mobile money accounts than there are physical bank accounts (*Detecon Consulting, Telecommunications in Sub-Saharan Africa, May 2016*).

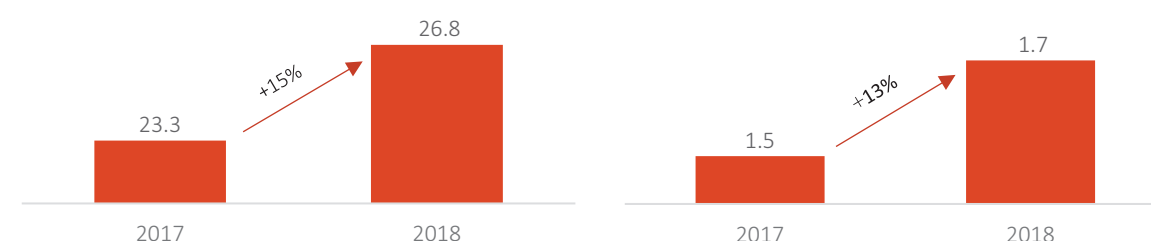
Sub-Saharan Africa is currently witnessing the rise of the Internet of Things (“IoT”) which has the potential to significantly improve the efficiency of the economy and the quality of people’s lives, from solutions enabling solar lighting for off-grid populations and the monitoring of truck fleets and toll road payments, to projects providing real time weather updates to assist crop farmers.

The increasing use of mobile technology as a tool for economic and social activities will drive demand for mobile devices and penetration rates across Sub-Saharan Africa, particularly in light of the lack of availability and the unreliability of fixed line communications, creating a pressing need to develop the critical supporting infrastructure for expanding mobile networks as the demand for network coverage and capacity grows.

Sub-Saharan Africa Mobile Money

(US\$ billions)

(Number of transactions (billions))



Source: GSMA, *State of the Industry Report on Mobile Money, 2018*

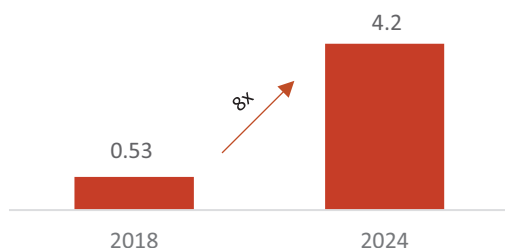
Data and Data-Centric Networks

Historically, Sub-Saharan Africa has predominantly relied on available 2G and 3G mobile technologies; however, an increasing number of Sub-Saharan African countries are rolling out, or looking to roll out, fourth-generation (“4G”) networks based on Long Term Evolution (“LTE”), which increases the need for infrastructure support. The site densification required for 3G and 4G coverage, capacity and data traffic will require investment in telecommunications infrastructure across Africa, which is already straining to meet levels of consumer demand for 2G voice services.

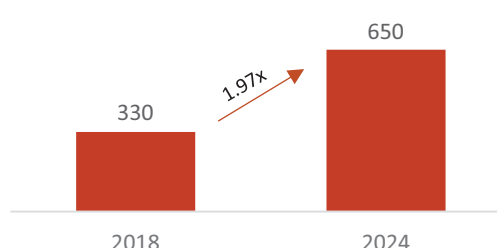
Monthly mobile data traffic per smartphone continues to increase, driven by improved device capabilities and more affordable data plans, as well as an increase in data-intensive content, predominantly video. The increase in video data traffic per smartphone user has three main drivers: increased viewing time, more video content embedded in news media and social networking, and an evolution to higher resolutions and more demanding formats. Today, most mobile video is streamed at low-definition and standard-definition formats, 360 pixels and 480 pixels, respectively. However, user behaviours are shifting as network capabilities expand and are projected to change more dramatically as 5G services are made available in Sub-Saharan Africa from around 2022 onward.

As monthly usage per smartphone continues to grow in Sub-Saharan Africa, total data traffic per smartphone is predicted to rise at a compound annual growth rate of 27 per cent. between 2018 and 2024, reaching 7.3 gigabytes (“GB”) per month by the end of 2024 compared to 1.7GB in 2018. Smartphone subscriptions are projected to nearly double from 330 million in 2018 to 650 million in 2024 (a compound annual growth rate of 12 per cent.), increasing smartphone penetration from 46 per cent. of total mobile subscribers in 2018 to 68 per cent. in 2024. The combined effect of growing smartphone usage and higher smartphone penetration in Sub-Saharan Africa will result in an approximate eight times increase in total monthly mobile data traffic between 2018 and 2024, from 0.5 exabytes per month in 2018 to 4.2 exabytes per month in 2024, a compound annual growth rate of 41 per cent. representing the highest growth rate globally (*Ericsson Mobility Report, June 2019*).

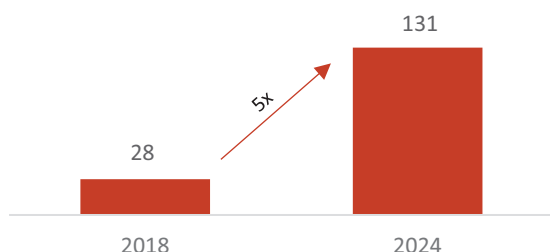
Sub-Saharan Africa Total Mobile Data Traffic
(EB/month)



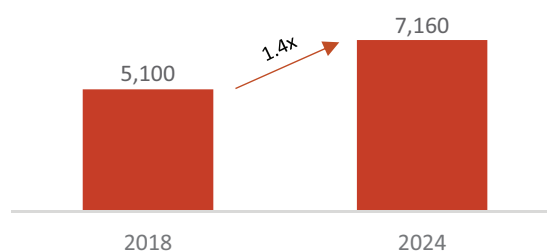
Sub-Saharan Africa Smartphone Subscriptions
(millions)



Global Total Mobile Data Traffic
(EB/month)



Global Smartphone Subscriptions
(millions)



Source: Ericsson Mobility Report, June 2019

The rising demand for mobile, particularly data, services together with falling device costs, is expected to result in increased investments in 3G and 4G LTE due to their operating efficiency, cost advantages and ability to handle larger data volumes. In turn, these investments are expected to lead to approximately 24 per cent. of connections in Sub-Saharan Africa being 4G-based by 2025 (*GSMA Global Mobile Trends, September 2018*), and a further 60 per cent. being 3G-based by the same date, implying substantial infrastructure roll-out both to provide network coverage and densification as well as investment in placing newer equipment on existing sites. In total, by 2025 3G/4G/5G technology will account for 87 per cent. of all mobile connections, compared to 38 per cent. in 2017 (*GSMA Global Mobile Trends, September 2018*).

In the five markets in which the Group operates, it is estimated that over 19,000 new MNO points of service (“PoS”) will be required between 2018 and 2024 to meet the growing demand, representing an average increase of 41 per cent. (*Hardiman Report, August 2019*). Network PoS refers to additional technology being placed on a site by an MNO, for example, the installation of 3G equipment on a site where an MNO may already have 2G equipment (“Network PoS”). In addition to the increase in PoS numbers, the changes in mobile communications technology can involve reductions in the amount of space occupied on a tower by certain equipment as well as increases in space occupied by other equipment depending on, amongst other things, the agreed operator equipment configuration on a tower as well as the technology upgrade plan adopted by the operator. The Group estimates that the resulting conversion of new Network PoS into amendment colocations will be one to two per cent. of this increase.

Since the Group is the sole independent tower company in three of its markets, and since the anticipated growth rates for new PoS in Tanzania and DRC, the Group’s largest markets, are expected to exceed the rates of Ghana and Congo Brazzaville, its smaller markets, it is forecast that the Group will capture a rising overall share of that growth assuming it approximately maintains its current market share in each of these markets. South Africa has a vibrant independent tower companies space with several tower companies including American Tower (2,608 active towers), and a number of small independent tower companies, including Atlas Towers and Eagle Towers, building and operating towers for the MNOs and developing small cell solutions (*Hardiman Report, August 2019*). Mobile penetration is very high in South Africa and the estimated demand for an additional 7,020 PoS by 2024 is forecast to be driven by high data service usage and the need for infill sites to improve the quality of the data network (*Hardiman Report, August 2019*).

Supportive Regulatory Framework

The mobile telecommunications sector contributes significantly to the social and financial development of Sub-Saharan Africa, driving innovation and economic inclusion. The adoption of mobile technology to

provide financial services has become instrumental in integrating parts of the population into mainstream financial systems, which has accelerated their socio-economic development. The rapid implementation of mobile money has made basic financial services available to a wider population in Sub-Saharan Africa, thereby providing a platform for further integration of users into the economy. Across Sub-Saharan Africa, the mobile industry complements the development efforts of governments and financial institutions, which recognise the potential social and economic benefits of having advanced telecommunications infrastructure in the region.

It is estimated that, in 2017, mobile technologies and services generated US\$110 billion of economic value in Sub-Saharan Africa, an equivalent of 7.1 per cent. of the region's GDP. By 2022, the mobile industry's economic contribution is forecast to increase to US\$150 billion, an equivalent of 7.9 per cent. of Sub-Saharan Africa's GDP. The growing contribution of mobile technologies and services to the region's GDP is driven by improvements in productivity and efficiency brought about by increased take-up of mobile internet (*GSMA Report, The Mobile Economy Sub-Saharan Africa 2018*).

Government and regulatory bodies view infrastructure sharing as a way of achieving increased mobile penetration and improved mobile services by facilitating competition among network providers. In instances where an independent tower company has purchased towers from an MNO, those towers can be accessed by new, smaller entrants, thereby enabling their entry into the market without the traditional cost and time constraints of rolling out new networks and the related infrastructure. In addition, the proceeds from the sale of towers and the corresponding reduction in maintenance costs provides MNOs with greater capacity to invest in new technologies and opportunities to improve the quality of their services, which ultimately benefit the subscribers.

The tower sharing model results in fewer towers being used by MNOs in a given country, which has positive implications for the overall carbon footprint of the telecommunications sector. Certain jurisdictions have imposed restrictions on building towers in high density areas with the purpose of reducing emissions and responding to complaints that towers and their power generators are noisy, noxious, and unattractive additions to the landscape. Furthermore, the divestment of towers by MNOs releases capital for expansion into rural areas, which require connectivity. In some instances, rural connectivity is a condition of governmental bodies granting new licences and spectrums to operators.

Tanzania

Macroeconomic Commentary

	2011	2018	2024	2011-18 CAGR	2018-24 CAGR
Real GDP growth (%).....	7.9%	6.6%	4.9%	6.4%	4.5%
Population (millions)	45.7	56.3	67.0	3.0%	2.9%
Urban Population (% Total)	29%	34%	38%	—	—
Population below 30 (% Total)	72%	72%	71%	—	—
FDI (US\$ billion).....	1.2	0.9	—	—	—

Sources: IMF World Economic Outlook Database, April 2019; UN World Population Prospects, 2019; UN Urbanisation Data, 2018; EIU Database, May 2019.

Economic Commentary

Tanzania is the seventh largest economy in Sub-Saharan Africa (*IMF World Economic Outlook Database, April 2019*). The major urban areas include Dar es Salaam, with 6.0 million inhabitants, Mwanza with 1.0 million inhabitants, and the capital, Dodoma with 0.3 million inhabitants (*CIA World Factbook, 2018*).

Tanzania's second Five-Year Development Plan, 2016/17–2020/21 aims at economic transformation through industrialisation and human development. The industrialisation strategy seeks to capitalise on Tanzania's comparative advantages, particularly its agricultural and mining potential, and geographic location, which makes it a natural trading and logistics hub for East Africa. To facilitate private sector-led growth, the government aims to address the infrastructure gap, which remains large in Tanzania, and create a business environment that is conducive to job creation. Considering large investment needs, the government plans to rely on enhanced mobilisation of domestic revenue and the use of public-private partnerships for large infrastructure projects to limit government borrowing.

Tanzania has largely completed its transition to becoming a market economy, although the government retains a presence in certain sectors, such as telecommunications, banking, energy and mining. Banking reforms, including the partial liberalisation of Tanzania's foreign exchange regime, have helped increase

private-sector growth and investment. Robust domestic demand, continued regional integration and growth in the manufacturing, construction and service sectors are expected to be the key drivers of development. Investments in power electrification as part of the Tanzania Development Vision target increasing generation capacity to 10,000 megawatts by 2025. Foreign direct investment is also expected to grow significantly from 2018 levels, strengthening international and business trade in Tanzania.

Political Commentary

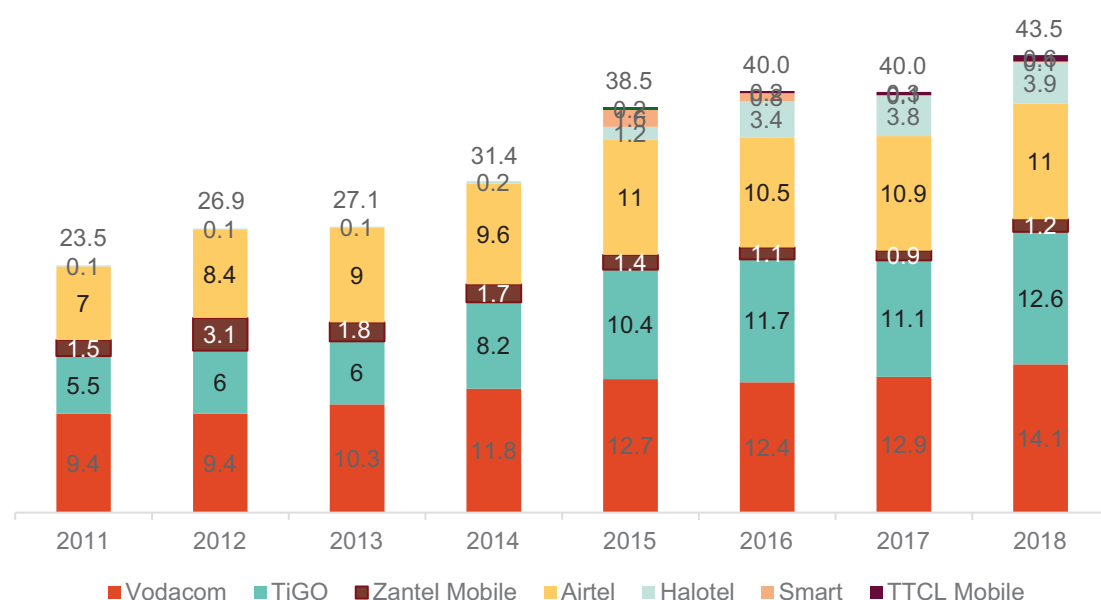
The political system of Tanzania is a unitary presidential democratic republic, whereby the President of Tanzania is both the head of state and the head of government, and is elected by universal adult suffrage every five years. Since taking office in 2015, President John Magufuli's administration has reoriented public expenditure towards development spending, reducing recurrent expenditure significantly, and intensifying efforts to mobilise domestic revenue. There has also been a focus on the eradication of corruption in Tanzania's public institutions, which has helped the government secure grants and concessional loans from international development multilateral institutions, as well as attract foreign investment. The authorities continue to push their drive against corruption and tax evasion, which is leading to higher revenues and reduced low-priority government spending. A better, more predictable business environment and strengthening of the government's dialogue with all stakeholders, including the private sector, will be crucial to achieving the plan's envisaged private sector-led growth.

Tanzania's Telecommunications Sector

Coverage, Subscriptions and Penetration

Tanzania's telecommunications sector is a key contributor to the country's GDP, representing 5.2 per cent. of GDP in 2016, which is expected to grow to more than six per cent. in 2020. The sector has experienced significant growth in the last five years, driven predominantly by mobile penetration, which is estimated to have grown from 49 per cent. in 2011 to 72 per cent. in 2018 (*Hardiman Report, August 2019*). The unique mobile subscriber penetration rate, however, was estimated to be only 40 per cent. in 2018, taking into account multi-SIM usage where one physical subscriber may own a number of SIMs for voice and data devices (for example, different phone subscriptions as well as tablets), suggesting that there is still significant growth potential for the mobile telecommunications sector in Tanzania (*Hardiman Report, August 2019*).

Tanzania Mobile Subscriptions by Operator (millions)



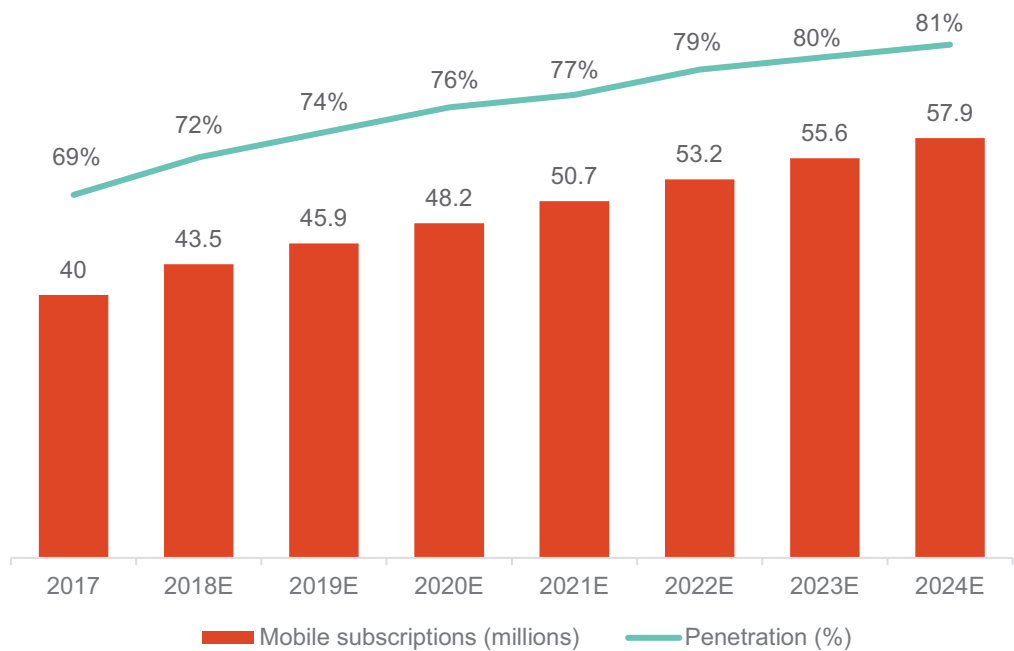
Source: Hardiman Report, August 2019

SIMs were estimated to have reached 43.5 million in 2018 compared to 23.5 million in 2011, and thus estimated to have grown at a compound annual growth rate of 9.2 per cent. over this period (*Hardiman Report, August 2019*). Growth in new mobile subscriptions is estimated to have accelerated during 2015, primarily driven by the entry of Halotel in October 2015. Regulatory action to register SIMs and to block

counterfeit phones and higher churn rates associated with the accelerated growth driven by the aggressive sales promotions of the new entrant, along with consolidation of the Tigo and Zantel subscriber bases, contributed to a reduction in the growth rate of mobile subscriptions from 22.6 per cent. between 2014 and 2015 to 3.9 per cent. between 2015 and 2016, but there was a return to higher growth of 8.8 per cent. between 2017 and 2018 (*Hardiman Report, August 2019*).

While urban areas have benefited from growing coverage and network densification, rural areas remain underserved and are now seen as major sources of growth by MNOs. The government has been supporting the expansion of mobile networks into rural areas through subsidies from the Universal Communications Service Access Fund. Halotel has also targeted rural areas while other MNOs are also evaluating opportunities outside urban regions. As network infrastructure expands into rural areas, supported by government incentives, mobile services will be used by an increasing segment of the rural population. By offering colocation on its towers and thus reducing the costs to MNOs of expanding their networks into the underserved regions of the country, the Group will be making a significant contribution to the government’s development objectives.

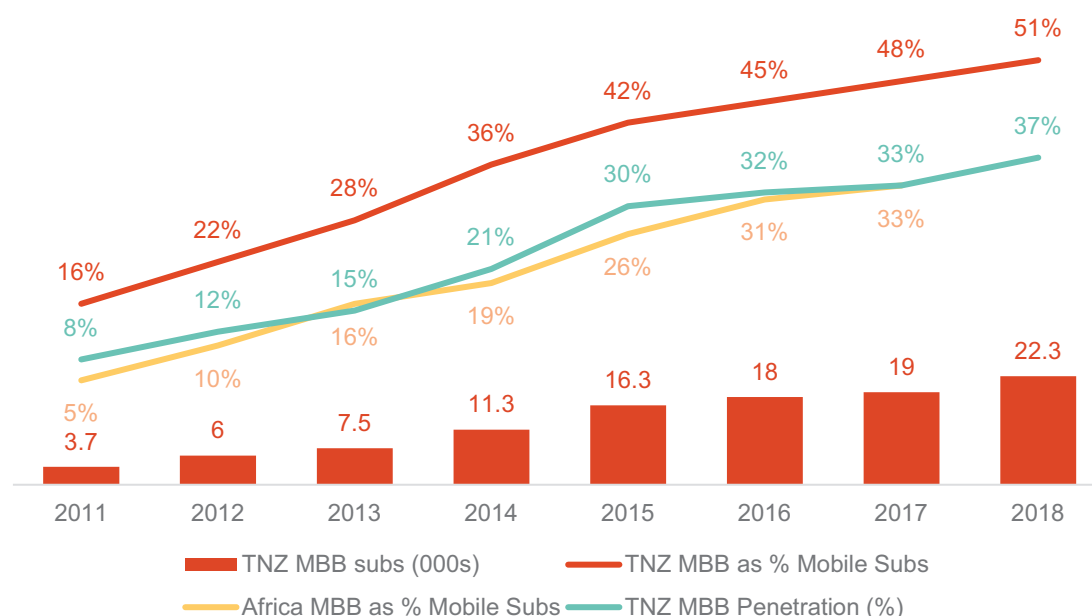
Tanzania Mobile Subscriptions and Penetration



Source: *Hardiman Report, August 2019*

Tanzania, as a result of having one of the youngest populations in Africa, has a subscriber base that generally uses mobile phones for entertainment, social interactions and work. However, as smartphones become more affordable, GSMA expects that the rate of smartphone adoption will increase. GSMA estimates that the rate of adoption will increase from 21 per cent. in 2018 to 54 per cent. in 2024. Increased data usage will require MNOs to expand their network infrastructure to handle the growing data traffic, resulting in additional base stations and tower requirements. Furthermore, higher frequency installations such as those owned by Halotel, which is growing its position in Tanzania, require a greater number of infill tower locations to support the reduced range of such installations.

Mobile Broadband



Source: Hardiman Report, August 2019

Of the estimated 43.5 million overall mobile subscriptions as of 31 December 2018, approximately 22.3 million were MBB users, comprising 96 per cent. of Tanzania's total internet connections as of the same date. MBB users grew at an estimated compound annual growth rate of 29 per cent. from 2011 to 2018, while the use of other internet technologies such as fixed line declined. The continued roll-out of 3G and 4G services, offering higher transmission and download speeds, is expected to drive further take-up of MBB services, with an estimated 85 per cent. of the Tanzanian population covered by broadband networks as of 31 December 2017 (*Hardiman Report, August 2019*). GSMA estimates that MBB-capable internet connections will grow from 19.3 million in 2018 to 46.5 million in 2024. Continued growth in data usage would require MNOs to increase the capacity of their networks, leading to further demand for PoS, which is expected to drive colocation and build-to-suit growth.

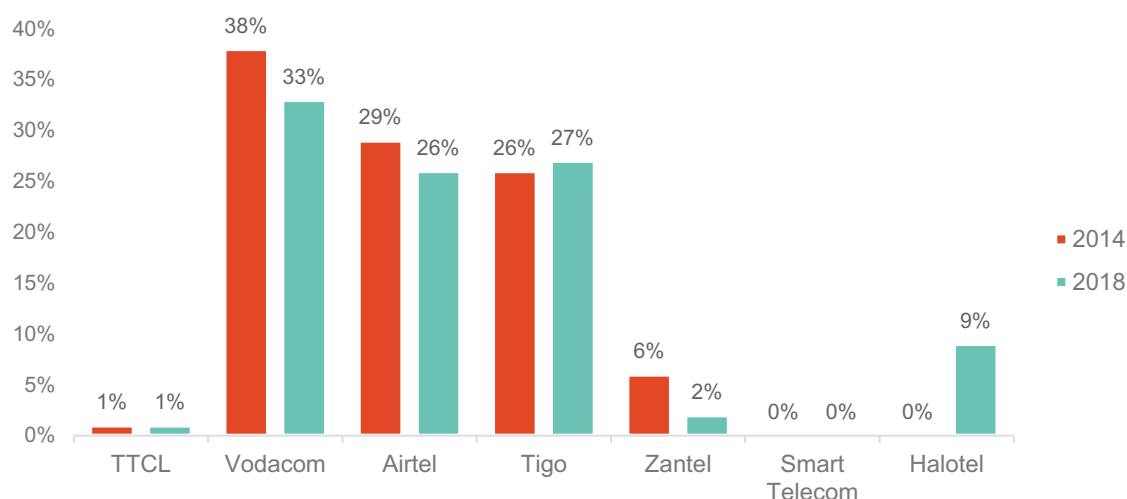
Tanzania Mobile Market Overview

As of 31 December 2018, there were four major commercial mobile voice/data network operators in Tanzania: Vodacom, Tigo, Airtel, and Halotel, which together accounted for a combined subscriber market share of 99 per cent., primarily via 2G and 3G networks, with Tigo and Vodacom also reported as having 4G services (*Hardiman Report, August 2019*). Each of these four operators is majority owned by large international telecommunications groups: Vodacom Group is headquartered in South Africa, Millicom, owner of Tigo, is headquartered in Luxembourg, Bharti Airtel is headquartered in India and Viettel, owner of Halotel, is headquartered in Vietnam. There are a number of other smaller mobile operators, including Zantel (majority-owned by the Millicom Group following a 2015 acquisition, but administered separately from Tigo), TTCL, which is the fixed line incumbent operator (also provides a mobile service), Smart Telecom Tanzania and Smile Tanzania – an independent wireless broadband operator that launched 4G wireless broadband internet networks in Dar es Salaam in March 2014 (*TeleGeography, Smart Telecom enters crowded Tanzanian mobile market, April 2014*).

	Market Entry	Technologies	Subscriptions (31 Dec 2018) (millions)	Market Share (31 Dec 2018) (%)
Vodacom	2000	2G/3G/4G	14.0	33
Tigo/Zantel.....	1994	2G/3G/4G	13.7	32
Airtel	2001	2G/3G/4G	11.0	25
Halotel.....	2008	2G/3G/4G	3.9	9

Source: Hardiman Report, August 2019

MNO Market Share



Source: TeleGeography, Smart Telecom enters crowded Tanzanian mobile market, April 2014

Tanzania's mobile operators have been developing their mobile data services, which are the source of mass market internet connectivity in Tanzania. According to the TCRA's estimates, approximately 22.3 million of approximately 23.1 million internet users were connected by mobile wireless as of 31 December 2018. Zantel was the first to market 3G technology in the country in November 2006 with the remaining mobile operators launching in subsequent years (*TeleGeography, GlobalComms Database: Tanzania*). New entrant Halotel simultaneously launched its 2G and 3G networks in October 2015 while Tigo was the first major operator in Tanzania to launch high-speed 4G services in April 2015. In December 2015 and June 2016, TTCL and Vodacom, respectively, launched their 4G networks in Dar es Salaam. In 2018, Vodacom and Azam, a new market entrant, acquired 700 MHz. Subscribers using 4G services accounted for a small but rapidly rising share of the subscriber base, which represented 2.1 million as of December 2018, an increase of 450 per cent. from 0.4 million in December 2016 (*TeleGeography, GlobalComms Database: Tanzania*).

The mobile subscriber base in Tanzania is projected to grow from 43.5 million as of 31 December 2018 to 57.9 million by 2024, implying a compound annual growth rate of 4.9 per cent. This projected increase in subscribers is anticipated to be fuelled by increasing internet use, the proliferation of cheaper smartphones, rising financial inclusion and population growth (*Hardiman Report, August 2019*). According to GSMA, broadband coverage is expected to grow from approximately 61 per cent. as of 31 December 2018 to 75 per cent. by 2020.

The spread of mobile financial services is also expected to drive demand as Tanzanians rely on wireless devices for a growing number of services, including banking, business, trade and other uses in addition to communication. Population growth is also expected to be a significant contributor to subscriber growth. Moreover, as mobile penetration is positively correlated to nominal GDP per capita, mobile penetration is forecast to increase to 81 per cent. in 2024 with nominal GDP per capita also increasing from US\$1,134 in 2018 to US\$1,465 by 2024, a compound annual growth rate of 4.4 per cent. The growth potential is further illustrated by mobile penetration rates, which Hardiman estimates will increase from 72 per cent. in 2018 to 81 per cent. in 2024 (*Hardiman Report, August 2019*).

Tanzania's Telecommunication Tower Industry

Market History/Shareable Towers Overview

As of 31 December 2018, the Group owned and managed 64 per cent. of the total 5,610 marketable towers located in Tanzania. The remaining marketable towers were owned by Airtel (25 per cent.), Tigo (6 per cent.) and others (5 per cent.). Halotel also owned low-cost, single operator towers in Tanzania but these are not universally considered marketable by all market participants (*Hardiman Report, August 2019*).

In March 2016, Bharti Airtel announced that it had concluded an agreement to sell its 1,350 towers in Tanzania to American Tower, with an additional 100 sites that were under construction available for purchase at a later date. The purchase price was reported by American Tower to be US\$179 million, representing an average cost per tower of US\$132,600. The transaction was expected to close by the middle of 2016, however American Tower reported that it was negotiating potential adjustments to the definitive

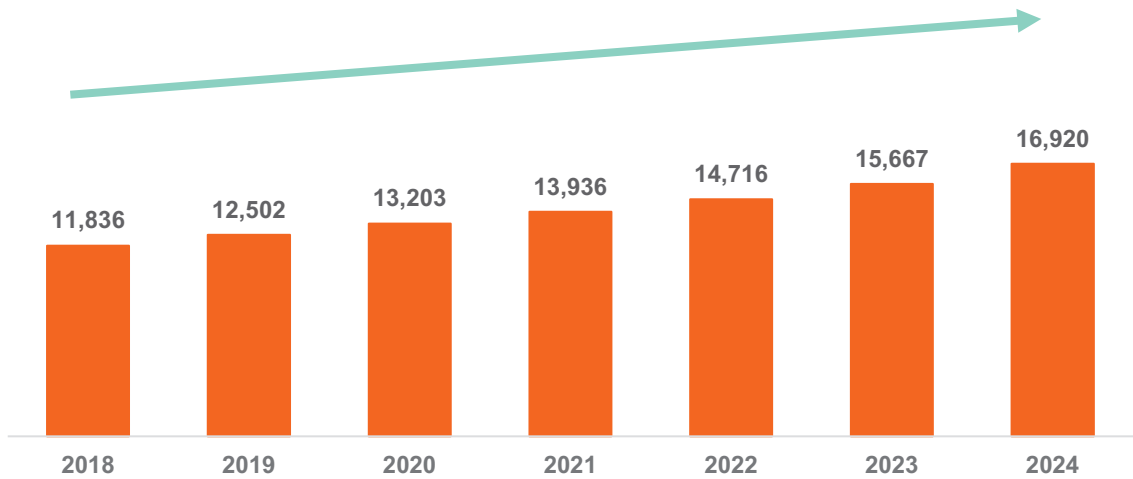
agreement in the event that a waiver of certain legislation could not be obtained. In June 2017, American Tower announced that the agreement to purchase the Airtel towers had lapsed. The entry of a new mobile operator, Halotel, resulted in the construction of approximately 1,400 new low-cost, single operator towers between 2015 and 2017, as well as 1,494 colocations on existing Group towers as Halotel attempted to achieve similar coverage to its competitors.

Prior to the Group’s entry into Tanzania in 2011, the sector was characterised by limited tower sharing, on the basis of bilateral agreements between MNOs. Growing pressure to achieve operational efficiencies and the need to expand network infrastructure to meet the regulatory requirement to cover rural areas and enhance network capacity have led MNOs to pursue colocation on the Group’s towers. With three strong incumbent operators (Vodacom, Tigo and Airtel) and a new market entrant (Halotel), Tanzania still has relatively low mobile penetration in terms of mobile subscribers per capita, leaving significant potential for further growth in demand for tower infrastructure. The regional nature of Tanzania’s mobile networks, whereby each operator has larger end customer share in a different part of the country, supports infrastructure sharing as each operator seeks a broader footprint across the country. For example, Zantel has a strong presence in Zanzibar, Tigo’s network is dominant in coastal areas, Vodacom focuses on the Arusha area and Airtel has a strong position in the Lake region. Tanzania also has several other licenced MNOs, internet service providers (“ISPs”) and worldwide interoperability for microwave access operators providing further opportunities for improving tenancy ratios.

The current tower market structure underpins the relatively high barriers to entry that are a characteristic of the tower infrastructure sector. These hurdles include, in addition to economies of scale, high capital expenditure requirements and the need to obtain energy supply contracts, regulatory approvals, site acquisition skills and the necessary tower management expertise, as well as the need to overcome existing long-term contracts, which are typical of the Sub-Saharan tower industry. Existing tower infrastructure operators such as the Group have also built extensive customer relationships over many years which cannot easily be replicated by new entrants.

The forecast growth in the mobile sector driven by population growth, increases in the penetration of mobile devices among the population and the growing use of mobile phones for activities beyond traditional communications (for example, for banking and trade) encourages the MNOs to ensure that their networks are able to support the growing number of new services as well as maintain and increase their quality. This in turn requires the MNOs to increase the number of their PoS going forward.

Tanzania Total Market MNO PoS Forecast



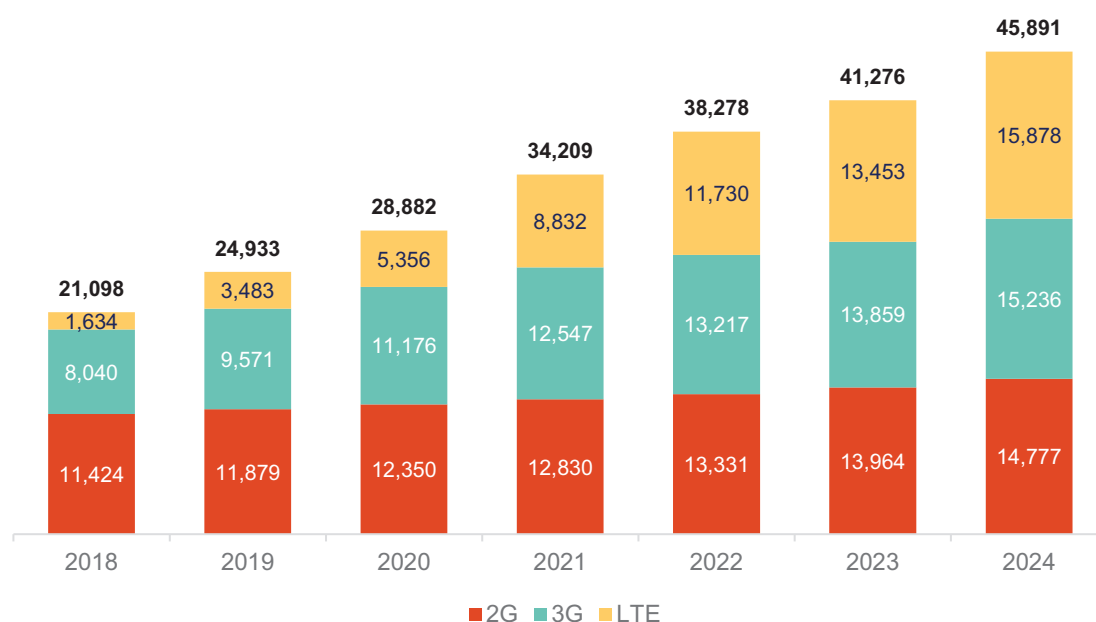
Source: Hardiman Report, August 2019

Total Market MNO PoS Forecast

Hardiman projects that an additional 5,084 PoS will be required in Tanzania between 2018 and 2024 to support the required improvements in network coverage and network capacity. Not only will MNOs be required to increase their PoS, but it is also anticipated that MNOs will be required to lease more space on towers due to the adoption of new technologies and quality of service improvements. In addition,

technological developments are forecasted to accelerate in African markets over the period reflecting both customer demand for data services as well as the increased operational and spectral efficiency for operators of utilising newer technologies, particularly 3G and 4G LTE in preference to 2G. Among the impacts of this changing network configuration, it is expected that MNOs will locate different and additional equipment on mobile communications towers (multi-band antennae, remote radio units (“RRUs”) and microwave dishes) as well as more antennae to facilitate sectoring. This will increase the demand for space on mobile communications towers which underlies the forecast growth in terms of Network PoS. When the demand for additional space on a specific tower exceeds the amount of space already under lease to a MNO on that tower under the individual site agreement (“ISA”), the MNO and the tower operator will typically enter into a discussion to provide for more space which can lead to amendments to existing tenancies resulting in amendment revenue for the tower company. According to Hardiman, Network PoS in Tanzania are forecast to increase at a compound annual growth rate of 13.8 per cent. between 2018 and 2024, which translates into a total increase in Network PoS from 21,098 in 2018 to 45,891 in 2024, underpinning the Group’s strong growth prospects.

Tanzania Total Market Network PoS Forecast by Technology



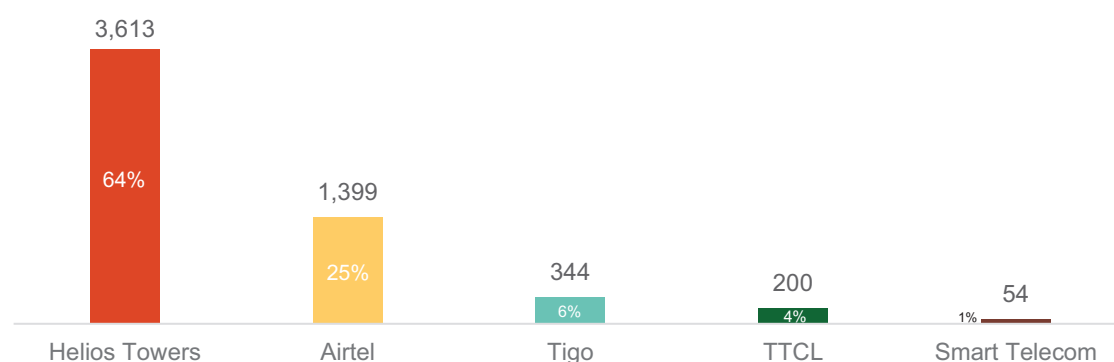
Source: Hardiman Report, August 2019

Demand for more site locations for MNOs (either as new build or colocation) as well as demand for space on towers to locate more equipment for 3G and 4G LTE equipment in response to increased market penetration are key drivers for the Group’s business in Tanzania. Hardiman expects that 3G and LTE Network PoS will grow from 46 per cent. in 2018 to approximately 70 per cent. in 2024 (*Hardiman Report, August 2019*).

Tanzania In-Market Tower Assets

The Group continuously assesses opportunities to carry out strategic purchases of existing tower assets that meet the Group’s internal criteria. In Tanzania, there are 1,997 tower sites owned by MNOs that may be suitable for asset purchases in the future (*TeleGeography, Smart Telecom enters crowded Tanzanian mobile market, April 2014*). The Group from time to time engages in discussions with MNOs regarding potential site purchases, but as of the date of this Prospectus, the Group is not currently engaged in advanced discussions nor has it entered into any letters of intent regarding any specific bolt-on acquisitions in Tanzania and bolt-on acquisitions are not currently included in the Group’s business plan.

Tanzania Online and Marketable⁽¹⁾ Telecommunications Sites, 2018



Source: Hardiman Report, August 2019

Note:

(1) Marketable sites are those that are suitable for adding colocation tenants.

Regulatory Commentary

In addition to ensuring the accurate reporting of telecommunications revenue and implementing a traffic monitoring system, the TCRA has listed a number of quality of service performance indicators. The TCRA actively monitors MNO's network performance to ensure compliance with its quality of service requirements. Due to a lack of network capacity that can only be alleviated by acquiring more spectrum or building more sites, every MNO has been fined by the TCRA for failure to comply with these requirements.

Following the EPOCA requirements for licenced telecommunications operators to issue 25 per cent. of their share capital through an initial public offering and thereafter list their shares on the Dar es Salaam Stock Exchange, Vodacom Tanzania listed its shares on the Dar es Salaam Stock Exchange on 15 August 2017, becoming the first telecommunications operator to comply with the government's mandatory listing requirements.

DRC

Macroeconomic Commentary

	2011	2018	2024	2011-18 CAGR	2018-24 CAGR
Real GDP growth (%).....	6.9%	3.9%	4.9%	5.9%	4.6%
Population (millions)	66.8	84.1	101.1	3.3%	3.1%
Urban Population (% Total)	41%	44%	48%	—	—
Population below 30 (% Total)	72%	72%	72%	—	—
FDI (US\$ billion).....	1.6	1.0	—	—	—

Sources: IMF World Economic Outlook Database, April 2019; UN World Population Prospects 2019; UN Urbanisation Data, 2018; EIU Database, May 2019.

Economic Commentary

DRC is the second largest country in Africa in terms of area (*World Bank DataBank, 2017*). When DRC gained independence in 1960, the formal economy of DRC was based almost entirely on the extraction of minerals, primarily copper and diamonds, and DRC is still considered to have among the largest endowments of minerals in Africa. The major urban areas include the capital Kinshasa, with 13.2 million inhabitants, Mbuji-Mayi, with 2.3 million inhabitants, Lubumbashi with 2.3 million inhabitants, Kananga with 1.3 million inhabitants, and Kisangani with 1.2 million inhabitants (*CIA World Factbook, 2019*).

Historically, the economy in DRC has suffered from declines in the prices of its main mineral exports and from a volatile political and security climate. However, the country has recently witnessed an improvement in its economy due to higher commodity prices and greater mining production. The primary sector continued to be the key driver of growth, sustained by a dynamic extraction sector. Macroeconomic policy has been relatively stable with the fiscal balance slipping to an estimated deficit of 0.6 per cent. of GDP, down from a surplus of 0.1 per cent. in 2017, due to budget pressures linked to elections. Management of government debt remained controlled, at an estimated 18.2 per cent. of GDP at the end of 2017. In 2018, the Central Bank of the Congo lowered its key interest rate from 20 per cent. to 14 per cent. due to favourable

developments in economic activity. The current account deficit fell to 1.1 per cent. of GDP in 2018 from 3.6 per cent. in 2017 as a result of greater mining production (*African Development Bank Group, African Economic Outlook 2019*).

Mining continues to be a core sector of the economy and activity in the cobalt and copper sectors will continue to increase between 2019 and 2020 as prices rise (although only in 2020 for copper), spurring production gains as output volumes increase. This, coupled with an acceleration in non-mining sector output, is expected to marginally increase the government's spending capacity and support economic activity, including continued investment in the transport and power sectors. The government has launched reforms to strengthen governance and transparency in the extractive industries (forestry, mining and oil) and to improve the business climate. Moreover, DRC participates in the Extractive Industries Transparency Initiative and regularly publishes revenues from natural resources. The new mining code adopted in 2018 has raised some concerns from mining companies, though investors are expected to remain involved in the sector given the relatively low labour costs, high ore grades and potential for further discoveries (*Economist Intelligence Unit, May 2019*).

Political Commentary

Felix Tshisekedi was inaugurated as president on 24 January 2019 in what is being called the first peaceful transfer of power in the history of DRC. He replaced Joseph Kabila, who came to office in January 2001 following the assassination of his father, President Laurent-Désiré Kabila, a leader of the rebellion against the prior dictatorship. Joseph Kabila was elected President in 2006 and in 2011 he was re-elected for a second term. Kabila's second term ended on 19 December 2016 and was followed by two years of political uncertainty and continuous delays in holding the new presidential election, which finally took place on 30 December 2018.

In the National Assembly election held at the same time, the Joint Front for Congo, a pro-Kabila political bloc, gained 337 out of 500 seats in the National Assembly, followed by the Martin Fayulu-led Lamuka coalition (102 seats) and Felix Tshisekedi's Heading for Change with 46 seats.

Since his election, Felix Tshisekedi appears to have been accepted by the region and the international community. In early February 2019, Tshisekedi attended the African Union heads of state summit and travelled around the region. At the summit, he held bilateral meetings with Paul Kagame of Rwanda, UN Secretary General António Guterres, and the EU's High Representative for Foreign Affairs, Federica Mogherini. The EU and DRC have also reached an agreement for the EU's ambassador to return to Kinshasa after he was expelled by former President Joseph Kabila last December. During a visit to the Republic of Congo-Brazzaville, Tshisekedi called for thousands of DRC exiles to return to the country.

On 20 May 2019, Felix Tshisekedi named the head of the country's railways, Sylvestre Ilunga Ilunkamba, as the next prime minister. Ilunga Ilunkamba was appointed under "the political agreement" between Tshisekedi and his predecessor Joseph Kabila.

Ilunkamba announced his new cabinet in August 2019, which includes 65 members, 42 members from Kabila's party, the Common Front for the Congo, and 23 from Tshisekedi's CACH coalition. (*UN radio OKAPI reports*).

DRC's Telecommunications Sector

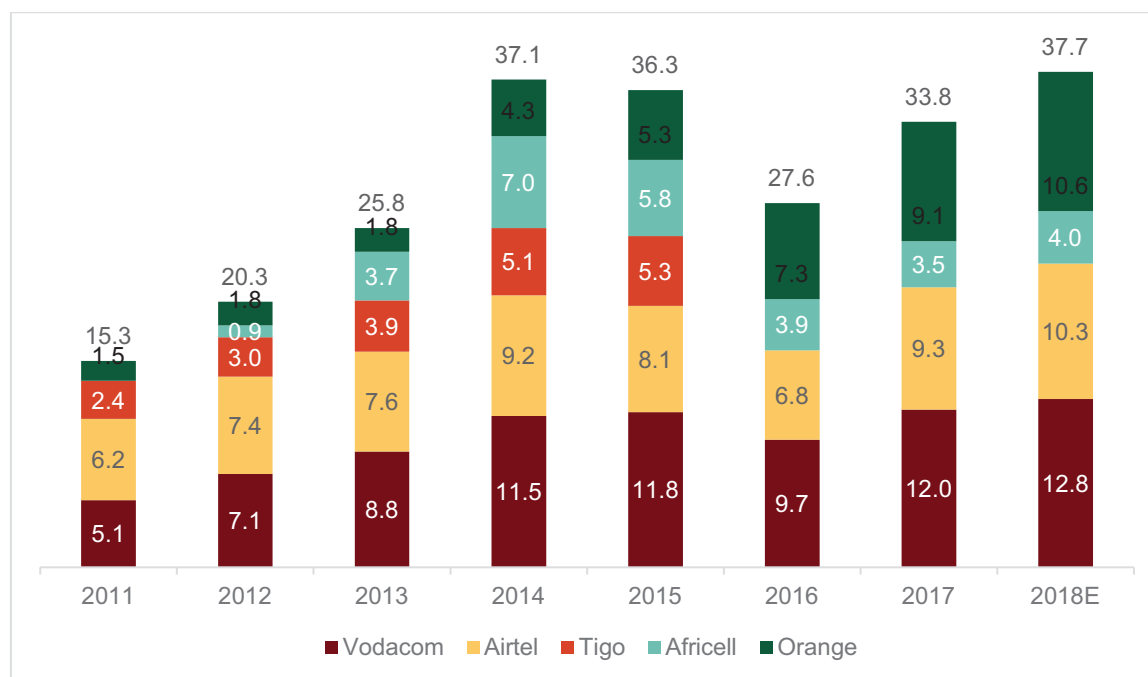
Coverage, Subscriptions and Penetration

The DRC telecommunications sector is an attractive market for long-term investment given the country's large population and mineral deposits (*Fitch solutions, Q3 2019*), despite the underinvestment in telecommunications infrastructure and security concerns amongst others. In addition, the new DRC Telecommunications Act is expected to allow for the removal of government involvement in telecommunications companies in DRC thereby inhibiting government interference in the industry. In the last few years there has been significant capital expenditure by the four main MNOs attributable to the roll-out of 4G, network upgrades and expansion.

DRC's telecommunications sector grew significantly from an estimated 15.3 million mobile subscriptions in 2011 to an estimated 37.7 million mobile subscriptions as of 31 December 2018, implying a compound annual growth rate of 14 per cent. per year (*Hardiman Report, August 2019*). Until 2014, growth was particularly spurred by the arrival of Africell in the market in late 2012. Mobile subscriptions stayed relatively flat in 2015 but declined during 2016 based on data reported to the Post and Telecommunications Regulatory Authority ("ARPTC") by Vodacom, Orange/Tigo and Africell. Similarly, mobile penetration

reached an estimated high of 49 per cent. in 2014 before falling to approximately 34 per cent. by the end of 2016 (*Hardiman Report, August 2019*). Key factors behind the decline in the mobile market may have included the government's SIM registration programme, which resulted in the deactivation of unregistered SIMs, a change in MNOs' methodology for counting SIMs (moving from counting "registered" SIMs to counting "active" SIMs) and the removal of overlapping second SIMs following Orange's purchase of Tigo in DRC in 2016. Multiple SIM ownership is a significant feature of DRC's mobile market, because each unique mobile subscriber in DRC has an estimated average of 1.3 SIMs. These factors had a one-off impact as the effects have largely passed and mobile penetration levels were up to an estimated 44 per cent. as of 31 December 2018, as mobile subscriber growth appeared to have exceeded net population growth (*Hardiman Report, August 2019*). Hardiman projects a convergence with African average penetration levels over the medium- to long-term.

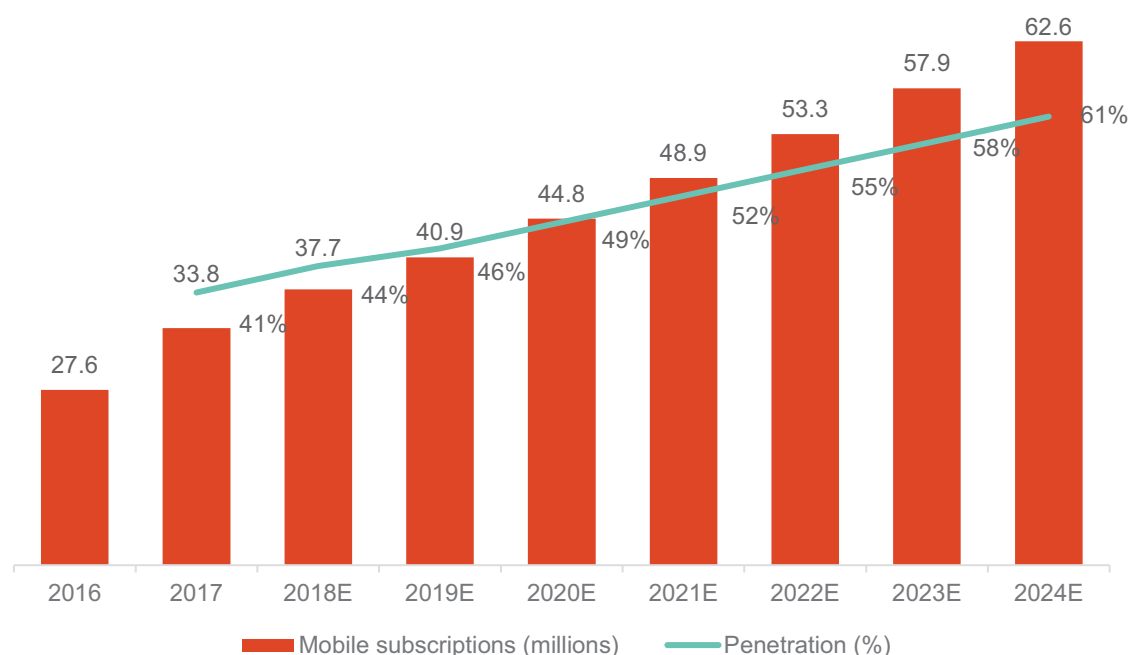
DRC Mobile Subscriptions by Operator (millions)



Sources: ARPTC; MNO data; Hardiman Report, August 2019

The subscriber base in DRC is projected to grow from an estimated 33.8 million as of 31 December 2017 to 62.6 million by 2024 (*Hardiman Report, August 2019*), implying a compound annual growth rate of nine per cent. per year over such period. This projected increase in subscribers is anticipated to be primarily underpinned by growth in the cohort, as measured by age, of mobile and candidate users and an increase in mobile penetration. DRC's projected mobile penetration of 61 per cent. as of 31 December 2024 is well correlated with its nominal GDP per capita and is in line with peer markets over the next six years. Furthermore, mobile penetration rates of above 60 per cent. have been reported in Sub-Saharan African markets such as Sierra Leone at similar or lower levels of GDP per capita. The forecast penetration rates do not take into account multi-SIM usage. As of 31 December 2018, the unique mobile subscriber penetration rate was 37 per cent., which was below the Sub-Saharan Africa average of 47 per cent. (*GSMA Report, 2019*), suggesting that a large segment of the population does not have access to mobile services.

DRC Mobile Subscriptions and Penetration



Source: Hardiman Report, August 2019

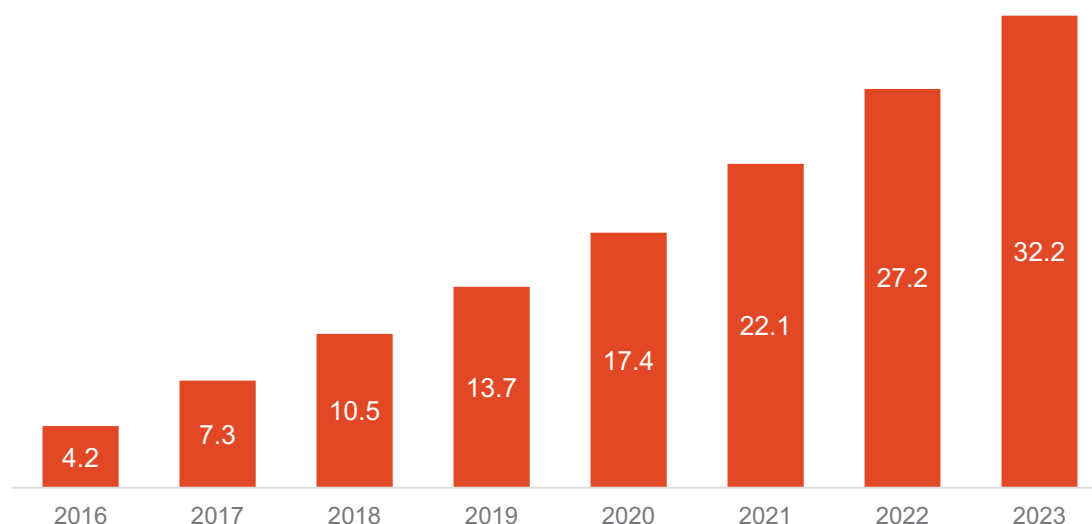
Additionally, the continual roll-out of 4G services is expected to account for a rising share of the subscriber base in the medium-term. GSMA projects that the rate of smartphone adoption will more than double from 14 per cent. in 2018 to 32 per cent. in 2024. Increased data usage will require MNOs to expand their network infrastructure to handle the growing data traffic, resulting in additional base stations and tower requirements.

Mobile Broadband

There has been negligible investment to date in fixed broadband infrastructure. The ARPTC reported only 1,000 fixed broadband subscriptions as of 31 December 2017, representing a penetration rate of 0.001 per cent. Consequently, nearly all internet access in DRC is provided via mobile networks.

MBB-enabled subscriptions had been only 3G until May 2018 when 20-year 4G licenses were awarded to Vodacom, Airtel, Orange and Africell, the four key MNOs in the market, for US\$20 million (*TeleGeography, September 2018*). Vodacom and Orange launched their 4G services in Kinshaha in the same month. MBB coverage is growing rapidly in DRC, but penetration was relatively low at 37 per cent. as of 31 December 2018 (*ARPTC, 2018*). Subsequent to the 4G launch, MBB represented 27 per cent. of DRC's mobile market subscribers as of 31 December 2018 (*GSMA Report, The Mobile Economy 2019*). Vodacom (the only MNO to report data users within its reported subscriber statistics) reported that its number of data users in DRC was 4.7 million as of 31 March 2019, representing 39 per cent. of its total subscribers. The number of data users grew at a multiple of 2.5 times between 2016 and 2018; compared to an average growth of 13 per cent. per year in mobile subscribers over the same period. GSMA projects that MBB-capable internet connections will grow from 10.5 million in 2018 to 37.2 million 2024.

DRC Mobile Data (3G & 4G) Subscription (millions)



Source: GSMA Intelligence, June 2019

Telecommunications MNOs

The DRC mobile market comprises four main MNOs. Estimates indicate Vodacom as being the market leader with 35 per cent. subscriber share as of 31 December 2018, followed by Airtel (28 per cent.), Orange (27 per cent.) and Africell (11 per cent.) (*Hardiman Report, August 2019*). The three largest operators are majority owned by large international telecommunications groups, being Vodacom Group, headquartered in South Africa, Millicom, headquartered in Luxembourg, and Bharti Airtel, headquartered in India.

In 2016, the acquisition of Tigo from Millicom by Orange created an MNO of scale which is competing with Airtel for the second position in DRC. Africell, the relatively new entrant, entered the DRC market in November 2012, disrupting market dynamics with aggressive pricing and market segmentation. Within two years, it had grown its mobile subscriber base to seven million, however this declined significantly to 3.9 million as of 31 December 2016 due to the DRC SIM registration program and was 4.0 million as of 31 December 2018.

3G launched in DRC in 2012 and in May 2018 the four MNOs acquired inaugural 4G licenses (800MHz spectrum) for US\$20 million with a 20-year term (*TeleGeography, May 2018*). Both Vodacom and Orange commercially launched 4G services in May 2018, while Airtel and Africell expect to launch their 4G services in the future (*Hardiman Report, August 2019*).

In terms of revenues, as of 31 December 2017 the ARPTC reported that Vodacom had 42 per cent. of total market revenues, compared to Orange and Airtel at 25 per cent. In the last 12 months (as at 31 March 2019), Vodacom and Orange revenues grew by 11 per cent. and 12 per cent., respectively.

There are other smaller mobile operators, including Yozma Timeturns, a 2G Licensee which has defaulted on its license, and Smile Communications, which is expected to launch its 4G LTE operations in DRC in 2020 (*TeleGeography, May 2018*).

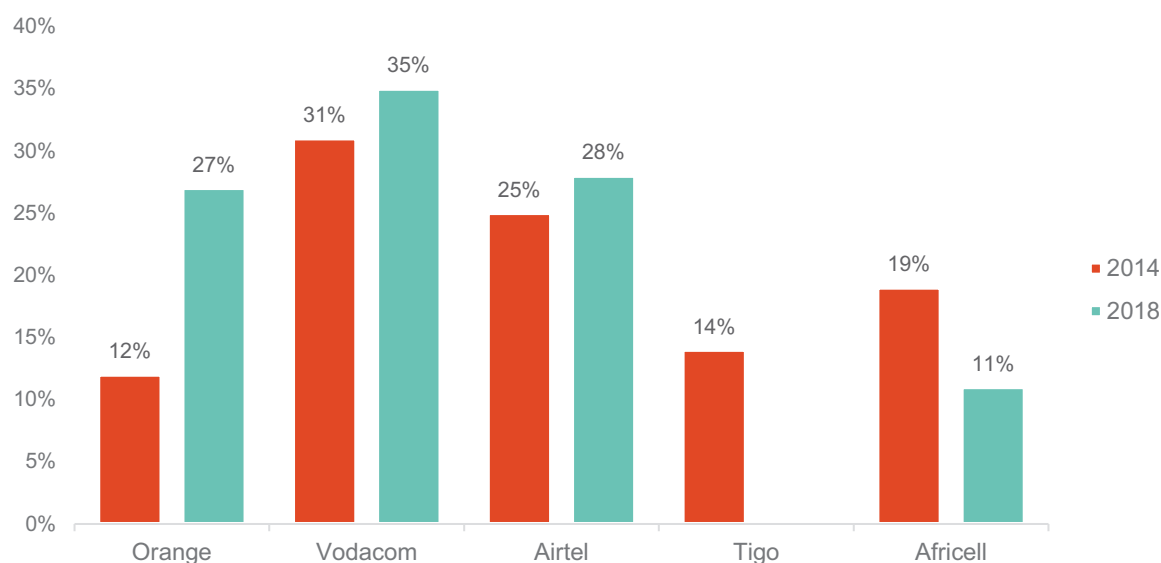
Summary of Main Operators in DRC

	Market Entry ⁽¹⁾	Technologies	Subscriptions (31 Dec 2018) ⁽²⁾	Market Share (31 Dec 2018)
			(millions)	(%)
Vodacom	1999	2G/3G/4G	12.8	35
Airtel-Tigo	2000	2G/3G/4G	10.3	28
Orange.....	2000	2G/3G/4G	10.6	27
Africell.....	2012	2G/3G	4.0	11

(1) Source: TeleGeography database, June 2017

(2) Source: Hardiman Report, August 2019

MNO Market Share



Source: Hardiman Report, August 2019

DRC's Telecommunication Tower Industry

Market History/Shareable Towers Overview

As of 31 December 2018, the Group owned or managed approximately 63 per cent. of the estimated total of 2,802 marketable towers located in DRC. The remaining marketable towers were reported as owned by Vodacom (26 per cent.), Orange (nine per cent.) and Airtel (one per cent.). The Group remains the only identified independent tower company operating in DRC (*Hardiman Report, August 2019*).

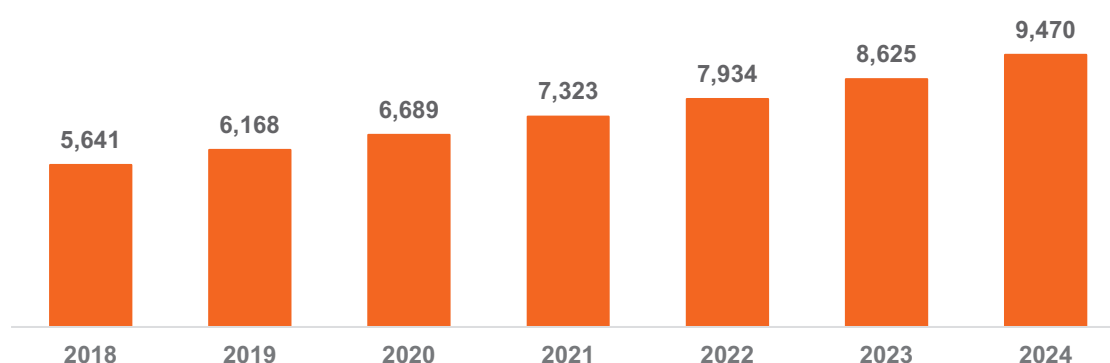
Prior to the Group's entry into DRC in 2011, the sector was characterised by limited tower sharing on the basis of bilateral agreements between MNOs. Growing pressure to achieve operational efficiencies and the need to expand network infrastructure to meet requirements to cover rural areas and enhance network capacity have led the MNOs to pursue colocation on the Group's towers. The Group's tower footprint favours the Kinshasa and Bas Congo regions in the west of the country, where 38 per cent. of its towers are located, with the mining areas in the south accounting for an additional 30 per cent. of the Group's sites.

The DRC market is particularly supportive of the independent tower company model owing to the strong market share held by the three main MNOs, low market penetration providing the potential for future growth, low mobile ARPU in the region and the overall size of the country compared to its current network coverage, all of which demonstrate a need for additional towers. MNOs are expected to increase colocations and build-to-suit rather than build their own towers.

The forecast growth in the mobile sector is driven by growth in the cohort, as measured by age, of mobile and candidate users, increases in the penetration of mobile devices among the population and the increasing affordability of smartphones and data consumption. Data consumption is growing at a fast rate as mobile phones are being used for data communications as well as traditional voice communications, including mobile money applications, e-commerce and the launch of 4G services. This requires that the MNOs ensure that their networks are able to support both the growing number of new services as well as to maintain and increase their quality of service in terms of coverage and availability, as supervised by regulatory monitoring. This in turn requires MNOs to increase the number of their standard PoS or MNO PoS (or tenancies, either anchor or colocation) over the next five years as they increase coverage and densify their networks, particularly in urban areas.

DRC Total Market MNO PoS Forecast

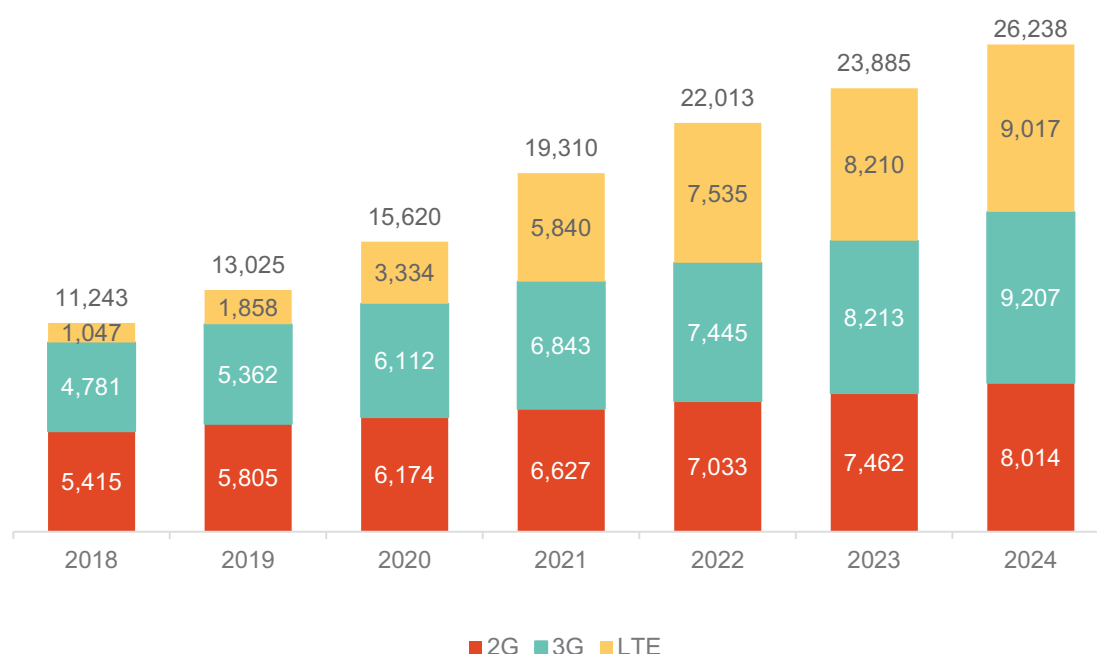
Total Market MNO PoS Forecast



Source: Hardiman Report, August 2019

The Hardiman Report projects that an increase of 3,829 PoS will be required between 2018 and 2024 to support the improvements in network coverage and network capacity in DRC. The Group expects the demand for additional PoS will lead to growth in its colocations and build-to-suit towers in DRC. In particular, Airtel and Orange are expected to invest in network rollout as they seek to reduce the network advantage of Vodacom. In addition, the continual 4G roll-out is expected to drive new tenancies on the Group's sites. Given the impacts of this changing network configuration it is expected that MNOs will locate different and additional equipment on mobile communications towers, including multi-band antennae, RRUs, microwave dishes, as well as more antennae to facilitate sectoring. This will increase the demand for space on mobile communications towers which underlies the forecast growth in terms of Network PoS. When the demand for additional space on a specific tower exceeds the amount of space already under lease to a MNO on that tower under the ISA, the MNO and the tower company will typically enter into a discussion on amending the ISA to provide for more space which can lead to amendments to existing tenancies resulting in incremental revenues, or amendment revenues, for the tower company.

DRC Total Market Network PoS Forecast by Technology



Source: Hardiman Report, August 2019

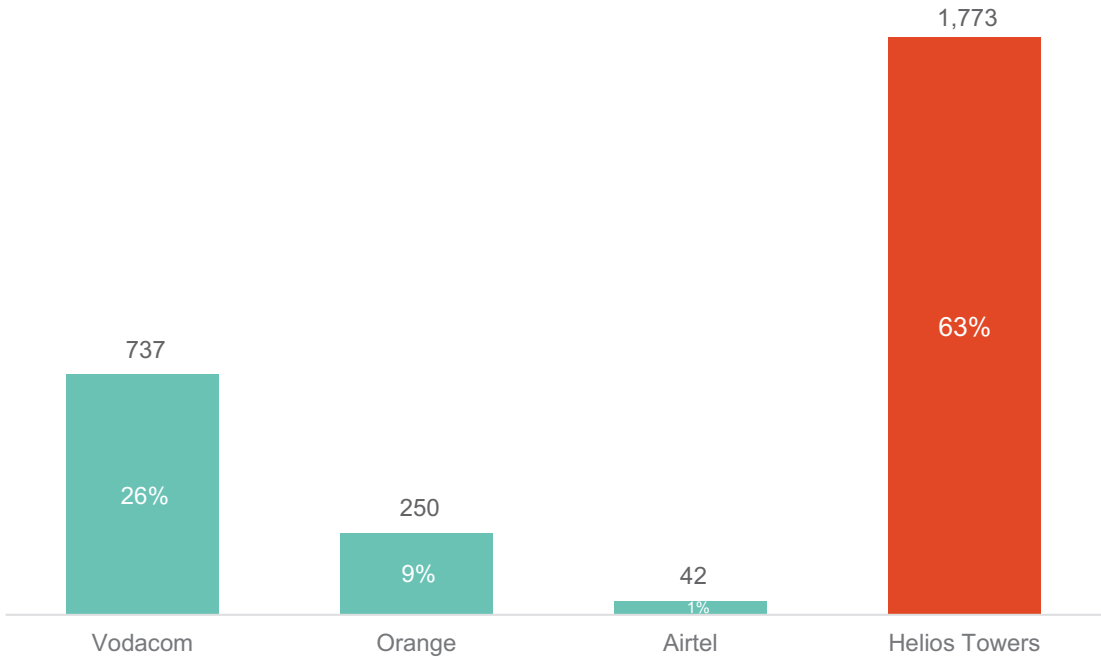
Demand for more site locations for MNOs (either as new build or colocation) as well as demand for space on towers to locate 3G and 4G LTE equipment are key drivers for the Group's business in DRC. The

Group is projected to benefit from this demand as the sole independent tower company in DRC. Network PoS in DRC is forecast to increase from 11,243 as of 31 December 2018 to 26,238 in 2024, an increase of 2.3 times reflecting a compound annual growth rate of 15.2 per cent. over the period. Rollout of 3G and LTE sites is expected to drive Network PoS growth with 3G and LTE growing from 52 per cent. in 2018 to 67 per cent. of total Network PoS in 2024.

DRC In-Market Tower Assets

The Group continuously assesses opportunities to carry out strategic purchases of existing tower assets that meet the Group’s internal criteria. In DRC, there are an estimated 1,029 tower sites owned by MNOs that may be suitable for asset purchases in the future (*Hardiman Report, August 2019*). The Group from time to time engages in discussions with MNOs regarding potential site purchases, but as of the date of this Prospectus, the Group is not currently engaged in advanced discussions nor has it entered into any letters of intent regarding any specific bolt-on acquisitions in DRC and bolt-on acquisitions are not currently included in the Group’s business plan.

DRC Online and Marketable Telecommunications Sites, 2018



Source: Hardiman Report, August 2019

Regulatory Commentary

The principal pieces of legislation governing the telecommunications sector in DRC are the Framework Law Number 013/2002 on Telecommunications, which establishes the structure of the sector (“DRC Telecommunications Law”), and Law Number 014/2002, which establishes the independent regulator of the sector, the ARPTC. The ARPTC operates under the tutelage of the Minister of Postal Services, Telecommunications and New Technologies of Information and Communication (“MPT”), which develops governmental policies with respect to the telecommunications sector. The ARPTC, together with MPT, enforces the DRC Telecommunications Law and licence provisions.

The ARPTC commenced operations in 2003 and is mandated to ensure compliance with the laws and regulations concerning telecommunications services; issue, suspend or revoke licences and supervise licences; ensuring that operators meet their licence obligations; regulate retail and wholesale tariffs for communications service; promote effective competition in the sector and protect consumer rights in the sector.

All telecoms services, including the installation and operation of mobile cellular radio networks, in DRC are licensed activities, and the use of allocated segments of the radio spectrum are specifically authorised activities. The construction and operation of telecommunications towers is not a licenced activity, but the operator is required to submit a notification to the ARPTC.

To further update the legal and regulatory framework for telecommunications in DRC, MPT, together with other relevant government authorities, has adopted a new DRC Telecommunications Act. The new DRC Telecommunications Act is expected to overhaul the current licensing regime, modernise the structure of the sector with a view to encouraging competition and enabling the withdrawal of state involvement in telecommunications companies and spectrum management frameworks. Key measures introduced include interconnection, infrastructure sharing, tariff setting and management. This new regulation was prepared with assistance from the World Bank, which made regulatory reform a pre-requisite for financial assistance to DRC's segment of the Central African Backbone (*TeleGeography, September 2018*). The new DRC Telecommunications Act was submitted to the Senate for approval in May 2018 and is yet to be disseminated.

Ghana

Macroeconomic Commentary

	2011	2018 ⁽¹⁾	2024	2011-18 CAGR	2018-24 CAGR
Real GDP Growth (%).....	17.4%	5.6%	3.8%	5.6%	5.4%
Population (millions).....	25.4	29.8	33.7	2.3%	2.1%
Urban Population (% Total).....	51%	56%	60%	—	—
Population below 30 (% Total).....	68%	66%	64%	—	—
FDI (US\$ billion).....	3.2	3.4	—	—	—

Note:

(1) 2018 figures are based on estimates.

Source: IMF World Economic Outlook Database, April 2019; UN World Population Prospects, 2019; EIU Database, June 2019.

Economic Commentary

Ghana remains an attractive market with significant natural resources and is a market-based economy with relatively few policy barriers to trade and investment. Gold, oil, and cocoa exports, as well as individual remittances, are major sources of foreign exchange. Expansion of Ghana's nascent oil industry has boosted economic growth, but the fall in oil prices since mid-2014 has reduced Ghana's oil revenues.

Ghana's fiscal performance has shown a broad turnaround since 2016. The consolidation of public finances has been successful, leading to a significant reduction in the fiscal deficit from 7.3 per cent. of GDP in 2016 to 3.8 per cent. in 2018. The primary balance turned positive at the end of 2017, the first time in almost a decade, and remained positive at the end of 2018. In addition, Ghana's supportive regulatory environment and stable environment attracted US\$3.4 billion of foreign direct investment in 2018. Positive macroeconomic developments resulted in Standard & Poor's rating upgrade (to "B" from "B-") for the first time after almost a decade as well as the largest Eurobond issuance in 2018 (*IMF Country Report No. 19/97, Ghana, April 2019*).

The inflation rate has stabilised to levels within the central bank's target range of six to 10 per cent. Headline inflation fell from close to 20 per cent. in 2016 to 9.8 per cent. in 2018 (*African Development Bank, African Economic Outlook 2019*). This decline was driven by moderations in both food and non-food inflation, the relative stability of the Cedi (an average of 4.41 U.S. dollar to Ghanaian Cedi in the first quarter of 2017 vs. 5.12 U.S. dollar to Ghanaian Cedi in the first quarter of 2019) as well as the ongoing fiscal consolidation. The moderation in inflation created room for policy easing since July 2017, as the policy rate was cut from 21.5 per cent. in January 2017 to 20 per cent. in September 2017 and was at 16 per cent. in January 2019.

Meanwhile, the government has shown a commitment to improving the reliability of grid power and ensuring investment in key infrastructure. Ghana has a weak infrastructure base, which is generally aged or outdated and in need of renewal. The government is likely to remain committed to improving infrastructure and has the means to attract investment or utilise revenues from commodity exports.

Ghana's growth target for 2019 is 8.8 per cent. mainly to be driven by the industrial sectors, especially oil, gas and mining. Manufacturing is also expected to post higher growth. From 2018 until 2024, overall GDP is projected to grow on average at 5.4 per cent., as the effects of oil on growth decline and non-oil growth strengthens. Inflation is expected to remain in the central bank's target range of 6 to 10 per cent. in 2019, while the fiscal deficit is expected to be marginally higher at 4.2 per cent. of GDP.

Political Commentary

The government of Ghana has been a constitutional democracy since 1992, from which time it has held multiparty presidential elections every four years. The president is vested with executive powers and acts as head of government, while the legislative branch is represented by a unicameral parliament. The two main parties have alternated in power since the 1990s. The National Democratic Congress, which had held the presidential office since 2008, recently faced challenges from the opposition party, the New Patriotic Party, over the perceived severe effects of the fiscal responsibility programme on living standards, and in December 2016, a member of the New Patriotic Party, Nana Akufo-Addo, was elected president.

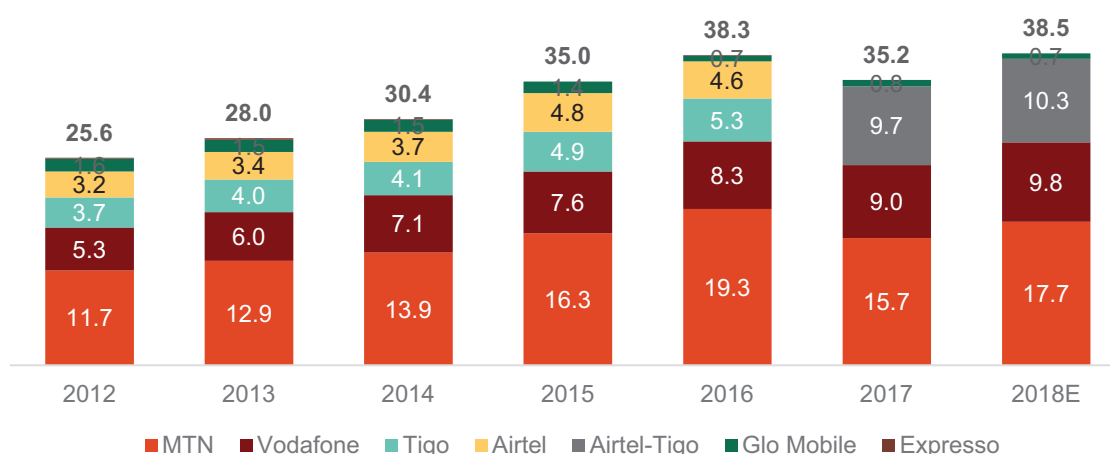
Governmental policies are becoming increasingly business-friendly and the political environment is relatively stable. The government introduced several initiatives, including the National Entrepreneurship and Innovation Plan (“NEIP”) and “One District, One Factory”. The former is a flagship policy initiative of the government of Ghana with the primary objective of providing an integrated national support for start-ups and small businesses. The latter is aimed at establishing, at least, one factory or enterprise in each of the 216 districts of Ghana as a means of creating economic growth poles that would accelerate the development of those areas and create jobs for the teeming youth. Nevertheless, bureaucracy in Ghana slows down processes, the country remains prone to corruption, and the judiciary is subject to political influence.

Ghana’s Telecommunications Sector

Coverage, Subscriptions and Penetration

Ghana’s telecommunications sector grew significantly from an estimated 25.6 million mobile subscriptions in 2012 to an estimated 38.5 million mobile subscriptions in 2018, implying a compound annual growth rate of 7.0 per cent. per year. Similarly, estimated mobile penetration increased from 98 per cent. in 2012 to 129 per cent. by the end of 2018. The estimated total number of mobile subscriptions increased by 3.3 million between 31 December 2017 and 31 December 2018. The estimated number of subscriptions declined sharply in 2017 mainly due to a change in the method used by the market leader (MTN) to count active customers. However, market growth was reported to have resumed in 2018. Multiple SIM ownership is a significant feature of the Ghanaian mobile market as each unique mobile subscriber has an estimated average of 2.4 SIMs (*Hardiman Report, August 2019*). Unique subscriber penetration as of 31 December 2018 was estimated to be 54 per cent., which is slightly above the average of approximately 50 per cent. for Sub-Saharan Africa (*GSMA Intelligence, June 2019; Unique Mobile Subscribers, 2018*).

Ghana Mobile Subscriptions by Operator (millions)

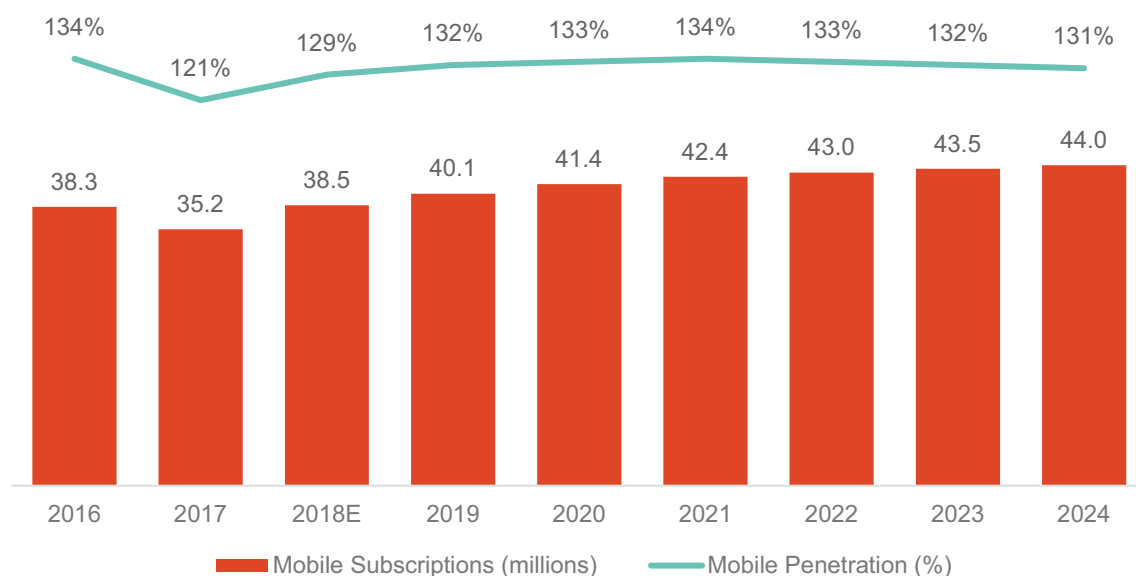


Source: Hardiman Report, August 2019.

The subscriber base in Ghana is projected to grow from an estimated 38.3 million in 2016 to 44.0 million by 2024, a compound annual growth rate of 1.7 per cent. per year over the period, with the increase in subscribers expected to be driven primarily by demand for mobile data connectivity and increased rates of smartphone adoption, which are projected to increase from 45 per cent. in 2018 to 90 per cent. in 2024. Ghana’s estimated mobile market penetration as of 31 December 2017 amounted to 121 per cent. Decline in penetration during 2017 was mainly due to downward restatement of active subscribers by MTN. Market penetration in Ghana as of 31 December 2018 was estimated to be 129 per cent. Hence, mobile market

penetration is projected to recover from the 2017 decline and stabilise around 131 per cent. in 2024. Furthermore, mobile penetration rates above 120 per cent. have been reported in African markets such as Cote d'Ivoire and Gambia with similar or lower levels of GDP per capita (*Hardiman Report, August 2019*).

Ghana Mobile Subscriptions and Penetration



Source: *Hardiman Report, August 2019*.

Mobile Broadband

Growth in Ghana's mobile market is now being driven mainly by the adoption of mobile data services. Voice and traditional messaging services are no longer the key driver of demand. The Ghanaian regulator, the National Communications Authority ("NCA"), reported that the number of mobile data subscriptions increased from 8.3 million as of 31 December 2012 to 23.5 million as of 30 September 2018. Hence, growth in the number of mobile data users is reported as higher than the growth of mobile phone subscriptions (*Hardiman Report, August 2019*).

MBB penetration as a share of population amounted to an estimated 82 per cent. as of 31 December 2017. The share of mobile subscribers that are data users has increased from an estimated 33 per cent. as of 31 December 2012, to an estimated 59 per cent. as of 30 September 2018. The Hardiman Report projects that the share of mobile subscribers that are data users will increase further as old handsets are replaced by smartphones, MBB coverage is improved, and MNOs roll out own 4G services. GSMA projects that MBB-capable internet connections will increase from 24.2 million in 2018 to 45.4 million in 2024. As of 31 December 2017, estimated 4G population coverage exceeded 35 per cent. in Ghana (*Hardiman Report, August 2019*).

Telecommunications Market Operators

Ghana's mobile market features four major MNOs, three of which, MTN, Airtel-Tigo and Vodafone, are significant international MNOs. MTN is reported as a clear market leader with 46 per cent. market share as of 31 December 2018 (*Hardiman Report, August 2019*). MTN announced 3.4 million disconnections in the first quarter of 2017 resulting from a change in how it defined customers. MTN is the only MNO identified as having launched 4G in Ghana, which reinforced its leadership position. Tigo Ghana and Airtel Ghana formally merged in October 2017 via a 50:50 joint venture. Vodafone's strong market position derives from the acquisition of a 70 per cent. stake in Ghanaian incumbent Ghana Telecom in 2008. Vodafone obtained a 4G licence in December 2018, having paid US\$30 million for 2x5 MHz in the 800 MHz band. Glo Mobile in Ghana was set up as part of Nigerian multinational Globacom's overall "fibre-plus-mobile" regional strategy for West Africa. Glo Mobile subscriber base has declined and its brand perception is weak. Nevertheless, the company has not announced plans to withdraw from the market. Expresso Telecom

formally exited the market at the beginning of 2018. Its subscriber base had decreased close to zero by the time of withdrawal and NCA had not renewed its licence.

	Market Entry	Technologies	Subscriptions (31 Dec 2018)	Market Share (31 Dec 2018)
			<i>(millions)</i>	<i>(%)</i>
MTN.....	1996	2G/3G/4G	17.7	46
	1994 (Tigo)			
Airtel-Tigo.....	1997 (Airtel)	2G/3G	10.3	27
Vodafone	2000 ⁽¹⁾	2G/3G/4G ⁽²⁾	9.8	25
Glo Mobile.....	2008	2G/3G	0.7	2

Source: Hardiman Report, August 2019.

Notes:

(1) Vodafone obtained a licence in 2000. In 2008, Vodafone acquired a 70 per cent. stake in Ghana Telekom

(2) 4G licence acquired in December 2018

Ghana's Telecommunication Tower Industry

Market History/Shareable Towers Overview

Following the acquisition of Eaton Towers by American Tower announced 30 May 2019, the Group is one of two independent tower companies in Ghana. As of 31 December 2018, the Group owned 21 per cent. of the 4,314 marketable towers located in Ghana. The remaining 79 per cent. were owned by American Tower, including the towers American Tower acquired from Eaton Towers.

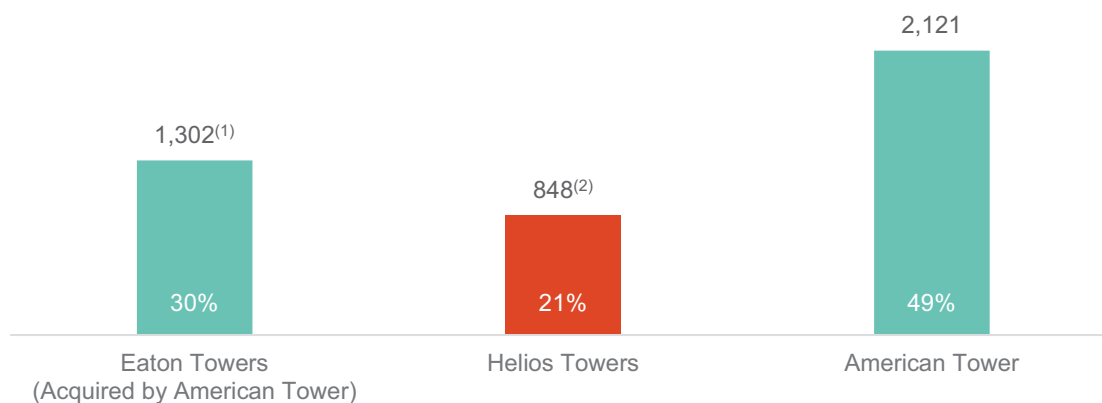
Independent tower companies have been active in the Ghanaian market since 2010 when the Group, American Tower, and Eaton Towers each entered the market. The Company entered the Ghanaian market through the acquisition of Tigo's towers portfolio. American Tower entered the market by creating a joint venture with MTN and, as a result, is the largest tower company in Ghana, further increasing its market share with the acquisition of Eaton Towers. Eaton Towers entered the market in 2010 by means of a tower management contract with Vodafone which runs until 2020. Subsequently, Eaton acquired Airtel's tower portfolio in Ghana.

The Ghanaian market is particularly supportive of the independent tower company model given that all major MNOs in the country rely on independent tower companies for new sites. Emerging wireless ISPs are also potential customers. In addition, local planning guidelines and restrictions limit the number of new towers that can be built. Duplication of towers is prohibited, which limits the construction of towers in close proximity to each other thereby further mitigating competitive pressures.

The Group's towers in Ghana reflect the network coverage of anchor tenant Airtel-Tigo, which is concentrated in the southern part of the country and the cities of Accra and Kumasi. The Company's tower portfolio is predominantly located in urban and suburban areas (only 26 per cent. of all sites are located in rural areas). The Group's urban-centric portfolio has limited overlap with the portfolios of other tower companies in Ghana. Therefore, the Company believes that it is well-suited to capture a high portion of site densification build-out as data demand drives infrastructure improvements.

The Group continuously assesses opportunities to carry out strategic purchases of existing tower assets that meet the Group's internal criteria. In Ghana, based on publicly available information, the Group estimates there are approximately 750 tower sites owned by MNOs which are managed by other tower companies that may be suitable for asset purchases in the future. The Group from time to time engages in discussions with MNOs regarding potential site purchases, but as of the date of this Prospectus, the Group is not currently engaged in advanced discussions nor has it entered into any letters of intent regarding any specific bolt-on acquisitions in Ghana and bolt-on acquisitions are not currently included in the Group's business plan.

Ghana Online and Marketable Telecommunications Sites, 2018 Market Share



Source: Hardiman Report, August 2019.

Notes:

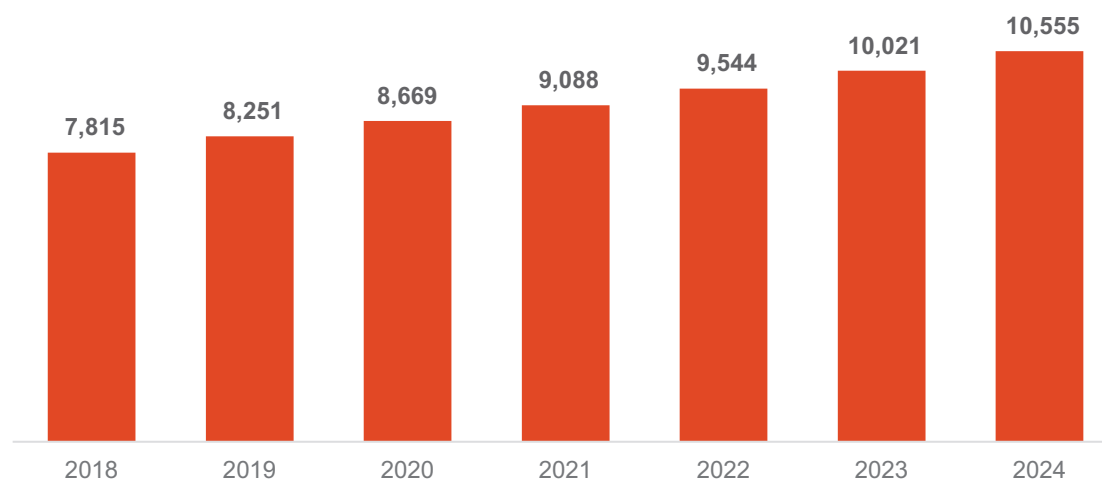
(1) In Ghana, Eaton manages 750 sites on behalf of Vodafone.

(2) This figure is Company information based on 848 online and marketable sites.

Total Market MNO PoS Forecast

The increase in PoS is forecasted to be driven by growth in the cohort, as measured by age, of mobile and candidate users, higher penetration of mobile devices, and the growing use of mobile phones for activities beyond traditional communication services (for example, banking and trade). As a result, MNOs will have to ensure that their networks are able to support the increased demand for new services and, at the same, the quality of the services provided is improved. Growing data usage will require MNOs to expand their network infrastructure in order to handle increased data traffic. Consequently, MNOs are expected to increase the number of their PoSs over the next years, as illustrated in the following chart.

Ghana Total Market MNO PoS Forecast



Source: Hardiman Report, August 2019.

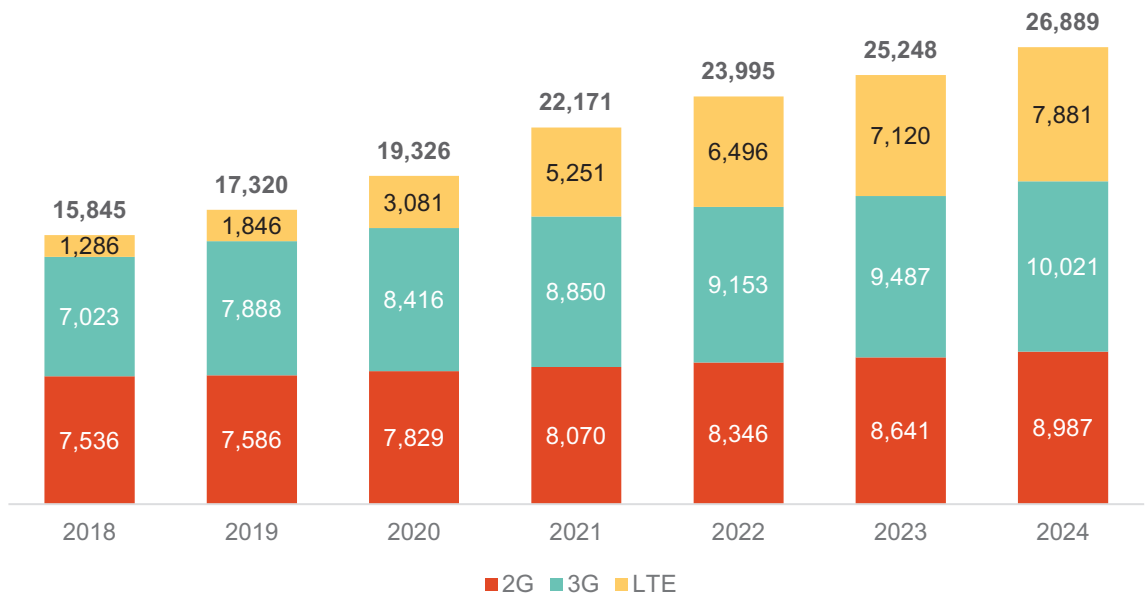
As of 31 December 2018, there were an estimated 7,815 PoS in Ghana. It is projected that an additional 2,740 PoS will be required between 2018 and 2024 to support the improvements in network coverage and network capacity in Ghana (*Hardiman Report, August 2019*). The majority of new PoS in the forecast period is expected to be built by Airtel-Tigo and Vodafone. MTN has recently reported significant investments in new sites and network infrastructure. As a result, Airtel-Tigo and Vodafone will likely have to invest in their infrastructure in order to remain competitive with MTN.

In African markets the demand for and the uptake of data services is accelerating. Data capacity is becoming the main determinant of PoS dimensioning. Consequently, rapid technological developments are forecasted to take place over the next years, reflecting both customer demand for data services as well as increased operational and spectral efficiency of operators utilising newer technologies (particularly 3G and

4G LTE in preference to 2G). It is expected that MNOs will locate additional equipment on mobile communications towers, including multi-band antennae, RRUs, microwave dishes, and more antennae to facilitate sectoring. Additional equipment implies increased demand for space on mobile communication towers. Once the demand for additional space on a specific tower exceeds the amount of space leased by an MNO under the ISA, the MNO and the tower company will typically begin discussions regarding amendment of the ISA to provide more space. The tower company is likely to receive increased revenues as a result of leasing more space.

Network PoS in Ghana are forecasted to increase from an estimated 15,845 in 2018 to 26,889 in 2024, an increase of 11,044 PoS reflecting a compound annual growth rate of 9.2 per cent. over the period (*Hardiman Report, August 2019*). The Hardiman Report projects that the rollout of 3G and LTE sites, which the Hardiman Report estimates will grow from 53 per cent. of total Network PoS in 2018 to 67 per cent. of total Network PoS in 2024, will drive Network PoS growth.

Ghana Total Market Network PoS Forecast by Technology



Source: Hardiman Report, August 2019.

Network PoS growth is expected to be driven primarily by the rollout of 3G and LTE sites. As of 31 December 2018, there was an estimated 1,286 LTE PoS in Ghana (*Hardiman Report, August 2019*). Operator PoS growth is expected to come from additional coverage sites and 3G infill sites as MNOs densify their data networks. Network PoS will grow as MNOs install 3G and 4G equipment on existing 2G sites and on new sites.

Regulatory Commentary

The responsibility for Ghana’s telecommunications market is split between the Ministry of Communications and the NCA. The Ministry of Communications exists to facilitate the development of reliable, cost-effective, and advanced communications infrastructure and services. The NCA is the central body in Ghana responsible for licensing and regulating communications activities and services. The NCA requires licences in connection with the ownership and operation of telecommunications towers. In order to own, build and operate telecommunications towers in Ghana, permits are required in connection with building, airspace safety, non-ionising radiation protection and the environment. These permits are required prior to the commencement of any construction work.

The Ghanaian regulatory model is highly proactive in terms of policy implementation and forward-looking with regards to the adoption and monetisation of new technologies, applications and services. The regulator continually monitors whether operators meet their licence conditions, attempts to promote competition, and increase coverage in rural areas. In March and April 2017, the NCA held meetings with MNOs ordering them to improve their quality of service. In December 2018, MTN Ghana was reported to be in talks with broadband wireless access (BWA) spectrum holder Goldkey Telecoms about exchanging a proportion of its

shares for the latter's 4G 2600MHz spectrum. According to media reports, the NCA had approved the move. Furthermore, in December 2018, NCA granted Vodafone Ghana 2 × 5MHz spectrum in the 800MHz band. As a result, Vodafone became the second operator, after MTN, to be awarded 4G spectrum by the NCA.

Congo Brazzaville

Macroeconomic Commentary

	2011	2018 ⁽¹⁾	2024	2011-18 CAGR	2018-24 CAGR
Real GDP Growth (%)	3.4%	0.8%	2.2%	1.6%	2.0%
Population (millions)	4.4	5.2	6.1	2.6%	2.5%
Urban Population (% Total)	64%	67%	70%	—	—
Population below 30 (% Total)	68%	68%	67%	—	—
FDI (US\$ billion).....	0.3	0.1	—	—	—

Note:

(1) 2018 figures are based on estimates.

Sources: IMF World Economic Outlook Database, April 2019; UN World Population Prospects, 2019; EIU Database, June 2019.

Economic Commentary

Located in Central Africa, Congo Brazzaville has significant reserves of oil and natural gas, forestry and arable land. The petroleum industry is the predominant force of the Congo Brazzaville economy, contributing significantly to the country's GDP and workforce.

The sharp drops in oil prices that started in mid-2014 resulted in GDP contracting by 2.9 per cent. (in real terms) in 2016. Nevertheless, oil production increased in 2017, with a new field (Moho Nord) coming on stream, and oil prices started to recover, which contributed to positive economic growth. The economy is projected to recover at 2.0 per cent., on average, over the period 2018 to 2024. This recovery has been supported by growing oil production, an increase in information and communications technology as well as higher manufacturing output.

The government has introduced the National Development Plan (2018 to 2022), which lays out its intention for a change of focus to improving governance, nurturing human capital, and diversifying the economy. The plan's stated agenda is rapid economic recovery with sustained and inclusive growth. As a result, overall fiscal and external balances are expected to be contained over the 2018 to 2020 period in anticipation of the government's successful implementation of fiscal and economic reforms.

Political Commentary

Upon independence in 1960, the former French region of Middle Congo became Congo Brazzaville. The country adopted a Marxist form of government until Marxism was abandoned in 1990 and a democratically elected government took office in 1992. Denis Sassou Nguesso was President from 1979 to 1991 before becoming an opposition leader for five years before returning to power during the Second Civil War (1997-1999), in which his rebel forces ousted President Pascal Lissouba. Following a transitional period, Sassou Nguesso won the 2002 presidential election, which involved low opposition participation, and he was re-elected in the 2009 presidential election. The introduction of a new constitution, passed by referendum in 2015, enabled Sassou Nguesso to stand for a further term which resulted in his re-election as president in 2016 with a majority in the first round. The government quickly launched "the march towards development", the President's social project for 2016-2021, and "living together", an initiative which calls for unity, dialogue and national cohesion. However, some major political or military leaders have been imprisoned. Legislative and local elections took place on July 2017, and saw the main ruling party, the Congolese Labour Party (PCT), win most of the seats. The reshuffling of the government resulted in no major changes in key ministerial positions.

The president is chief of state, and following a constitutional referendum in 2015, the head of government is a prime minister vested with executive powers with the legislative branch composed of a bicameral parliament. Subsequently, there was significant political unrest in certain regions (particularly in the Pool region), including protests in 2015 over the constitutional referendum eliminating the age limit for presidential candidates. Nevertheless, the Pool region is gradually regaining peace and security. As a result of the ceasefire agreement reached in November 2017 between government officials and representatives of

the former rebel leader, Frédéric Bintsamou (also known as Pastor Ntumi), the free movement of goods and people is improving, and displaced populations are gradually returning to their localities of origin.

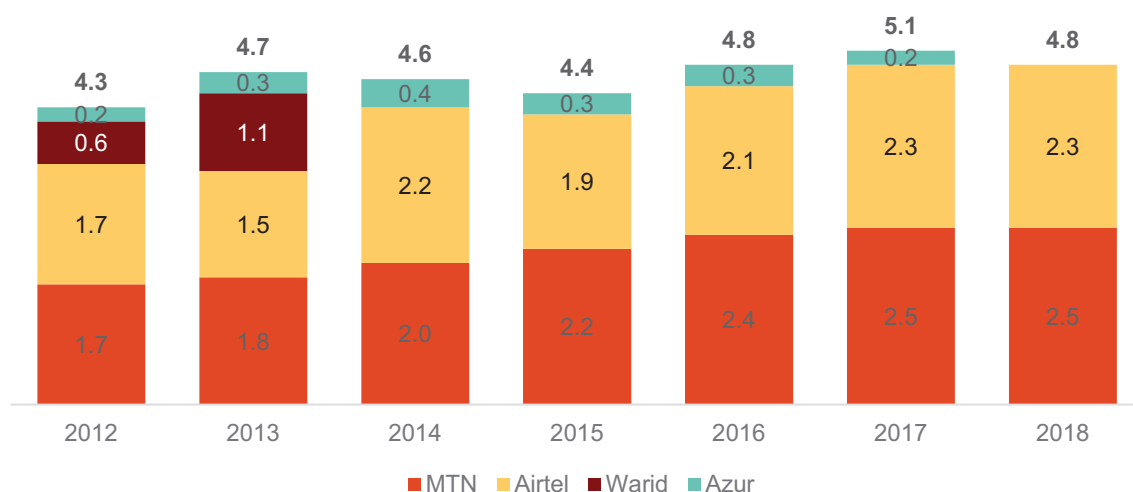
A disarmament, demobilisation, and reintegration process started in August 2018 under the supervision of the United Nations, and accelerated with the support of Pastor Ntumi, whose first public appearance in two years took place in August 2018. Members of the government and international community continue working to improve the situation in the Pool region.

Congo Brazzaville's Telecommunications Sector

Coverage, Subscriptions and Penetration

Congo Brazzaville's telecommunications sector grew from 4.3 million mobile subscriptions in 2012 to 4.8 million mobile subscriptions in 2018, implying a compound annual growth rate of 1.9 per cent. Mobile penetration decreased from 91 per cent. in 2012 to 89 per cent. in 2018. Mobile subscriptions fell by 0.3 million during 2018 as a result of Azur's exit from the market. Multiple SIM ownership is a significant feature of Congo Brazzaville's mobile market. Each unique mobile subscriber has an average of 2.0 SIMs (*Hardiman Report, August 2019*). Unique subscriber penetration as of 31 December 2018 was estimated to be 46 per cent., which is slightly below the average of approximately 50 per cent. for Sub-Saharan Africa (*GSMA Intelligence, June 2019; Unique Mobile Subscribers, 2018*).

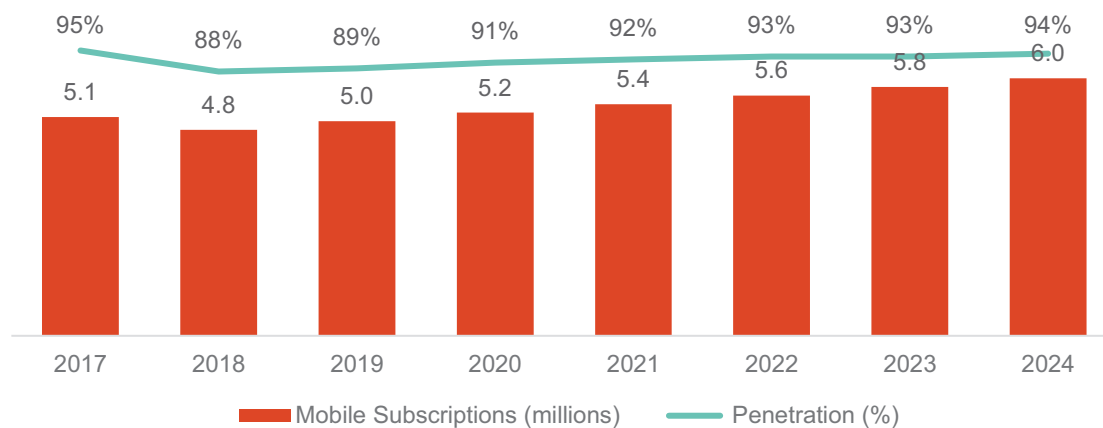
Congo Brazzaville Mobile Subscriptions by Operator (millions)



Source: *Hardiman Report, August 2019*.

The subscriber base in Congo Brazzaville is projected to grow from an estimated 4.8 million in 2018 to 6.0 million in 2024, implying a compound annual growth rate of 3.8 per cent. over the period. Mobile market subscriptions are forecast to increase by an average of 200,000 per year, which is slightly higher than population growth (c. 150,000 annually on average). It is expected that mobile data will be the main driver of growth, with GSMA projecting that the smartphone adoption rate will increase from 30 per cent. in 2018 to 62 per cent. in 2024. Congo Brazzaville's mobile market penetration as of 31 December 2017 amounted to an estimated 95 per cent. Mobile market penetration declined to 88 per cent. in 2018, likely as a result of Azur's withdrawal from the market. Growth however appears to have recommenced, and penetration is forecast to reach 94 per cent. by 2024. Furthermore, mobile market penetration rates in the 90 to 100 per cent. range have already been reported in African markets such as Senegal with lower levels of GDP per capita (*Hardiman Report, August 2019*).

Congo Brazzaville Mobile Subscriptions and Penetration



Source: Hardiman Report, August 2019.

Mobile Broadband

MBB population penetration as a share of population in Congo Brazzaville amounted to an estimated 17 per cent. as of 31 December 2017. The main restraint on MBB adoption is low population coverage of 3G and 4G. MBB coverage in Congo Brazzaville is relatively low, 17 per cent. and five per cent. for 3G and 4G, respectively. Nevertheless, MBB adoption within the coverage area is estimated to be high (101 per cent. as of 31 December 2017) and GSMA estimates that MBB-capable internet connections will increase from 2.1 million in 2018 to 5.3 million in 2024 (*GSMA Report, June 2019*).

MTN, which has a 51 per cent. subscriber market share in Congo Brazzaville, reported 0.4 million active mobile data users as of 30 June 2018 (19 per cent. of total MTN subscriptions). This is equivalent to 48 per cent. of MTN's estimated 0.9 million smartphone owners as of 30 June 2018 (*Hardiman Report, August 2019*).

The *Agence de Régulation des Postes et des Communications Electroniques* ("ARCPE") has made increased efforts to enforce quality of service requirements on MNOs and in 2015 reduced the licence terms of MTN and Airtel for their failure to meet network quality of service requirements. The ARCPE has also announced a public consultation on market powers for telecommunications operators, which could result in additional obligations regarding the imposition of extended national coverage requirements on MNOs with significant market power implying a greater need for infrastructure build-out.

Telecommunications Market Operators

Congo Brazzaville's mobile market is a duopoly between two major international operators, MTN and Airtel. The exit of Warid from the market in 2014 intensified already latent duopolistic tendencies. Withdrawal from the market by Azur in the second quarter of 2018 formalised the market's duopoly status. MTN is the market leader with 51 per cent. subscriber market share. MTN benefited from the exit of Warid from the market in 2014 as it immediately increased the market share from 38 per cent. as of 31 December 2013 to 44 per cent. as of 31 December 2014. MTN further increased its market share by seven percentage points in 2015. Nevertheless, Airtel managed to increase its market share from 42 per cent. as of 31 December 2015 to 49 per cent. as of 31 December 2018. Azur exited the market due to financial difficulties, which undermined consumer confidence and negatively impacted its brand. The company's licence was not renewed by the *Agence de Régulation des Postes et des Communications Electroniques* (the "ARPCE").

MTN was the first operator in Congo Brazzaville to offer 4G services. It launched “4G Turbo” in some parts of the capital (Brazzaville) and in Congo’s second largest city, Pointe Noire, at the end of 2016. Airtel announced the launch of 4G services in December 2018. It claims to offer the broadest 4G coverage, via 250 dedicated 4G sites (83 per cent. population coverage).

	Market Entry	Technologies	Subscriptions (31 Dec 2018)	Market Share (31 Dec 2018)
			(millions)	(%)
MTN.....	2000	2G/3G/4G	2.5	51
Airtel	1999	2G/3G/4G	2.3	49

Source: Hardiman Report, August 2019.

Congo Brazzaville’s Telecommunications Tower Industry

Market History/Shareable Towers Overview

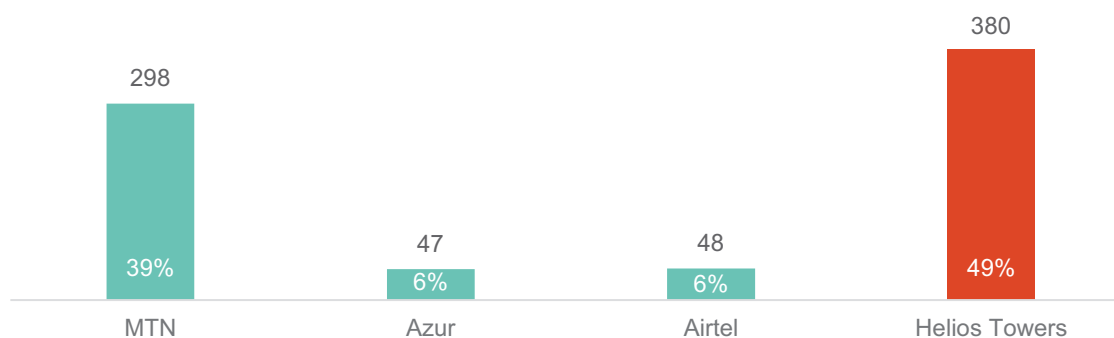
The Group is the only independent tower company operating in Congo Brazzaville. The Company currently owns and manages 49 per cent. of the estimated 773 marketable towers located in Congo Brazzaville. The remaining marketable towers are owned by MTN (39 per cent.), Airtel (6 per cent.) and Azur (6 per cent.). Given that Azur has left the market, its tower portfolio may be available for acquisition (*Hardiman Report, August 2019*).

Prior to the Group’s entry into the Congo Brazzaville market in 2015 through its acquisition of Airtel’s towers, the sector was characterised by significant tower sharing arrangements between MNOs. As of 2018, 90 per cent, 40 per cent., and 34 per cent. of Airtel, Azur, and MTN PoS were estimated as colocated on third party sites, with Airtel’s proportion having been the highest as a result of the sale of the majority of its portfolio to the Group (*Hardiman Report, August 2019*). The Congo Brazzaville market is supportive of the independent tower company model owing to the existing duopoly between MTN and Airtel as well as historically low levels of activity in terms of tower growth. Moreover, remote rural areas in the north of the country would make it expensive for MNOs to service the towers. The MNOs prefer to use independent tower companies to construct build-to-suite sites.

The Group’s towers are concentrated in the southern part of the country and in the cities of Brazzaville and Pointe Noire, reflecting the network coverage of anchor tenant Airtel. With a duopoly in place between MTN and Airtel, it is likely that these MNOs will continue to collaborate with the Company in the development of new build-to-suit sites. The Group believes that the market is too small to support a second independent tower company. Hence, the Company is well-positioned to capture a portion of the growth stemming from capacity infill and site densification in urban areas.

The Group continuously assesses opportunities to carry out strategic purchases of existing tower assets that meet the Group’s internal criteria. In Congo Brazzaville, there are 393 tower sites owned by MNOs that may be suitable for asset purchases in the future. The Group from time to time engages in discussions with MNOs regarding potential site purchases, but as of the date of this Prospectus, the Group is not currently engaged in advanced discussions nor has it entered into any letters of intent regarding any specific bolt-on acquisitions in Congo Brazzaville and bolt-on acquisitions are not currently included in the Group’s business plan.

Congo Brazzaville Online and Marketable Telecommunications Sites, 2018 Market Share

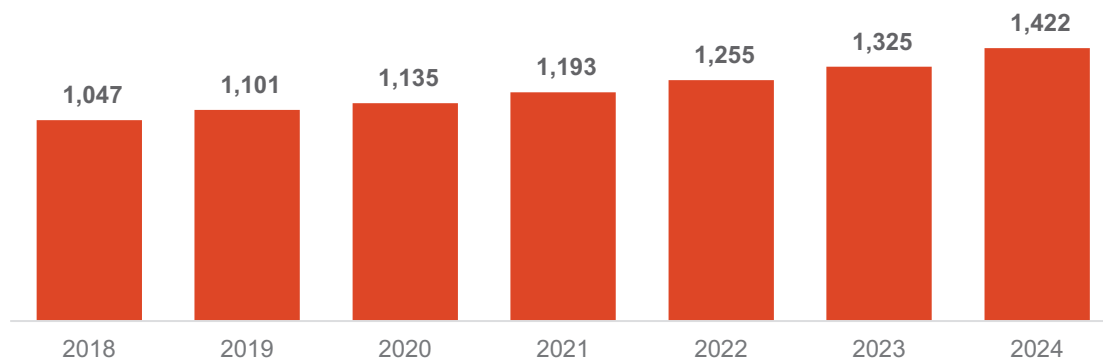


Source: Hardiman Report, August 2019.

Total Market MNO PoS Forecast

The increase in PoS is forecasted to be driven by growth in the cohort, as measured by age, of mobile users and candidate users, higher penetration of mobile devices, increasing affordability of smartphones, and growing use of mobile phones for activities beyond traditional communication services. As a result, MNOs will have to ensure that their networks are able to support the increased demand for new services and, at the same time, the quality of the services provided is improved. Growing data usage will require MNOs to expand their network infrastructure in order to handle increased data traffic. Consequently, it is expected that MNOs will increase the number of their PoS over the coming years as they increase coverage and densify their networks (particularly in urban areas).

Congo Brazzaville Total Market MNO PoS Forecast



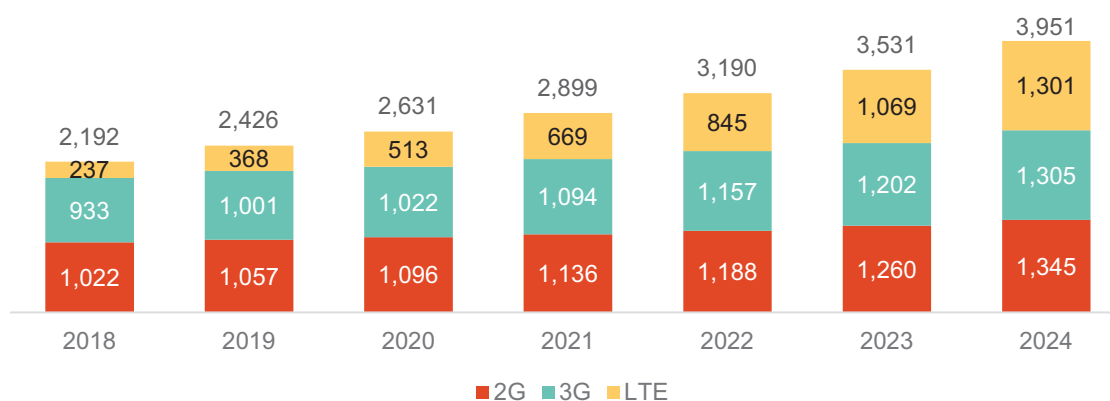
Source: Hardiman Report, August 2019.

As of 31 December 2018, there were an estimated 1,047 PoS in Congo Brazzaville. The Hardiman Report estimates that an additional 375 PoS will be required between 2018 and 2024 to support the improvements in network coverage and network capacity in Congo Brazzaville. The Hardiman Report projects that increasing numbers of subscribers for MTN and Airtel will drive demand for new operator PoS while the rollout of 3G and 4G LTE sites, which Hardiman estimates will grow from 53 per cent. of total estimated Network PoS in 2018 to 67 per cent. of total Network PoS in 2024, will drive Network PoS growth. As a result of Azur's exit from the market, their PoS are not expected to grow and are shown solely for information purposes.

In African markets the demand for and the uptake of data services is accelerating. Data capacity is becoming the main determinant of PoS dimensioning. Consequently, rapid technological developments are forecasted to take place in the short-term, reflecting both customer demand for data services as well as increased operational and spectral efficiency of operators utilising newer technologies (particularly 3G and 4G LTE in preference to 2G). It is expected that MNOs will locate additional equipment on mobile communications towers, including multi-band antennae, RRUs, microwave dishes, and more antennae to facilitate sectoring. Additional equipment implies increased demand for space on mobile communication towers. Once the demand for additional space on a specific tower exceeds the amount of space leased by an MNO under the ISA, the MNO and the tower operator will typically begin discussions regarding amendment of the ISA to provide more space. The tower operator is likely to receive increased revenues as a result of leasing more space.

Network PoS in Congo Brazzaville are forecasted to increase from 2,192 in 2018 to 3,951 in 2024, an increase of 1,759 PoS reflecting a compound annual growth rate of 10.3 per cent. over the period (Hardiman Report, August 2019).

Congo Brazzaville Total Market Network PoS Forecast by Technology



Source: Hardiman Report, August 2019.

Network PoS growth is expected to be driven primarily by the rollout of 3G and 4G LTE sites. As of 31 December 2018, there was an estimated 237 4G LTE PoS in Congo Brazzaville (*Hardiman Report, August 2019*). Operator PoS growth is expected to come from additional coverage sites and infill sites as MNOs densify their data networks. Network PoS will grow as MNOs install 3G and 4G equipment on existing 2G sites and on new sites. MNOs' demand for more site locations (either as new build or colocation) as well as the demand for tower space to locate more equipment for 3G and 4G LTE services are the key drivers for the Group's business in Congo Brazzaville.

Regulatory Commentary

The government entity responsible for the regulation of the telecommunications sector in Congo Brazzaville is the ARPCE, which operates under the auspices of the Ministry of Communications. The agency is responsible for managing frequencies, prescribing equipment standards, setting tariffs, promoting competition and mediating consumer disputes. In addition, the ARPCE monitors compliance with the terms of licences and applicable laws.

The installation and operation of equipment on telecommunications towers in Congo Brazzaville are licenced activities monitored by the ARPCE. The construction of towers in Congo Brazzaville requires a permit from the ARPCE which must be held as long as the tower exists, and written notifications must be filed and approved by the Ministry of Environment of Congo Brazzaville ("MECB"). Furthermore, local municipal approval is required to operate towers in Congo Brazzaville.

South Africa

Macroeconomic Commentary

	2011	2018	2024	2011-17 CAGR	2018-24 CAGR
Real GDP growth (%).....	350.9	368.1	458.6	1.5%	1.7%
Population (millions).....	52.0	57.8	62.1	1.5%	1.2%
Urban Population (% Total).....	62.7%	66.4%	69.3%	—	—
Population below 30 (% Total).....	59.2%	55.7%	52.9%	—	—
FDI (US\$ billion).....	4.1	6.0	—	—	—

Sources: IMF World Economic Outlook Database, April 2019; UN World Population Prospects, 2019; UNCTAD Work Investment Report.

Economic Commentary

South Africa, the largest economy in Southern Africa and the second largest in Africa, is a middle-income market with an abundant supply of natural resources, well-developed financial, legal, telecommunications, energy and transport sectors, and a stock exchange that is Africa's largest and rated amongst the top 20 in the world. South Africa's mature financial market, combined with high levels of business sophistication and innovation, have led the country to be considered a gateway to doing business in Sub-Saharan Africa.

Through South Africa's central bank, the SARB, monetary policy has focused on maintaining price stability and balanced and sustainable economic growth. Inflation is expected to average 5 per cent. annually between 2019 and 2023, which is within the SARB's target range of 3 per cent. to 6 per cent. (*The Economist Intelligence Unit, South Africa, Country Report*).

However, economic growth in South Africa has decelerated in recent years with the most recent data showing no growth in year-on-year real GDP during the first quarter of 2019. The challenges facing the country include high levels of inequality and unemployment, the latter of which is currently at 27.6 per cent. of the population, skills shortages due to deteriorating primary and secondary education standards, high public debt spending, mismanagement of state-owned enterprises such as South African Airways and Eskom, which in the case of the latter has resulted in load shedding as a consequence of underinvestment, aging power plants and delays in the completion of new power generation facilities. Other contributing factors include ongoing drought conditions, weaker commodity prices and a weaker sovereign rating.

Despite these challenges, Moody's maintains South Africa's risk rating at investment grade (Baa3 – Stable), while noting the country's significant debt levels, low economic growth and limited investment levels. Moody's however has expressed confidence in President Ramaphosa and his ability to push through much needed reforms (*CIA World Factbook, 2019; The Economist Intelligence Unit, South Africa, Country Report*).

Since his inauguration in February 2018, President Ramaphosa and his administration have embarked on a number of policy reforms designed to improve the efficiency of the economy and attract local and FDI, including:

- Reducing government expenditure on salaries;
- Institutional reforms primarily aimed at key state institutions such as the National Prosecuting Authority ("NPA");
- State-owned enterprises reforms at Eskom, Transnet and the South African Revenue Service ("SARS");
- Investor drive to bring investment into the country; and
- Sector reforms in telecommunications (e.g. spectrum auction) and in oil & gas exploration.

Restarting the private-sector-led renewable energy programme and introducing a more business-friendly mining charter represent some of Mr Ramaphosa's key achievements to date. Reforms to overhaul parastatals are expected to facilitate much-needed investment from both public and private sources. Increased consumption underpinned by an expanding middle class is expected to drive the economy as will the spread of digital technologies. Policy clarification in key areas is still required, particularly regarding the government's land reform programme (*The Economist Intelligence Unit, South Africa, Country Report*).

Progress has also been made in strengthening the institutional framework of the country, maintaining relative exchange rate stability and reducing crime, all of which have led to general positive GDP sentiments. GDP growth in 2019 will benefit from the above-mentioned policy reforms and rising confidence in the government. Between 2020 and 2023, GDP is expected to rise to an average 2.8 per cent. annually (*The Economist Intelligence Unit, South Africa, Country Report*).

Political Commentary

South Africa is a multi-party democratic state wherein the president and members of the National Assembly are elected every five years. The African National Congress ("ANC"), has remained the dominant political force in the country since the first democratic elections in 1994, and today holds 230 seats in the 400-seat National Assembly. President Ramaphosa recently received a new popular mandate when the ruling ANC won the National Assembly elections held on 8 May 2019. Mr Ramaphosa is now considered to have greater authority to shape the policy, agenda and structure of the government, and to drive reforms (*The Economist Intelligence Unit, Country Report, South Africa*). On 30 May 2019, President Ramaphosa announced the formation of his cabinet, in which 50 per cent. of the posts are held by women, making South Africa one of the few countries in the world in which the cabinet is gender-balanced.

President Ramaphosa has already made progress in rebuilding and strengthening key state institutions such as the NPA and the SARS, whose oversight and governance had been weakened by the previous administration. President Ramaphosa has also championed numerous and ongoing inquiries into corruption and state capture to expose and prosecute abuses which are alleged to have taken place under former president Jacob Zuma.

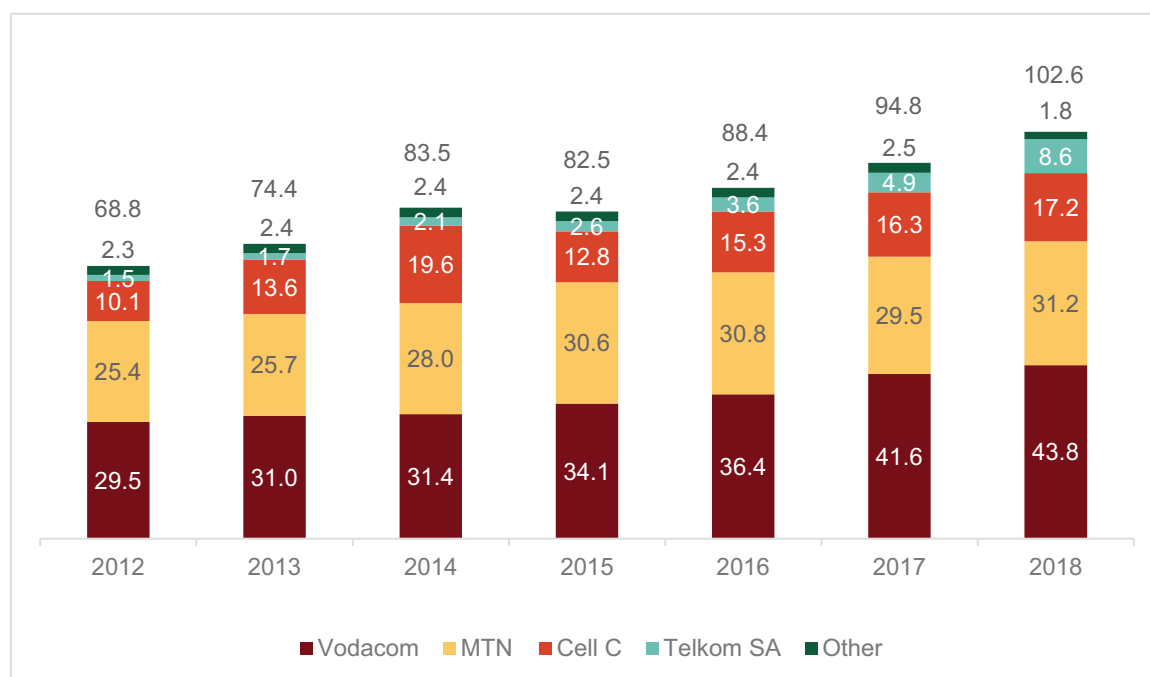
South Africa's Telecommunications Sector

Coverage, Subscriptions and Penetration

The South African telecommunications sector is a mature market with a highly penetrated mobile segment. Mobile penetration has grown from an estimated 129 per cent. in 2012 to 178 per cent. in 2018 (*Hardiman Report, August 2019*). The unique mobile subscriber penetration rate, however, was estimated to be only 67 per cent. in 2018 (*Hardiman Report, August 2019*), taking into account multi-SIM usage. This suggests that despite elevated penetration levels, there is still significant growth potential for the mobile telecommunications sector in South Africa.

SIM subscriptions grew from an estimated 74 million in 2013 to an estimated 103 million by end of 2018 (*Hardiman Report, August 2019*) driven predominantly by a growing black middle class and innovation and competition in mobile data services. The small drop in subscriber numbers in 2015 can likely be attributed to the revision and clean-up of Cell C's subscriber base.

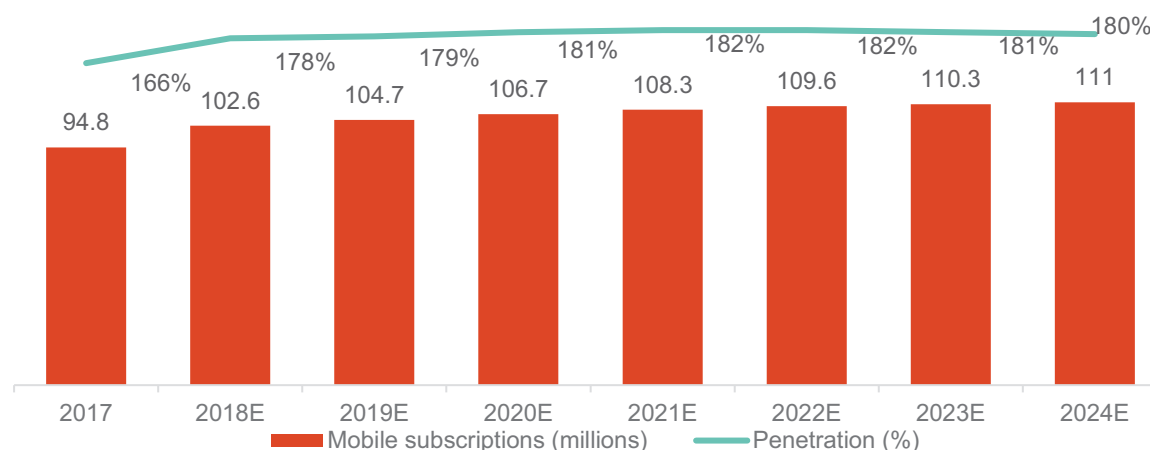
South Africa Mobile Subscriptions by Operator (millions)



Source: Hardiman Report, August 2019

South Africa Mobile Subscriptions and Penetration

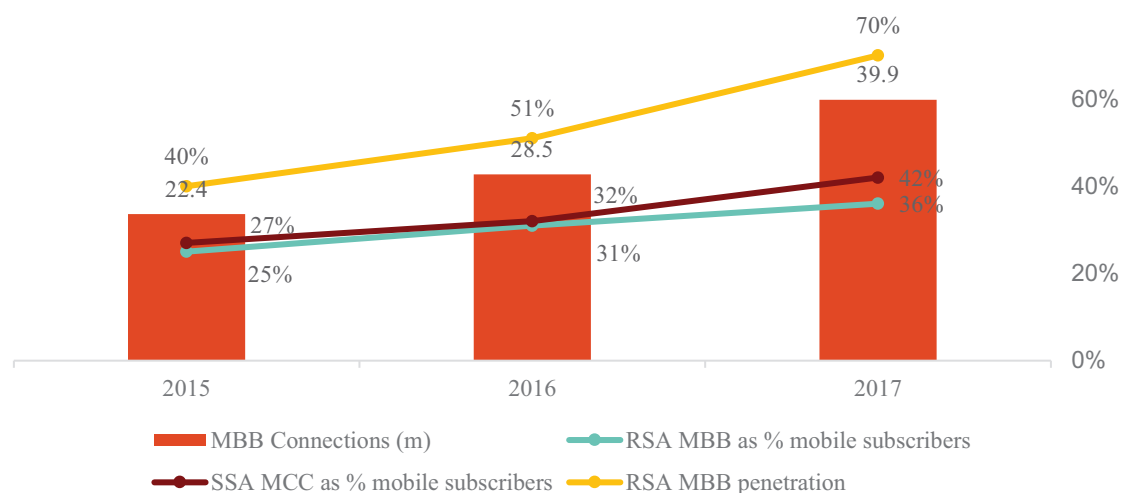
The subscriber base in South Africa is projected to grow from an estimated 94.8 million in 2017 to 111 million by 2024, a compound annual growth rate of 2.3 per cent. over the period.



Source: Hardiman Report, August 2019

The reported MBB take-up rate in South Africa is among the strongest in the region. MBB-enabled subscriptions (3G/4G) represented an estimated 62 per cent. of the total mobile market subscriptions as of 31 December 2018, which was equivalent to 100 per cent. population penetration (*Hardiman Report, August 2019*). Focus is now on the further extension of 4G coverage with 78 per cent. of population already covered by 4G as of 31 December 2017, one of the highest rates in Sub-Saharan Africa (*Hardiman Report, August 2019*). The increased availability of cheap smartphones in South Africa will act as a further stimulus for mobile broadband uptake, notably among the young population. From 2018 to 2024, GSMA expects that the rate of smartphone adoption will increase from 98 per cent. to 133 per cent.

South Africa Mobile Broadband Subscriptions and MBB Penetration



Source: Hardiman Report, August 2019

South Africa Mobile Market Overview

The South African telecommunications market is mature and comprises four main MNOs: Vodacom, MTN, Cell C and Telkom, as well as mobile virtual network operators (“MVNOs”). The main characteristics of the telecommunications market are price competition, a significant pre-eminence of Vodacom and MTN, data-led propositions and stringent regulation. The two largest operators are majority-owned by large telecommunications groups, Vodacom Group, headquartered in South Africa, which is ultimately owned by Vodafone Group Plc, and MTN Group headquartered in South Africa.

The three largest MNOs (Vodacom, MTN and Cell C) had an estimated combined market share of 90 per cent. as of 31 December 2018 (*Hardiman Report, August 2019*). Vodacom is a market leader with an estimated 43.8 million subscribers in 2018 (*Hardiman Report, August 2019*), and a claimed coverage of 99 per cent. in South Africa. MTN is the country’s second largest mobile operator with an estimated 31.2 million subscribers (*Hardiman Report, August 2019*), a claimed 3G network coverage of 98 per cent. and a 4G network coverage of 90 per cent. Cell C is the country’s third largest operator with an estimated total subscriber base of 17.2 million in 2018, up sharply from 2012 when it reported 10.1 million subscribers (*Hardiman Report, August 2019*). Discussions on a potential merger between Cell C and Telkom reportedly took place in 2018, but so far, no transaction has been announced. Telkom, which is a semi-privatised company in which the government has a direct shareholding of 39.3 per cent. (*Hardiman Report, August 2019*) as well as an indirect stake of 11.6 per cent. through the Public Investment Corporation, a state-owned asset manager, is the fourth largest MNO with 8.6 million subscribers reported in 2018 (*TeleGeography, GlobalComms Database, January 2019*).

	Licence Date ⁽¹⁾	Technologies ⁽²⁾	Subscriptions (31 Dec 2018) ⁽¹⁾	Market Share (31 Dec 2018) ⁽¹⁾
			(millions)	(%)
Vodacom	1993	2G/3G/4G	43.8	43
MTN	1993	2G/3G/4G	31.2	30
Cell C	2000	2G/3G/4G	17.2	17
Telkom	2010	2G/3G/4G	8.6	8

Notes:

(1) *Hardiman Report, June 2019.*

(2) *Source: Telegeography database, June 2017.*

Market History/Shareable Towers Overview

3G mobile data services have grown rapidly since their launch in 2004 and this has been followed by the rollout of 4G services across the country. Vodacom was the first provider to commercially launch 4G in 2012 and by April 2018 it had extended its coverage to 80 per cent. of the population. MTN also began offering 4G data services in 2012 and had achieved 90 per cent. coverage by November 2018. Cell C launched its 4G network in October 2015 after the establishment of a roaming agreement with MTN enabled Cell C to boost its LTE coverage from 33 per cent. to 80 per cent. Most of the operators are struggling with the scarcity of LTE-suitable spectrum due to the Independent Communications Authority of South Africa's ("ICASA") slow progress in auctioning the respective frequencies. This has forced the operators to reform portions of existing spectrum to ensure their ability to continue with the roll-out of LTE technology.

South African operators have begun 5G trials. MTN was the first operator to launch a 5G trial in South Africa in partnership with Ericsson in January 2018 and conducted further trials in Pretoria in collaboration with Huawei. Vodacom is planning to conduct 5G trials in partnership with Nokia in the near future. 5G spectrum auctions are expected to take place by the end of 2019.

South Africa has more than 10 MVNOs. The key players are Virgin Mobile, First National Bank with its mobile offering which reported just over 600,000 subscribers in March 2018, and the recently launched Standard Bank offering. The launch of Standard Bank's MVNO highlights the growing convergence between telecommunications services and retail banking in South Africa. Unlike their rivals, Vodacom and MTN previously avoided MVNO agreements to prevent lower cost alternative players from benefitting from their wider network coverage. This changed when Vodacom entered a data roaming deal with Rain. The deal will give Vodacom access to Rain's 1,800MHz and 2,600MHz spectrum. Cell C has played host to a growing number of MVNO partners to increase revenues and sustain network investments.

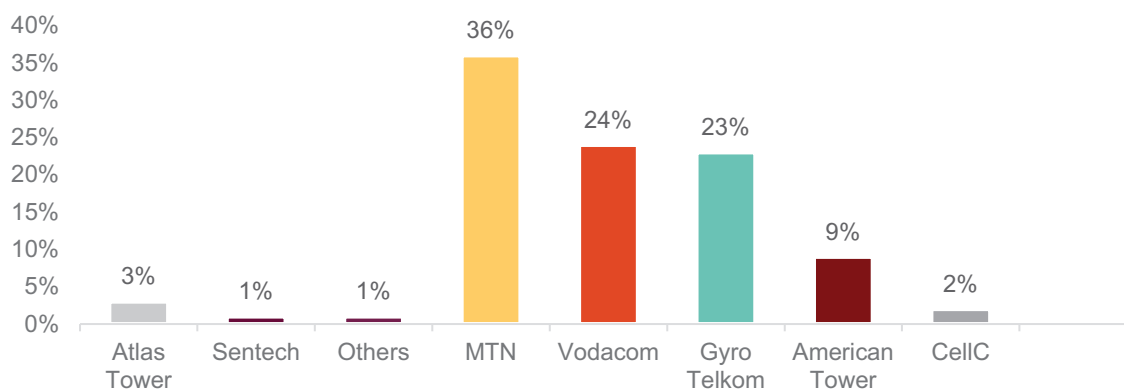
South Africa's Telecommunication Tower Industry

South Africa has the largest tower market in Sub-Saharan Africa with an estimated 28,997 towers. Most of the towers in South Africa are owned by MNOs, with MTN having the greatest number of towers at an estimated 10,500 (*Hardiman Report, August 2019*).

The tower industry is vibrant with a number of small independent tower companies, including Atlas Towers and Eagle Towers, building and operating towers for the MNOs and developing small cell solutions. The largest independent tower company is ATC with 2,608 active towers.

In March 2019, the Group entered into a majority-owned joint venture with Vulatel in South Africa to create Helios Towers South Africa pursuant to which it acquired 13 edge data centres and related customer contracts. In April 2019, the Group acquired SA Towers, which owned 58 online sites and additional sites under construction, through the acquisition of a majority interest in HTSA Towers (Pty) Ltd by Helios Towers South Africa.

Overall Tower Market by Owner⁽¹⁾



Source: *Hardiman Report, August 2019*

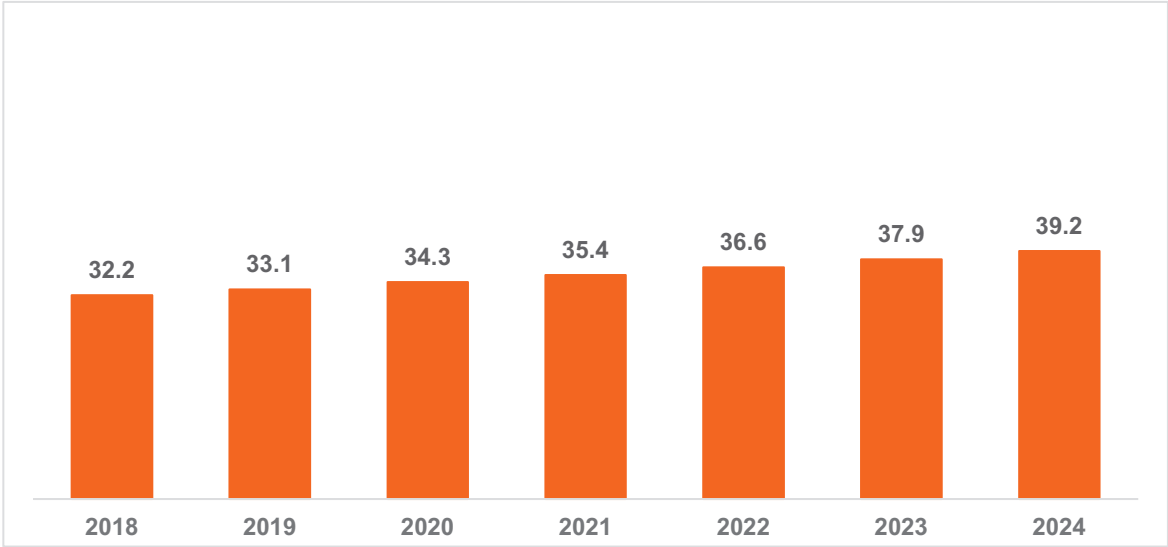
Note:

(1) As of 30 June 2019. Total site count including 4,277 towers owned by tower companies and 24,700 towers owned by MNOs.

Subscriber numbers are forecast to grow to 111 million by 2024, based on expected GDP per capita growth, which should support net subscriber additions of one million annually between 2019 and 2023. Mobile penetration is likely to stabilise around 180 per cent, supported by continued multi-SIM ownership in the South African market (*Hardiman Report, August 2019*).

The South African mobile market is more comparable with European mobile markets than other Sub-Saharan African markets. Mobile penetration is high, mobile broadband coverage and penetration is also high and traffic volumes are substantial. Additionally, consumer service expectations are high. Consequently, the average number of subscribers per PoS is relatively low in South Africa when compared with that of other African markets. As market leaders, Vodacom and MTN have the most PoS deployed. MTN has been engaged in a major rollout project geared towards having the best 4G network coverage (*Hardiman Report, August 2019*).

South Africa Total Market MNO PoS Forecast



Source: *Hardiman Report, August 2019*

Increases in PoS numbers will be driven by demand for high quality data services and increased utilisation of mobile data services. The *Hardiman Report* forecasts that an additional 8.4 million subscribers will join the South African mobile market by 2024. This coupled with increasing data traffic and the need for additional sites to improve data quality of service will drive demand for an estimated additional 7,020 PoS. The majority of this requirement is expected to come from Cell C and Telkom as they seek to retain market share (*Hardiman Report, August 2019*). The adoption of 4G and an increase in mobile data users is driving the overall mobile market with a total of approximately 111 million subscriptions forecast by 2024.

Regulatory Commentary

South Africa’s telecommunications sector is regulated by ICASA, which operates under the oversight of the Department of Telecommunications and Postal Services.

- ICASA is the product of the Independent Communication Authority of South Africa Amendment Act of 2000, amended in 2005. It was established in 2000 through the merger of the South African Telecommunications Regulatory Authority and the Independent Broadcasting Authority. The role of ICASA includes licensing; making regulations; imposing license conditions; planning, assigning, controlling, enforcing and managing frequency spectrum; ensuring international and regional cooperation; ensuring the efficient allocation of numbers; ensuring interoperability of networks; and receiving and resolving complaints.
- The role of the Department of Telecommunications and Postal Services is to strengthen ICASA to enable it to regulate the sector; develop ICT policies and legislation that create conditions for an accelerated and shared growth of the of the South African economy; ensure the development of robust, reliable, secure and affordable ICT infrastructure amongst others.

- The Universal Services and Access Agency of South Africa a state-owned entity established and governed through the Electronics Act, No 36 of 2005 to promote universal access to ICT services for all citizens of South Africa.

There has been mounting consumer pressure as well as subsequent inquiries into the high cost of data prices in South Africa, which has pushed MNOs to adjust their mobile data pricing in recent quarters. Based on the investigations by the Competition Commission of South Africa, the commission has found that data prices in South Africa are higher than those of its Brazil, Russia, India, China and South Africa (“BRICS”) and South African Development Community (“SADC”) peers (*Data Services Market Inquiry, April 2019*). In its aim to stimulate competition and promote affordable services in the mobile market, the regulator has recommended terms for the upcoming spectrum auction including: operators’ access to frequencies being contingent on their commitments to price reductions as well as spectrum caps for larger players. These measures if enacted, will further stimulate data usage by MNO subscribers and result in the need for additional tower infrastructure to carry the increased data traffic.

PART IX

REGULATORY INFORMATION

Licensing

The regulations and procedures guiding the operation and location of telecommunications towers in the countries in which the Group operates are drawn from legislation, subsidiary regulations and administrative consents from the governments in each jurisdiction in which the Group operates.

Administrative Consents

In each jurisdiction in which the Group operates, there are specific consents required to erect and own masts and towers. These consents are typically in the form of building or construction permits authorising the telecommunications tower owner to erect or carry out construction works for the erection of the towers. Failure to obtain building permits may lead to the demolition of the structure by the relevant authorities. In some jurisdictions, the owner of the structure would pay the government for the demolition cost. Alternatively, the relevant authority may issue a notice to the owner of the offending structure to make them compliant with building regulations.

Tanzania

Regulator

The TCRA was established pursuant to the Tanzania Communication Regulatory Authority Act No. 12 of 2003. The TCRA is responsible for regulating the ownership, maintenance and operation of telecommunication towers in Tanzania. Additionally, the TCRA is responsible for, amongst other things, renewing and cancelling telecommunication licences and the licences of associated services (the “Regulated Goods and Services”), establishing standards for the Regulated Goods and Services, and the terms and conditions of the supply of the Regulated Goods and Services, and monitoring the performance of the Regulated Goods and Services.

Licence Requirements

The TCRA is responsible for issuing network facility licences. Such licences are required to be held by those that own and control electronic communications infrastructure such as towers in Tanzania. The EPOCA and the Electronic and Postal Communications (Licencing) Regulations, 2018 (the “Licencing Regulations”) establish the framework for obtaining and maintaining a network facility licence and set forth the penalties for owning or controlling electronic communications infrastructure in Tanzania without such a licence.

To apply for a licence an applicant must complete and submit a prescribed form to the TCRA together with supporting documents, a business plan and any other information the authority may require. The supporting documents required include a certificate of incorporation or registration, a business plan, technical proposals including roll-out plans, a description of previous experience, proof of financial capability and other information that the authority may require.

The licence is normally issued 30 days after application and is issued for a non-renewable 25-year term.

Under regulation 16(1) of the Licensing Regulations, the TCRA reserves the right to revoke or cancel a licence if the terms and conditions of a licence are breached.

Under section 116(1) of the EPOCA, any person who installs, operates, constructs, maintains, owns or makes available network facilities without obtaining the relevant individual licence commits an offence. Such person will be liable upon conviction for a fine of not less than 5,000,000 Tanzanian shillings, imprisonment for a term of not less than 12 months or both.

Permit Requirements

Tower companies operating in Tanzania will require certain permits in order to carry out their business and the relevant permits are determined by the activities the tower company carries out at each site. In light of the nature of most tower companies’ businesses, the following permits may be required:

- a building permit to carry out any construction on a tower site;

- approval from the Tanzanian Civil Aviation Authority (the “TCAA”) to establish the permissible height of the tower prior to its construction;
- an environment impact assessment (“EIA”) certificate for all construction at tower sites, unless an environmental impact assessment has been conducted and approved, or an environmental audit certificate;
- a licence for each generator used to power a telecommunications tower; and
- a fire and safety certificate.

Building Permit

Regulations 124, 126 and 127 of the Local Government (Urban Authorities) (Development Control) Rules, 2008 entitle municipal councils or township authorities (the “Authority”) to issue a building permit. A building permit is issued by the Authority that has jurisdiction over the location of the building and an application for a building permit must be made in the prescribed form to the municipal director of the Authority. With regard to the construction of a tower, the Authority will require the specifications of the proposed construction, any lease agreement and the EIA.

The relevant Authority can determine the time frame for granting the permit; one to six months is a common time frame. There is no prescribed duration of the permit and if the Authority considers that the construction in respect of which the permit was granted is not completed within a reasonable time it may give notice requiring the permit holder to complete construction within a specified time and if the permit holder does not comply the permit will lapse. In addition, the Authority has the power to revoke the permit by notice.

It is an offence to undertake construction without a building permit. Upon conviction, a person will be liable for a fine not exceeding 400 Tanzanian shillings and, if the offence continues, a fine not exceeding 50,000 Tanzanian shillings for each day the breach continues. Demolition of the structure in question may also be ordered.

TCAA Approval

The Civil Aviation Act, 2006 and the Civil Aviation (Aerodromes) Regulations, 2013 entitle the TCAA to approve the construction of telecommunications towers and the operators of obstacles such as telecommunication towers are required to provide the TCAA with the following information for evaluation:

- a written application containing relevant data;
- a map of the area drawn to a scale of 1:50,000;
- the physical location of the proposed tower; and
- coordinates of the tower site.

The TCAA will evaluate the information provided and the structure of the communication tower, using obstacle evaluation principles. The TCAA will then decide whether to issue an approval. The time frame for obtaining a licence is two weeks, subject to the fulfilment of all criteria required by the TCAA. Such licence is issued without an expiration date.

While there are no prescribed penalties for not having the TCAA’s approval, the TCAA may issue an order requiring the demolition of the tower if approval is not received.

Environmental Permits

The Environmental Impact Assessment and Audit Regulations, 2005 entitle the minister in charge of environmental matters to issue EIA certificates. The National Environmental Management Council (the “NEMC”) directs that an EIA be carried out by an environmental expert registered with the NEMC (an “Environmental Expert”). To apply for an EIA certificate, an applicant submits a prescribed form to the NEMC. Steps taken upon the receipt of an application include:

- registration of the project with the NEMC with an introduction to the project;
- a review of the project brief for comments by the NEMC;
- preparation of a scoping report by an Environmental Expert which is then submitted to the NEMC;
- the conduct of an EIA;

- the preparation of an environmental impact statement by an Environmental Expert;
- submission of the environmental impact statement (10 copies of the environmental impact statement are submitted) to the NEMC for review by the cross-sectoral Technical Advisory Committee;
- review of the environmental impact statement by the NEMC and preparation of a report by the NEMC which is submitted to the minister responsible for environmental matters; and
- review by the minister responsible for environmental matters of the report submitted by the NEMC for approval or disapproval. If the minister approves the report, the applicant is granted an EIA certificate upon payment of a fee.

It takes a minimum of 105 days to obtain an EIA certificate once the environmental impact statement is submitted to the minister responsible for the environment for approval.

For projects that have already commenced prior to conducting an EIA, including those projects that commenced prior to the Environmental Management Act, Cap 191 coming into force, an environmental audit must be conducted. It takes a minimum of 104 days to obtain an environmental audit certificate, excluding the time it takes to carry out the environmental audit study.

Electricity Generation (For Own Use) Licence and Electricity Standby Generation Licence

The Electricity Act, Act No. 10 of 2008 (the “Electricity Act”) and the Electricity Generation Rules (G.N. No. 321) of 2012 entitle the Energy and Water Utilities Regulatory Authority (the “EWURA”) to grant a licence for each generator used to power a telecommunications tower. An application is made by completing a prescribed form accompanied by various documents (a certificate of registration, incorporation and compliance; memorandum and articles of association of the company; a Tax Identification Number certificate; a Value Added Tax certificate, the applicant’s address, and details regarding the shareholder and principal officers).

Once evaluated by EWURA officers, an announcement will be made in the press giving the public 21 days within which to object to the application. If no objections are received, the EWURA’s management makes a recommendation to the board of the EWURA on whether or not to issue a licence. A licence is usually issued within 90 days of submitting the application and the law gives the EWURA discretion as to its duration. The EWURA may revoke the licence if the licence holder fails to adhere to the terms and conditions of the licence.

Under section 15(8) of the Electricity Act, a person operating without a licence will be liable for a fine not exceeding 4,000,000 Tanzanian shillings or a term of imprisonment not exceeding three years.

Fire Licence Permit

Under the Fire and Rescue Force Act 14/2007 and the Fire and Rescue Force (Safety Inspections and Certificates) (Amendment) Regulations, 2014, each telecommunications tower must have a fire and safety certificate, which is issued by the Commissioner General for Fire and Rescue Force. Such certificates are also required at the Group’s offices in Tanzania.

Occupation of Village Land

A number of the Group’s tower sites are situated on village land in Tanzania. Under a strict interpretation of the relevant Tanzanian laws, a majority foreign-owned company cannot occupy village land. However, the Group believes that the following factors significantly undermine the validity of that interpretation:

- it is not uncommon for majority foreign-owned companies to occupy village land in Tanzania, including for the purposes of providing infrastructure and telecommunication services;
- the Group has been active in Tanzania since 2010 and in this time has never had its occupation of village land challenged or questioned by any government department or agency;
- the Group holds a valid Certificate of Incentives from the Tanzanian Investment Centre. As part of the application for this Certificate of Incentives, the Group submitted detailed business plans to the Tanzanian Investment Centre. There is therefore an assumption that the Group was invited to invest in Tanzania as per its business plan and that the Government of Tanzania was on notice as to the Group’s investment and development plans;

- there is doubt as to whether the provisions of the Village Land Act, Cap 114, 2002 relating to the occupation of village land by a majority foreign-owned company apply to tower companies and whether the Village Land Act, Cap 114, 2002 was intended to apply to the occupation of village land by tower companies; and
- the Group is not aware of any litigation by government authorities or other government action in Tanzania against tower companies or telecommunication companies who operate their own towers as a result of their occupation of village land.

Listing on the Dar es Salaam Stock Exchange

The EPOCA requires that each person or legal entity holding a licence to provide network facilities in Tanzania before 1 July 2016, which originally included some 89 separate companies such as HTT Infracore, is required to offer shares equal to at least 25 per cent. of its total share capital on the Dar es Salaam Stock Exchange by no later than 31 December 2016. In 2017, the number of separate companies subject to the EPOCA decreased from 89 to 23. HTT Infracore remains subject to the legislation. To that end, following the provision of a written status update by Orbit Securities Company Ltd (the sponsoring broker) to the CMSA on 23 December 2016, HTT Infracore provided a draft prospectus to the CMSA on 29 December 2016, whereby HTT Infracore proposed to carry out an initial public offering of 25 per cent. of its total enlarged issued nominal share capital. On 1 February 2017, HTT Infracore made an interim application to the CMSA, including a revised draft prospectus. Furthermore, as part of its preparation for the initial public offering and commitment to comply with the law, HTT Infracore has been undertaking a capital reorganisation to transform itself into a company that is able to conclude a successful initial public offering. Certain steps in the capital reorganisation have required or will require notifications to, or approvals by, the TCRA, FCC and BRELA in Tanzania that have taken or may take many weeks or months to complete.

The Group is progressing its reorganisation and is not aware of any reason why it could not meet the current requirements in due course once the necessary preparatory steps have been completed. The Group believes that prior to any proposed enforcement for a violation of EPOCA against HTT Infracore it would be contacted and asked to proceed more expeditiously or that there would be a discussion with it as to outstanding requirements and that the CMSA and the TCRA would work with HTT Infracore to support it in the completion of the listing. However, if the TCRA is determined to enforce a violation of the EPOCA against HTT Infracore, it could be materially adverse to the Group in extreme but very unlikely circumstances and result in a cessation of operations in Tanzania until the violation could be sufficiently remedied or otherwise addressed. Additionally, in similarly low probability circumstances, the Group's MNO customers in Tanzania who are also subject to the EPOCA may also be at risk of suffering the same penalties for failure to comply with the EPOCA. Suspension of their operations in Tanzania could jeopardise their ability to perform under their contracts with the Group, and certain of the Group's MLAs entitle its customers to terminate their obligations thereunder in the event of the loss of their licence to operate mobile networks.

Tanzania is an important market for the Group and accounted for 42.1 per cent. of the Group's revenue and 48.5 per cent. of the Group's Adjusted EBITDA for the year ended 31 December 2018, and 42.2 per cent. of the Group's revenue and 47.4 per cent. of the Group's Adjusted EBITDA for the six months ended 30 June 2019. As of 30 June 2019, Tanzania accounted for 37.4 per cent of the Group's total assets. Therefore, any of the foregoing consequences could have a material adverse impact on the Group's financial condition and results of operations.

DRC

The main principles of DRC's regulatory framework are set forth in Law No. 013/2002 of 16 October 2002 on telecommunications (the "Telecoms Law") and Law No. 014/2002 of 16 October 2002 establishing the ARPTC.

The Telecoms Law has been supplemented by various Ministerial Orders including Ministerial Decree 2014 Interministerial Orders of 5 July 2014, 24 December 2012, 21 December 2012 and 26 February 2009 which set the rates of duty, taxes and fees to be charged by the Ministry of Information and Communication Posts, Telecommunications and New Technologies.

In May 2018, the National Assembly of the Parliament of DRC passed the Telecommunications, Information and Communication Technologies Bill in the Democratic Republic of the Congo (the "TICT"). The TICT is currently being considered by the Senate of the Parliament and, if passed, will reform the existing telecommunications regulatory framework in the country. If it becomes law, tower infrastructure companies

will require authorisation from the TICT Minister in order to operate in DRC and will have to comply with technical specifications set out under the ARPTC.

Regulator

Pursuant to the Telecoms Law, the ARPTC is the governmental entity responsible for regulating the ownership, maintenance and operation of telecommunication towers in DRC, preparing telecommunication licences and the relevant conditions of the licences (i.e. *cahiers des charges*) for approval by the Post, Telephones and Telecommunications Minister and receiving notifications of activities being undertaken whenever required.

Licence Requirements

The Group (specifically HT DRC Infraco SARL) is not required to hold any licences in DRC in order to carry out its operations in DRC. However, a tower company is subject to the notification regime (*Régime de Déclaration*) in accordance with Article 27 of the Telecoms Law. The notification process involves submitting a declaration form letter to the ARPTC.

Permit Requirements

Tower companies operating in DRC require certain permits in order to carry out their business and the relevant permits are determined by the activities the tower company carries out at each site. In light of the nature of most tower companies' businesses, the following permits may be required:

Building Permit

A building permit (*permis de construire*) to carry out any construction on a tower site (except for those built on rooftop sites) in accordance with Ministerial Order No. CAB/MIN.ATUHITPR/006/2014 of 4 April 2014. The building permit is a one-off permit.

National Exploitation Permit

A national exploitation permit (*permis d'exploitation*) from the Ministry of the Environment of DRC in order to undertake an activity that is deemed to be dangerous, including any mechanical, construction or maintenance activity (such as the construction of a tower) in accordance with Decree No. 13/015 of 29 May 2013 relating to the regulations of classified installations. The permit is obtained by paying an administrative tax, consisting of an initial one-off payment and an annual tax payment thereafter. The permit is then evidenced by proof of payment of the initial one-off payment required to obtain the permit. The application for a *permis d'exploitation* is subject to an inspection procedure (*de commodo et incommodo inquiry*) to assess the potential adverse impact of the activities concerned on the environment, health, property and public welfare and to ensure that the required standards are maintained and followed. The *permis d'exploitation* will need to be supplemented in the future with an overall environmental and social impact assessment (the "ESIA") to be approved by the environmental protection agency (*Agence Congolaise de l'Environnement*) (the "ACE") when the ACE becomes operational in accordance with Law No. 11/009 of 9 July 2011, Decree No. 14/019 of 2 August 2014, which sets forth the procedural mechanisms concerning environmental protection, and Decree No. 14/030 of 18 November 2014 relating to the organisation of the ACE. Upon approval of the ESIA prepared by the licenced environmental bureau, the company will be issued an environmental certificate.

Civil Aviation Authority Permit

A permit for towers built or maintained within the proximity of an airport from the Civil Aviation Authority in DRC to ensure that the installation of towers does not violate the criteria for obstruction to air navigation (*servitudes aéronautiques*) and whether or not any specific painting or marking is required in accordance with Civil Aviation Authority (*Autorité de l'Aviation Civile*) standards pursuant to Ordinance No.62/321 dated 8 October 1955 relating to air navigation and Law No.10/014 dated 31 December 2010 regulating civil aviation.

Congo Brazzaville

Regulator

The government entity responsible for the regulation of the telecommunications sector in Congo Brazzaville is the ARPCE, under the auspices of the Ministry in charge of Electronic Communications.

Article 5 of Law n°11-2009 dated 25 November 2009 establishes such regulatory body and sets forth the ARPCE's mandate, which includes monitoring compliance with the terms of licences and applicable law and issuing licences.

Licence Requirements

In order to install electronic equipment on telecommunications towers in Congo Brazzaville, Helios Towers Congo Brazzaville SASU requires an agreement of *installateur de supports d'équipements de communications électroniques* from the ARPCE (the "Electronic Communications Licence") which is granted only to the applicant and may not be assigned. The application fee for the Electronic Communications Licence is 2,500,000 Central African francs (approximately US\$4,300), the application processing fee is 500,000 Central African francs (approximately US\$900) and the royalty for management of the licence is 1,250,000 Central African francs (approximately US\$2,200). The process for renewing the Electronic Communications Licence involves the submission of the following documents:

- an application for renewal of the Electronic Communications Licence addressed to the managing director of the ARPCE;
- ID cards, resumes and certified copies of the diplomas of at least three of the engineers and technicians in charge of the installation of the equipment;
- a completed installer form (available from the ARPCE);
- a copy of the applicant's certificate of single identification number (*certificat d'identification unique*);
- an extract of the company registry of the applicant dated less than three months prior; and
- the prior Electronic Communications Licence.

On receiving an application for a renewal of a licence, the ARPCE takes from two weeks to two months to issue its decision. The ARPCE can only withdraw or revoke the Electronic Communications Licence if the licence holder does not comply with local legislation. However, in the event of a change of control in the shareholding of the licence holder, the entity to which the shares in the licence holder are transferred should inform the ARPCE, which will then advise whether a new Electronic Communications Licence is required or not.

Permit Requirements

Tower companies operating in Congo Brazzaville require certain permits in order to carry out their business and the relevant permits are determined by the activities the tower company carries out at each site. In light of the nature of most tower companies' businesses, the following permits may be required:

Building Permit

Prior to constructing a tower in Congo Brazzaville, an *agreement d'implantation* (a building permit) is required from the ARPCE and must be held for as long as the tower exists; these are granted to the applicant only and are not assignable. A new *agreement d'implantation* is required for the new tower company upon the acquisition of a tower site, since there is no transfer of the existing *agreement d'implantation* to the new entity. A change in the controlling shareholding of a tower company does not trigger a requirement for the tower company to apply for a new *agreement d'implantation* but such change of control should be notified to the ARPCE within one month. Once the permit is received, no civil aviation approval is required, because the ARPCE is required to liaise with the minister in charge of civil aviation prior to granting the building permit.

The application for a building permit is submitted to the ARPCE and must include:

- a site plan showing the site and the structure to be erected, along with the other existing structures in the area;
- proof of ownership or a ground lease agreement in relation to the site with written permission from the lessor allowing the establishment of a tower on the lessor's land;
- a detailed sketch of the proposed tower, including information regarding the tower's height, foundations, shelters and work platform;
- detailed information on the software used to design the tower (in order to verify that the tower conforms to ARPCE requirements);

- a justification stating why the equipment cannot be installed on the tower of the nearest operator;
- a copy of the Electronic Communications Licence issued in favour of the installing company;
- a copy of relevant insurance policies; and
- an equipment certificate from the equipment's country of origin stating that it has been approved by the relevant authority for installation in Congo Brazzaville.

An *agrément d'implantation* will be obtained within two months from the submission of the application and if the ARPCE fails to reply to the applicant within this period, the ARPCE is deemed to have approved the application. The application fees are described below under the heading “—Pylons Permit”. If an *agrément d'implantation* is not obtained for a tower site, the ARPCE may send a notification letter advising of the breach and, if no action is taken within 30 days of such notification, the ARPCE may order the dismantling of the tower.

Environmental Permits

Under Law No.003/91 of 23 April 1991 on the protection of the environment (the “Environment Law”), the MECB is responsible for determining the potential impact a particular activity may have on the environment and public health and safety and classifies each such activity into two categories: (i) activities which the MECB deems to be dangerous and polluting and therefore require an EIS to be prepared by the tower company; and (ii) less dangerous activities, including waste management and cutting, that does not present serious environmental drawbacks and danger, for which only a written notification filed at and approved by the MECB is required. A written notification should be filed both for existing towers and for newly constructed towers. It takes approximately one month to obtain approval from the MECB (although this may be subject to administrative delay).

A one-off Opening Tax per tower site of between 500,000 Central African francs (approximately US\$900) and 5,000,000 Central African francs (approximately US\$900) and an annual fee of approximately 1,000,000 Central African francs (approximately US\$1,700) is payable in relation to dangerous and polluting activities or infrastructure and a one-off Opening Tax per tower site of between 250,000 Central African francs (approximately US\$400) and 500,000 Central African francs (approximately US\$900) is payable in relation to less dangerous activities or infrastructure.

If a tower company fails to comply with the Environment Law, the tower company may be subject to a monetary fine of between 1,000,000 Central African francs (approximately US\$1,700) and 5,000,000 Central African francs (approximately US\$8,700) for each tower that is in breach.

Environment and social impact assessments are required and are subject to fees depending on the classification of the tower site made by the Ministry of Environment. The issuance of the terms of reference is subject to an administrative fee of 2,000,000 Central African francs (approximately US\$3,500) (Category A) and 1,000,000 Central African francs (approximately US\$1,700) (Category B). The fee for the analysis of the report is also dependent on the classification and ranges from 5,000,000 Central African francs (approximately US\$8,700) (Category A) to 2,000,000 Central African francs (approximately US\$3,500) to 3,000,000 Central African francs (approximately US\$5,200) (Category B).

An annual tax of 1,000,000 Central African francs (approximately US\$1,700) per tower must be paid to the Unity for Large Businesses no later than 20 June in each year. Failing to pay such amount or paying it late can result in a 50 per cent. fine applied on the amount of tax owed.

On 8 February 2018, the General Inspector of the State in Congo Brazzaville issued a letter to the Group's subsidiary in Congo Brazzaville, HT Congo, claiming that 123 of HT Congo's sites were constructed without the payment of Opening Taxes and EIS necessary in order to obtain the environmental permit required to operate in Congo Brazzaville. The letter purported to impose a penalty of 615,000,000 Central African francs (approximately US\$1,065,000) payable to the General Inspector for not conforming to obligations related to Opening Taxes and EIS on these 123 sites following their acquisition from a third party in 2015. HT Congo challenged the claim on the basis that the previous owner of the tower sites had paid the Opening Taxes and conducted EIS. HT Congo agreed to pay 50 million Central African francs (approximately US\$86,655) to the Public Treasury upon request of the General Inspector in 2018 to settle the claims made by the General Inspector with regard to the 123 sites. The Group does not expect to pay any additional penalties in respect of the matters raised in the letter, nor does it expect to have to pay Opening Taxes in respect of its acquired sites. The Managing Director of Environment has confirmed the General Inspector's position that the EIS were not transferable if there was a new owner of the sites. HT Congo has been working with a consultancy firm approved by the Ministry of Environment to obtain EIS

for all of the 393 sites in Congo Brazzaville that it acquired from a third party. The Group expects the potential payments to the Ministry of Environment in respect of obtaining the EIS for these sites to be up to 108,000,000 Central African francs (approximately US\$187,175).

Pylons Permit

Operators owning pylons must also apply for an authorisation, valid for 10 years, to build and operate such pylons and to use related network and electronic communication services. The application fees are as follows:

- a study fee for the application of 5,000,000 Central African francs (approximately US\$8,700);
- a description of terms and conditions of 10,000,000 Central African francs (approximately US\$17,300);
- an authorisation fee of 50,000,000 Central African francs (approximately US\$86,600); and
- a renewal fee of 35,000,000 Central African francs (approximately US\$60,600).

The construction and operation of towers in Congo Brazzaville is expected to be considered a less dangerous activity, but this is ultimately for the MECB to decide. The MECB may, at its discretion, request further clarification and documents following a submission of a written notification. If a tower company has failed to obtain an approved written notification, the MECB will send a formal notice requesting the tower company to cease its operations at the relevant tower site or to remedy the situation as soon as possible. If a tower has already been constructed without the required authorisation, the MECB will notify the tower company requesting authorisation to submit an application to undertake an environmental impact assessment.

Local Municipality Approval

Local municipality approval is required to operate towers in Congo Brazzaville and often takes approximately two months to obtain. The applicable fees are determined by the local municipality on a case-by-case basis.

Ghana

Regulator

The National Communications Authority Act, 2008 (Act 769) established the NCA as the central body to licence and regulate communication activities and services. The government's policy towards the telecommunication sector is guided by two overarching policy documents: the National Telecoms Policy (the "NTP") and the Information and Communications Technology ("ICT") for Accelerated Development Policy (the "ICT4AD").

The NTP broadly aims to make telephone and internet connectivity available and affordable to all Ghanaians. The related ICT4AD sees ICT as an important catalyst for economic growth and the development of a range of economic sectors.

Licence Requirements

The Electronic Communications Act 2008 (Act 775) prohibits the ownership and operation of telecommunications towers without a communications infrastructure licence (a "Communications Infrastructure Licence"). Such licences are issued by the NCA for a term of at least 10 years from the date of issue and are renewable for a further 10 years by mutual agreement between the NCA and the licensee. The ownership and operation of a telecommunications tower business without a valid Communication Infrastructure Licence is an offense punishable by a fine of not more than 9,000 penalty units (equivalent to 108,000 Ghanaian cedis) on the Company and a fine of not more than 3,000 penalty units (equivalent to 36,000 Ghanaian cedis) on each director of the Company.

Permit Requirements

In order to own, erect and operate tower masts in Ghana, a company is required to hold the following permits for each individual site on which a tower is built:

- a building permit from the MMDA for the building of towers;
- an airspace safety permit from the Ghana Civil Aviation Authority (the "GCAA") (if applicable);

- a non-ionising radiation protection institute permit from the Radiation Protection Institute (the “RPI”), if applicable; and
- an environmental permit from the Environmental Protection Agency (the “EPA”).

The tower operator is required to obtain the above approvals and permits before the commencement of any construction work. The MMDAs are the collection point for the building and environmental permits in respect of the construction of towers after the requisite approvals have been obtained from the GCAA and the RPI. The MMDAs are responsible for verifying all submitted documents at the time of submission to ensure compliance. In the event that further information is required, the MMDAs notify the applicant within three working days to submit the required document(s).

The length of time for the MMDA to issue a permit must not exceed 90 calendar days from the date of submission of all relevant documents to the MMDA and the application must include a colocation statement and the processing fee specified by law. In the case of building permits, if the MMDA does not issue a permit within 90 days or fails to give notice of the refusal of an application, a tower operator that has submitted all required documents and paid the applicable fees may begin construction without the permit. However, if an environmental permit is not issued within the 90-day period, the MMDA can extend the period for issuance of the permit.

Procedures for Obtaining Permits

MMDA Permit

Applications to the MMDA for a permit to construct a communications tower must include various documents, including four copies of the site plan drawn to a scale of 1:2,500, four copies of the block plan drawn to a scale of 1:50 showing the position of the tower and ancillary facilities, four copies of the design of the structure, evidence of ownership of the property on which the structure is to be installed or the written consent of the owner, a valid GCAA permit and the appropriate fees for development and building permits. If approved, the permit is usually issued within 90 days of submission of all the required documentation and payment of the necessary fees.

Aviation Permit

The GCAA is mandated under the Ghana Civil Aviation Act 2004 (Act 678) to issue permits to applicants. To obtain a GCAA permit, the applicant must submit completed Form SRD/ASAS-01 (Notice of Proposed Construction or Alteration) and pay the required fees. If the GCAA deems it necessary to inspect the proposed site, the applicant must provide transportation to and from the site for the GCAA. The GCAA will inform the applicant of the outcome within 10 working days of the submission of the documents. GCAA permits are valid for 12 months and the permit holder is required, on or before 31 January of each year, to submit a Telecommunications Facility Annual Information Report, including names and certain details specified in the GCAA guidelines.

EPA Permit

An applicant may obtain an environmental permit by submitting four copies of the EPA application form together with a site plan duly signed by a licenced surveyor, a block plan, the lease agreement, GPS coordinates of all tower locations in decimal units, site photographs and a scoping report evidencing consultation with the neighbours of the affected land. The EPA will review the application and make a decision about the grant or otherwise of the permit within 50 working days of the end of such review. The applicant must also pay the required processing and permit fees.

RPI Permit

The RPI is authorised under the Atomic Energy Commission Act 2000 (Act 588) to ensure the health and safety of radiation workers, patients, the public and the environment as well as to issue permits to applicants. A person who intends to construct a communication tower and install an antenna is obligated to submit a completed RPI form for non-ionising radiation and relevant technical information to enable the RPI to carry out its safety assessment. Once completed, the RPI will issue a report within 10 working days.

Other

The Guidelines for the Deployment of Communications Towers (the “Guidelines”) were implemented in 2011. The Guidelines restrict the ability of a tower company to erect and maintain tower masts within 20 metres of the nearest structure or boundary fence. They also require prior individual consultations with

neighbours within a 50-metre radius and group consultations for neighbours within a 500-metre radius of towers sited near residential buildings. If the use of a mast is discontinued by a tower company, the tower company has an obligation to dismantle the tower mast and remove it, failing which the Company will be fined 10,000 Ghanaian cedis (approximately US\$1,800) per day for non-compliance and a lien will be placed on the property for the cost of removal. If any tower masts do not comply with other requirements stipulated under the Guidelines, the tower company will be notified by the local authorities to remove it within 60 days of receipt of such notice. Failure to remove the tower mast within 60 days shall result in a fixed penalty of 35,000 Ghanaian cedis (approximately US\$6,400).

The NCA established a five-year moratorium on the implementation of the Guidelines that originally expired on 31 December 2016, but such moratorium has been repeatedly extended most recently until 30 June 2019. Following the expiry of the moratorium, a company that fails to comply with the regulation will be fined 10,000 Ghanaian cedis (approximately US\$1,800) and the MMDA and the EPA, in consultation with the NCA, will be entitled to remove the facility and place a lien on the property for the cost of removal.

As of 30 June 2019, HTG Managed Services Limited had 117 towers out of a total of 889 towers in Ghana that were within the proximity limitations set out in the Guidelines. Residential areas were built near certain of the HTG Managed Services Limited's existing towers in contravention of the proximity limitations set out in the legislation after the towers already existed. HTG Managed Services Limited has not constructed any towers in violation of the Guidelines. HTG Managed Services Limited is working with other affected companies in Ghana to pursue the further extension of the moratorium or amendment or abolition of the provision of the Guidelines that imposes a penalty of 10,000 Ghanaian cedis (approximately US\$1,800) per day and requires the removal of the tower with a lien on the property to cover the cost of removal following expiration of the moratorium. The Group believes, based on meetings with and oral statements made by the relevant regulators, that the moratorium has not been further extended because of the likelihood that the provision of the legislation that imposes a penalty of 10,000 Ghanaian cedis (approximately US\$1,800) per day and requires the removal of the tower with a lien on the property to cover the cost of removal following expiration of the moratorium will be amended or abolished.

South Africa

Regulator

The governing legislation for the telecommunications (electronic communications) industry in South Africa is the Electronic Communications Act, No 36 of 2005 (as amended) (the "ECA"), which came into effect on 19 July 2006, and the Independent Communications Authority of South Africa Act, No 13 of 2000, which established ICASA in July 2000, the industry regulator.

The ICASA regulates the electronic communications sector pursuant to national policy, the custodian of which is the Department of Communications (led by the Minister of Communications). The Communications ministry is, amongst other things, responsible for overarching communication policy and strategy, information dissemination, as well as the operation and administration of the ECA. The Communications ministry is thus able to make policies on radio frequency spectrum, universal service, the application of new technologies and any other matter that may be necessary for the application of the ECA.

Licensing

The ICASA is the regulatory authority responsible for, amongst other things, licensing the providers of telecommunications and broadcasting services and monitoring compliance by licensees with the conditions in their licences and the various regulations which regulate, amongst other things, the treatment of end-users and subscribers, numbering, general licence fees, universal service fees, code of conduct, interconnection, facilities leasing, mobile number portability, call termination, approvals for equipment and compliance procedures.

The ICASA grants individual and class Electronic Communications Network Services ("ECNS") and Electronic Communications Services ("ECS") licences (collectively, "Service Licences") under the ECA. The holder of an ECNS licence is permitted to deploy and operate an electronic communications network, which includes the provision of electronic communications network services, whether by sale, lease or otherwise. An "electronic communications network" is a system of electronic communications facilities (excluding subscriber equipment), including, without limitation, satellite systems, fixed systems, mobile systems, fibre optic cables, electricity cable systems (to the extent used for electronic communication services) and other transmission systems, used for the conveyance of electronic communications.

A holder of an ECS licence may provide ECS in South Africa, which is a service provided to the public, sections of the public, the State, or the subscribers to such service, which consists wholly or mainly of the conveyance by any means of electronic communications over an electronic communications network, but which excludes broadcasting services.

The Group is not required to hold an ECNS licence under the ECA as it does not operate a “system” of electronic communication facilities which are used to provide an electronic communications service in South Africa. Similarly, the Group does not require an ECS licence under the ECA as it does not provide ECS over an electronic communications network in South Africa.

Leases

Leases in respect of agricultural land must comply with the Subdivision of Agricultural Land Act, No 70 of 1970 (the “SALA”). The SALA provides that no lease in respect of a portion of agricultural land, of which the period is 10 years or longer, or which is renewable from time to time at the will of the lessee, either by the continuation of the original lease or by entering into a new lease, indefinitely or for the periods which together with the first period of the lease amount to not less than 10 years, shall be entered into unless the Minister of Agriculture has consented in writing.

Not all farm land is “agricultural land” for the purposes of the SALA. Whether or not land is agricultural land is a decision to be made by the Minister of Agriculture, with reference to a database of information and maps detailing the land which is regarded as agricultural land. Unless the land under discussion is being used for non-agricultural purposes (e.g. for factory purposes) and falls within the urban edge of a city, it is likely to be viewed as agricultural land.

The Minister of Agriculture must be approached for its consent to any new lease agreements in respect of a portion of agricultural land prior to the parties concluding such lease agreement. Once the Minister of Agriculture has consented in writing to such lease, the parties may conclude the lease agreement.

Civil Aviation Approvals

The Civil Aviation Act (No. 13 of 2009) (“Civil Aviation Act”) and the Civil Aviation Regulations, 2011 (“CARS”) state that any communications structure, building or other structure (which includes a mast or tower), whether temporary or permanent, which has the potential to endanger aviation in navigable airspace, or has the potential to interfere with the operation of navigation or surveillance systems, including meteorological systems for aeronautical purposes, shall be considered an obstacle for purposes of the Civil Aviation Act and shall be submitted to the Commissioner for Civil Aviation for evaluation.

Consumer Protection Act

In addition to the ECA, the Consumer Protection Act, No 68 of 2008 (“CPA”) is another key piece of legislation that regulates certain aspects of the electronic communications sector. The CPA came into effect on 31 March 2011 and the CPA regulations came into effect on 1 April 2011. The CPA provides for fundamental consumer rights, fair and reasonable marketing, fair and honest dealing, fair, just and reasonable terms and conditions, and fair value, good quality and safety.

The CPA applies to all transactions for goods and services between a supplier and a consumer in South Africa, and applies to all industries involved in the supply of goods and services. Sanctions for non-compliance include fines and imprisonment. The National Consumer Commission (“NCC”) was established to oversee the CPA and address consumer complaints. To date, the NCC has launched investigations in the ICT sector in respect of subscriber agreements, international roaming, handset subsidies and consumer complaints. A National Consumer Tribunal has also been established in terms of the National Credit Act 34 of 2005 and derives its mandate from various regulations under the CPA in respect of consumer credit.

Competition law considerations

In addition to the ECA, the Competition Act, No 89 of 1998 (“CA”) regulates certain aspects of conduct within the ICT sector as part of its remit to regulate competition matters across all industries, including the electronic communications industry. The ICASA and the competition authorities, that are charged with the implementation of the CA, share jurisdiction in respect of competition issues and regularise those domains through a memorandum of agreement between the respective regulators, which defines their respective areas of jurisdiction and regulates interaction between them. The CA also establishes the Competition Tribunal with adjudicative powers, and the Competition Appeal Court.

Permit Compliance

Although it is Group policy to seek and obtain the requisite state and local approvals prior to the commencement of site construction, the Group may, in exceptional circumstances, proceed with the construction of build-to-suit sites without receiving all required permits, approvals and licences. For example, in Ghana, on a limited number of occasions, the Group has constructed a site in advance of receiving a required permit because there was a delay in formally issuing the permit even though the Group had completed the requisite applications and paid for the permit. In each of those cases, the Group received approvals in principal in writing from the relevant regulator that permitted the Group to proceed with construction of the sites, pending issuance of the formal permits.

In addition, the Group has purchased, and may in the future purchase, sites from third parties that have not received all required permits, approvals and licences. It is not uncommon in the markets in which the Group operates for companies in the telecommunications tower industry to construct or operate towers in certain circumstances without all of the required permits, approvals and licences. There is sometimes a long lead time required for processing applications for permits, approvals and licences from the local and national authorities, including (i) construction and building permits required from state authorities to construct or build any structure, (ii) environmental approvals and (iii) Aviation Height Clearance Certificates required to construct and operate telecommunications towers, as the case may be. In certain cases, the Group has acquired sites after the application for the requisite permit, approval or licence has been made but prior to the issuance of the requisite permit, approval or licence, or retrospective legislation has been applied which requires the Group to seek a permit, approval or licence for a site that is already operational. In other cases, a permit, approval or licence needs to be annually renewed and there can be periods where the existing permit, approval or licence lapses prior to the new permit, approval or licence being granted.

As of 30 August 2019, approximately 917, 15, 405 and 15 of the Group's sites in Tanzania, Ghana, Congo Brazzaville and South Africa, respectively, were missing one or more permits. In Tanzania, most of the missing permits are environmental permits, with HTT Infracore having approximately 915 outstanding environmental permits as of that date. As noted above, it takes a minimum of 105 days to obtain an EIA certificate once the EIS is submitted to the minister responsible for the environment for approval and can in some instances take over 24 months. Obtaining an environmental audit certificate in Tanzania can take a similar period of time. The Company's subsidiaries in Tanzania, Ghana, Congo Brazzaville and South Africa have applied for the missing permits in their respective jurisdictions.

Most of the Group's outstanding permits relate to existing towers the Group purchased from third parties rather than those constructed by the Group, and most are permits that should have been in place at the time the towers were constructed, rather than permits that relate to renewals. The outstanding permits are not in all cases covered by contractual protections such as indemnities from the third parties from whom the Group acquired the affected sites.

On 8 February 2018, the General Inspector of the State in Congo Brazzaville issued a letter to the Group's subsidiary in Congo Brazzaville, HT Congo, claiming that 123 of HT Congo's sites were constructed without the payment of Opening Taxes and EIS necessary in order to obtain the environmental permit required to operate in Congo Brazzaville. The letter purported to impose a penalty of 615,000,000 Central African francs (approximately US\$1,065,000) payable to the General Inspector for not conforming to obligations related to Opening Taxes and EIS on these 123 sites following their acquisition from a third party in 2015. HT Congo challenged the claim on the basis that the previous owner of the tower sites had paid the Opening Taxes and conducted EIS. HT Congo agreed to pay 50 million Central African francs (approximately US\$86,655) to the Public Treasury upon request of the General Inspector in 2018 to settle the claims made by the General Inspector with regard to the 123 sites. The Group does not expect to pay any additional penalties in respect of the matters raised in the letter, nor does it expect to have to pay Opening Taxes in respect of its acquired sites. The Managing Director of Environment has confirmed the General Inspector's position that the EIS were not transferable if there was a new owner of the sites. HT Congo has been working with a consultancy firm approved by the Ministry of Environment to obtain EIS for all of the 393 sites in Congo Brazzaville that it acquired from a third party. The Group expects the potential payments to the Ministry of Environment in respect of obtaining the EIS for these sites to be up to 108,000,000 Central African francs (approximately US\$187,175).

Except as disclosed above, to date none of the regulators in the Relevant Jurisdictions has imposed any reprimands, warnings, fines or dismantling orders for missing permits relating to the Group's sites and the Group is not aware of any such sanctions for missing permits imposed on the previous owners of the sites before they were acquired by the Group.

Mandatory SIM Card Registration

Tanzania, DRC and Ghana have introduced mandatory SIM card registration and have deactivated unregistered SIM cards. In Ghana, immediately following the 3 March 2012 deadline for existing mobile phone owners to register, more than 1.5 million mobile SIM cards were deactivated for failure to register. There is also mandatory SIM card registration in Congo Brazzaville pursuant to which unregistered SIM cards may be deactivated. While these regulations did not have a material impact on the Group, such regulations may deter mobile phone users in these countries by requiring them to go through the additional step of providing documents confirming their identity, which they may not have, before they can buy a SIM card.

PART X

INFORMATION ON THE GROUP

Investors should read this Part X: "Information on the Group" in conjunction with the other information contained in this Prospectus including the financial and other information appearing in Part XIII: "Operating and Financial Review and Prospects". Where stated, financial information in this Part X has been extracted from Part XV: "Historical Financial Information".

Overview

The Group is a leading Sub-Saharan independent tower company with operations across five countries in Sub-Saharan Africa. The Group is the sole independent operator and owns and operates more sites than any other operator in each of Tanzania, DRC and Congo Brazzaville. The Group is also a leading operator in Ghana where it has a strong urban presence and it commenced operations in South Africa in March 2019. The Group's principal business is operating owned telecommunications sites and related passive infrastructure in order to provide site space (measured in terms of effective panel area and related services) to large MNOs and other fixed wireless operators that in turn provide wireless voice and data services to end-user subscribers. The Group's customers can use space on existing sites alongside other telecommunications providers, known as colocation, or commission new sites in unique locations where the customers and the Group do not have existing infrastructure, known as build-to-suit. The Group also offers comprehensive site-related operational services, including site selection, site preparation, construction, maintenance, security and power management. As of 30 June 2019, the Group operated 6,882 total online sites with 14,100 tenancies, reflecting a ratio of tenants to online sites ("tenancy ratio") of 2.05x.

Founded in 2009, the Group completed its first purchase of site assets from an MNO in 2010, when it acquired Tigo's site portfolio in Ghana. Over the next nine years, the Group completed eight more major site portfolio transactions. As a result, the Group now operates a geographically diverse business with 3,650, 1,817, 381, 933 and 101 total sites as of 30 June 2019 in Tanzania, DRC, Congo Brazzaville, Ghana and South Africa, respectively. As of 30 June 2019, 85 per cent. of the Group's owned sites were located in jurisdictions in which the Group was the only independent tower company. Helios Towers, Ltd. was the first independent tower company to enter each of Tanzania, DRC, Congo Brazzaville and Ghana, and entered each in a manner designed to create committed long-term relationships with its key MNO customers and to provide a sustainable platform for long-term revenue and margin growth. In March 2019, the Group entered into a majority-owned joint venture with Vulatel in South Africa to create Helios Towers South Africa pursuant to which it acquired 13 edge data centres and related customer contracts. In April 2019, the Group acquired SA Towers, which owned 58 online sites and additional sites under construction, through the acquisition of a majority interest in HTSA Towers (Pty) Ltd by Helios Towers South Africa. In South Africa, in addition to its core telecommunications site offerings, the Group plans to expand its complementary product range, including the provision of wireless and fixed line open-access infrastructure. The Group is considering seeking admission of the shares of a new holding company incorporated in England and Wales, which will be inserted above the Company in the current Group structure, to listing on the premium segment of the Official List of the FCA and to trading on the main market for listed securities of the London Stock Exchange plc ("London Stock Exchange").

As a supplier of essential network services to MNOs, the Group's principal focus is providing flexible and varying solutions in order to maximise the potential benefit from its customers' growing requirements for network expansion and densification in response to demand for communications services that is being driven by underlying demographic and macroeconomic growth in each of its existing markets. The Group seeks to grow its revenue and margins by adding tenancies, primarily through colocation (including by amending customers' existing contracts to enable MNOs to lease more site space or consume more power) and building new sites. In addition, the Group believes there are opportunities to selectively add site portfolios to its current assets, as well as to develop initiatives to address increasing data communications and storage demand in the form of small-cell solutions, fibre connectivity to sites and data centres.

The Group provides space on its sites and related services under individual customer site contracts governed by long-term MLAs of typically 10 to 15 years in duration, with provision for multiple subsequent automatic renewals. As of 30 June 2019, the weighted average remaining life of all the Group's customer site contracts was approximately 7.8 years without taking into account any renewals, and the Group had total contracted future revenue under agreements with its customers of US\$3.0 billion without taking into account any escalation of fees. The fees the Group's customers pay under these long-term MLAs are typically indexed to a CPI as well as fuel and electricity prices to allow for escalation over the life of the

agreement and provide partial protection against inflation and diesel and electricity prices, which are strongly correlated with the U.S. dollar. For the year ended 31 December 2018 and the six months ended 30 June 2019, 86.7 per cent. and 86.5 per cent. of the Group's revenue, respectively, was attributable to MNO operating subsidiaries of five of the largest MNO holding companies in Sub-Saharan Africa (Airtel, MTN, Orange, Tigo and Vodacom), each with a long history of operating in multiple Sub-Saharan African jurisdictions and an investment-grade or near investment-grade credit rating. An additional 12.0 per cent. of the Group's revenue for the year ended 31 December 2018 and 12.3 per cent. of the Group's revenue for the six months ended 30 June 2019 was attributable to subsidiaries of Viettel and Africell, which are more recent but fast-growing entrants to the mobile market in Sub-Saharan Africa. The Group is well insulated from local currency volatility in its countries of operation, as revenues and expenses that the Group considers to be U.S. dollar or euro-based contributed approximately 65 per cent. of the Group's Adjusted EBITDA for the year ended 31 December 2018.

The Group believes its geographically diverse site portfolios, leading market positions, diversified customer base, committed long-term customer relationships, experienced management team and strong operational capabilities leave it well-positioned to capitalise on what the Group expects to be continued high demand for space on existing and new sites in its fast-growing markets. The Group plans to meet this demand primarily by adding colocations to its existing site portfolios. Additional colocations are highly accretive to the Group's operating margins, adding significant incremental revenue without requiring a significant increase in operating expense and typically requiring minimal capital expenditure. In particular, the Group expects that underlying demand for site space will be reflected in increased amendment colocation tenants as MNOs seek to upgrade antennae and/or place additional equipment on sites where such MNOs already have a tenancy to better enable them to serve the increased data usage of their subscribers. Having extended service to an average of 698 colocations per year (excluding acquired colocations) from 1 January 2011 to 31 December 2018, the Group had an ALU rate of 0.18x during such period.

As a result of the growth in the Group's overall site portfolio and number of tenancies, from 31 December 2016 to 31 December 2017, the Group's revenue grew from US\$282.5 million to US\$345.0 million and the Group's Adjusted EBITDA increased from US\$105.2 million to US\$146.0 million; from 31 December 2017 to 31 December 2018, the Group's revenue grew from US\$345.0 million to US\$356.0 million and the Group's Adjusted EBITDA increased from US\$146.0 million to US\$177.6 million; and from 30 June 2018 to 30 June 2019, the Group's half-year revenue grew from US\$178.1 million to US\$190.7 million, the Group's half-year Adjusted EBITDA increased from US\$85.9 million to US\$99.0 million, and the Group's last quarter annualised Adjusted EBITDA increased from US\$175.8 million to US\$200.7 million.

The Group has entered into a number of agreements with its customers regarding future "take-or-pay" colocation commitments, which provide greater visibility on contracted revenue, given that, under these agreements, customers are committed to pay the agreed fees, irrespective of whether the site space is used. The Group believes that there will be continued opportunities to negotiate such advance colocation commitments with its customers, furthering its success in securing committed contract revenue and expected Adjusted EBITDA growth.

Key Strengths

The Group is a well-established and leading Sub-Saharan independent tower company that operates the largest owned site portfolio in three of its five markets. Through the provision of critical infrastructure and superior service to the rapidly growing mobile telecommunications sector, the Group is well-positioned to capitalise on sustainable structural growth drivers and support from evolving telecommunications technology trends.

The Group benefits from the following key strengths:

Leading Sub-Saharan Independent Tower Company with a Strong, Diversified Customer Base and Strategically Located Site Portfolio

The Group builds, acquires, owns and operates critical mobile telecommunications infrastructure, hosting multiple MNOs on its sites that are seeking to increase and densify their mobile telecommunications coverage across Sub-Saharan Africa in a more cost-effective way than they are able to do themselves. The Group is one of three independent tower companies in Sub-Saharan Africa with 6,882 sites as of 30 June 2019, and it operates strategically in some of the fastest growing markets within the region. It is the sole independent tower company in three of its five markets, meaning that 88.5 per cent. of the Group's revenue for the year ended 31 December 2018 was generated in areas where there are limited alternatives to the Group's site infrastructure.

The Group offers MNOs the option to colocate on its existing towers, either as an anchor tenant or as a colocation tenant, which provides an attractive and cost-effective service to address MNOs' network requirements and ambitions to grow their network coverage. Colocations are further driven by strong and growing demand for data across Sub-Saharan Africa, which requires that MNOs add upgraded telecommunications equipment to existing towers. This trend is particularly prevalent in areas of rapid urbanisation and the Group believes that it is strongly positioned to capture this demand with 60 per cent. of its total online sites located in urban areas as of 30 June 2019. The Group also offers its customers the option of build-to-suit sites, which enable MNOs to expand their mobile networks using newly constructed, bespoke sites that are strategically located to support mobile coverage in areas where infrastructure has not previously been in place. The Group is particularly suited to this as it has specific capabilities in building towers across difficult terrain and delivering superior service levels in challenging conditions.

The Group's well-diversified customer base includes Africa's five largest MNOs (Airtel, MTN, Orange, Tigo and Vodacom, all of which have investment-grade or near-investment grade credit) that together made up 82 per cent. of the Group's contracted revenues as of 30 June 2019. Vodacom, the Group's single largest customer exposure, accounted for approximately 23 per cent. of total contracted revenues as of 30 June 2019.

The Group believes that its superior service levels provided at prices below the MNOs' total cost of ownership, strategic site selection and access to the Group's geographically diversified site portfolio, enable rapid MNO network expansion and reinforce the long-term incentive for MNOs to continue to develop partnerships with the Group.

Long-Term Structural Organic Growth Opportunity in the Group's Markets, Underpinned by a Supportive Regulatory Framework

The Group has leading positions in markets that have some of the fastest growing economies in the world. These economies have mobile telecommunications markets that are in the early stages of development and require high levels of investment from MNOs to meet the strong demand for enhanced mobile telecommunications coverage and growing data consumption. Rising demand for mobile telecommunications services across Africa, where fixed line service is not a viable alternative, is driven by favourable demographics and improving macroeconomic conditions. This demand is underpinned by a regulatory environment that encourages competition amongst MNOs to increase the accessibility of mobile services and that recognises mobile connectivity as a significant driver of socioeconomic development. National regulators also support independent tower companies like the Group because regulators perceive the companies as helping to fulfil government mandates to provide faster, cheaper and better-quality telecommunications services.

It is estimated that the addressable population of the Group's markets was 223 million in June 2019, with approximately 67 per cent. of the combined populations of these markets being under the age of 30 compared to approximately 35 per cent. of the combined populations of G7 countries as of the same date (*United Nations, World Population Prospects 2019*). The Group's markets, the GDP of which the IMF forecasts will increase by 4.5 per cent. on a revenue-weighted basis between 2017 and 2024, compared to 1.5 per cent. in the G7 countries over the same period, are also expected to experience significant demographic expansion in the coming years, with population growth of 37 million and an increase in urban populations of 27 million (*United Nations, World Population Prospects, 2018-2024E*). This growth, combined with unique mobile subscription penetration of 47 per cent. compared to 85 per cent. in the G7 countries and unique mobile data penetration of just 26 per cent. compared to 73 per cent. in the G7 countries, is expected to lead to 55 million more mobile subscriptions, a four times increase in 4G enabled-devices (*GSMA Intelligence, June 2019*) and an approximately eight times increase in mobile data usage in Sub-Saharan Africa between 2018 and 2024 (*Ericsson Mobility Report, June 2019*). Mobile subscription growth in the Group's markets over the same period is projected to be 29.3 per cent. compared to 5.7 per cent. in the G7 countries (*GSMA, June 2019*).

The ongoing focus on operational and financial efficiency, as well as the need to maintain competitiveness in pricing, is also resulting in an increasing trend amongst MNOs of releasing capital and reducing operating costs by selling sites to independent tower companies, like the Group, and using such companies' colocation services. In 2018, 73 per cent. of mobile telecommunications towers in Africa were owned by MNOs compared to 33 per cent. globally. However, between 2010 and 2018 the percentage of telecommunications sites in Africa owned by independent tower companies grew from five per cent. in 2010 to 27 per cent. in 2018. As of 2018, there were approximately 29,000 shareable towers owned by MNOs

across the Group's markets, with approximately 25,000 of these located in South Africa and the remainder split across its four other markets.

Furthermore, the number of mobile subscribers per PoS is significantly higher in the Group's markets than in other markets. Tanzania, DRC, Congo Brazzaville, Ghana and South Africa have 3,675, 6,683, 4,585, 4,926 and 3,189 mobile subscriptions per PoS, respectively, compared to an average of 2,355 for selected countries including India, Indonesia, Russia and the USA. Accordingly, there will be a need for new and upgraded site infrastructure in both urban and rural areas across the Group's markets, which is estimated to be higher than the average across other Sub-Saharan African markets.

These factors are all expected to contribute to an estimated infrastructure requirement of over 19,000 standard PoS and over 53,000 new Network PoS in the Group's markets excluding South Africa by 2024 in order to ensure that the expected increase in mobile subscribers, the growing demand for mobile data and the adoption of new technologies can be addressed while maintaining or improving current levels of network quality (*Hardiman Report, August 2019*). Of these additional PoS, the Group believes that there is potential for it to achieve approximately 7,500 new tenancies, comprising approximately 7,100 potential new standard PoS and 400 potential new amendment colocations, by 2024.

Robust Business Model with High Recurring Revenue, Underpinned by Long-Term Sustainable Pricing through the Group's Contracts and Hard Currency Protection

The Group believes that its business model creates natural incentives for MNOs to enter into long-term contracts by providing a higher level of operational service and coverage at an approximate 35 per cent. discount to an MNO's total cost of ownership, which includes an MNO's financing costs, maintenance capital expenditure and operating expenses to operate its own network. This discount relates to the anchor tenant's lease rate for a site with two or more tenants, such that if the Group built a tower for an MNO customer (the anchor tenant) and added a colocation tenant to the site, the Group believes that the anchor tenant's lease rate would be at an approximate 35 per cent. discount to its total cost of ownership. The contracts, which typically have an initial term of 10 to 15 years, with provision for multiple subsequent automatic renewals and minimal cancellation rights, provide stable, highly predictable recurring revenue streams and have been specifically structured to address some of the key challenges of operating in the Group's markets. As of 30 June 2019, the weighted average remaining life across the Group's customer site contracts was approximately 7.8 years, without taking into account renewal clauses. In addition, the Group had total contracted revenue until 2034 under agreements with its existing customers of US\$3.0 billion, without taking into account any escalation of fees, as of 30 June 2019.

The Group's contracts include automatic renewal clauses and other partial economic protections against inflation and diesel and electricity price movements through inflation and power price escalations, respectively. This has enabled the Group to deliver consistent quarterly Adjusted EBITDA growth in U.S. dollars between the three months ended 31 March 2015 and the three months ended 30 June 2019 despite market volatility in the local currencies of the Group's markets and in the price of Brent Crude oil.

The Group operates in some regions of Sub-Saharan Africa with currencies that have either a high percentage of dollarisation or that are pegged to the euro, which provides a natural hedge against currency fluctuations. During the year ended 31 December 2018, approximately 57 per cent. of the Group's revenue was in U.S. dollars or in currencies pegged to the euro, including 100 per cent. of the Group's revenue in DRC, which has a highly dollarised economy. In addition, revenues and expenses that the Group considers to be U.S. dollar-based or in currencies pegged to the euro, and therefore inherently less volatile than relying exclusively on local currency, contributed approximately 65 per cent. of the Group's Adjusted EBITDA for the year ended 31 December 2018.

Attractive Site Economics and a Well-Invested Portfolio Primed for Future Lease-Up Growth

The Group believes its business model benefits from attractive site economics, where the average live site generates a site gross margin of 54 per cent. with one tenant, rising to 64 per cent. with two tenants and 71 per cent. for three tenants. The colocation margin flow through to Adjusted EBITDA on a build-to-suit site is 82 per cent. for a second tenant and 87 per cent. for a third tenant. On average, a site produces a Free Cash Flow yield of nine per cent. with one tenant, which grows to 19 per cent. for two collocating tenants and 32 per cent. for three collocating tenants.

The Group operates a young portfolio of sites, with an average site age of 5.4 years as of 30 June 2019, such period being based on the date a tenant is first installed on a build-to-suit site or the date that the Group acquired the site for acquired sites. As of 30 June 2019, 73 per cent. of the Group's sites were lease-

up ready and its strategy of investing upfront to upgrade its site portfolio means it is strongly positioned to capture the significant residual colocation-driven growth potential within its markets. As of 30 June 2019, the Group's portfolio had a tenancy ratio of 2.05x compared to 1.2x as of 31 December 2010, with capacity to accommodate up to approximately 4.2x tenants per tower on average.

New colocations require very little incremental installation capital expenditure and the Group expects to fund the majority of this and future upgrade capital expenditure from Portfolio Free Cash Flow generated from historical investment in the Group's sites. When the Group acquires a site, it typically invests approximately US\$35,000 in each site to ensure it (i) is structurally sound for multi-tenant occupancy, (ii) is able to deliver efficient, reliable power through new power equipment and generators and (iii) complies with the Group's rigorous health and safety standards.

The Group has developed a model of demand-led expansion capital expenditure that underpins its returns on organic investment through both build-to-suit and colocations. The Group will not construct any build-to-suit tower without a signed lease agreement from an anchor tenant, which allows the Group to manage the timing and amount of associated expansion capex. The average build-to-suit tower has a cash payback period of six years and an expected useful life of 40 years. In the near-term, the Group is targeting asset depreciation and amortisation of approximately US\$140 million, reducing to approximately US\$80 million and approximately US\$45 million in the medium-term and long-term, respectively, excluding the impact of accelerated depreciation following tower acquisitions.

Track Record of High Quality Growth, Significant Operating Leverage and Strong Portfolio Free Cash Flow Generation

Since 2010, the Group has had consistent year-on-year growth in sites and almost doubled its tenancy ratios. Following the introduction of the Group's Business Excellence Programme in 2015, the Group has also delivered 18 consecutive quarters of Adjusted EBITDA growth, growing Adjusted EBITDA 273 per cent. between the year ended 31 December 2015 and the last quarter annualised Adjusted EBITDA for the three months ended 30 June 2019. This equates to an Adjusted EBITDA compound annual growth rate of 44 per cent. between the three months ended 31 March 2015 and the three months ended 30 June 2019, compared to an 11.5 per cent. compound annual growth rate in online sites, with Adjusted EBITDA margins more than doubling on a last quarter annualised basis over the same period from 25 per cent. for the three months ended 31 March 2015 to 52 per cent. for the three months ended 30 June 2019, demonstrating the natural operating leverage in the site-sharing model. The Group is targeting Adjusted EBITDA margin of 55 per cent. to 60 per cent. in the medium-term increasing to over 60 per cent. in the long-term, assuming current exchange rates in the medium and long-term and a tax rate of 5 per cent. of revenue in the medium-term and 30 per cent. of pre-tax profits in the long-term, respectively. The Group also has a strong focus on Portfolio Free Cash Flow generation, which has grown from US\$51 million for the year ended 31 December 2016 to US\$158 million of last quarter annualised Portfolio Free Cash Flow for the three months ended 30 June 2019.

The Group considers its operational strength to be a facilitator of growth, a barrier to entry to competitors considering entering its existing markets and a means to enhance its long-term customer relationships. The Group has developed and refined internal processes which it believes have optimised its service delivery and positioned it to realise future growth prospects.

The Group has delivered tangible efficiency improvements and operating cost reductions through its Business Excellence Programme, as demonstrated by the reduction of operating costs as a percentage of revenue from 47 per cent. to 37 per cent. between the years ended 31 December 2016 and 2018. Since the Group initiated the programme in 2015, power uptime has increased significantly and during the year ended 31 December 2018 and the six months ended 30 June 2019, the Group achieved average uptimes of 99.98 per cent. and 99.99 per cent., respectively, across its sites. The Group has also significantly improved its supply chain, with estimated procurement savings of US\$48 million between 30 June 2015 and 30 June 2019, almost all of which is capital expenditure savings, and a 80 per cent. reduction in strategic suppliers over the same period from 60 to 12.

Central to the Group's ability to increase productivity is its continued investment in improving power management. The Group has been able to reduce its reliance on diesel generation by investing in solar power and hybrid technology solutions. As of 31 December 2018, the Group had installed hybrid and solar solutions at 740 and 430 sites, respectively. In addition, as of 31 December 2018 the Group had connected an additional 400 sites to the national power grids in its established markets. Between the three months ended 31 December 2015 and the three months ended 30 June 2019 these efficiencies resulted in a 93 per cent. improvement in power service delivery. Reduced usage of diesel generators will prolong the life of the

Group's generators and lower associated annual maintenance costs, reducing the Group's capital investment in generating capacity, as well as its operating expenses and carbon footprint.

The Group believes it is well-placed to drive further operating leverage and deliver sustainable margin enhancement over time through the addition of multiple long-term colocation contracts from new and existing tenants across its markets supported by incremental process improvements and operational efficiencies. The Group estimates that its gross leverage going forward will be between 3.5x and 4.5x. The Group is targeting a two to six-year payback period on its power investments.

Experienced Management Team Committed to the Highest Standards of Social Responsibility and Corporate Governance

The Board is supported by the Group's Senior Management, the members of which collectively have over 100 years' experience in the emerging markets' telecommunications towers and power sectors. The team has a proven track record of successfully developing and expanding the Group's operations, including the effective integration of nine site asset portfolios since 2009, and has demonstrated the ability to identify and execute operational enhancements to continue to improve the quality of service delivered to customers, as well as to drive responsible growth and profitability. The Group's Senior Management is committed to social responsibility and undertakes schemes that benefit the communities in which the Group operates, including by contributing to the installation of sanitation programs in schools, the provision of water supplies and the funding of improvements to hospitals.

The Group's core values stress the importance of integrity, partnership and excellence, not just in terms of internal Group operations, but also in dealing with customers, suppliers, maintenance partners and other outsourced contractors. The Group's centralised headquarters facilitate a high level of consistency, efficiency, control, oversight and compliance across the operating subsidiaries. The Group's Senior Management closely monitors compliance with established principles of good corporate governance by employing a framework that provides for checks and balances while also affording management the ability to act quickly in the ordinary course of business.

Purpose and Business Strategy: Creating a Platform for Sustainable Growth

The Group is a leading provider of critical mobile telecommunications infrastructure, focused on delivering quality, responsible profit growth for its shareholders and increasing mobile connectivity across Sub-Saharan Africa for the economic benefit of all of its stakeholders, including the local communities it serves.

The Group believes it has significant opportunities to capitalise on the strong and growing demand for increased mobile telecommunications coverage and data consumption, both in its current Sub-Saharan markets and in new, high-growth African markets.

The core pillars of the Group's strategy are (i) its people; (ii) its values; (iii) growing with its customers; (iv) business excellence; (v) supply chain optimisation; and (vi) business digitalisation.

The key elements of the Group's strategy include:

Grow with Customers

The Group has become a trusted partner of choice for MNOs seeking to expand and upgrade their network footprint, with the Group's customers including all of Africa's "Big Five" MNOs, many of which it has served since the Group's inception in 2010.

The Group intends to continue to build on and expand the relationships it has with its customers. Central to the Group's relationship with its customers is its fair and sustainable long-term pricing strategy, which is designed to ensure lease rates are approximately 35 per cent. lower than the total cost of ownership would be for MNOs to own and operate the towers themselves. In return, the Group is able to secure certain contractual economic protections such as minimal cancellation rights, automatic renewals clauses, menu pricing for amendment revenue, inflation and power price escalators, and take-or-pay commitments for colocation and build-to-suit.

The Group is targeting between 1,000 and 1,500 new tenancies per year over the medium-term, with the rate of new tenancies increasing over the period. The Group expects that the percentage of build-to-suit sites that make up these tenancies will reduce from 50 per cent. to 25 per cent. over the medium-term partly as a result of potential small tower asset purchases.

Grow in Existing Markets

The continuing addition of colocations and colocation amendments is core to the Group's business model, driving Adjusted EBITDA growth and improving operating margins through what the Group estimates to be 80 to 90 per cent. flow through of revenue to Adjusted EBITDA. Growth in colocations is driven by MNO customers seeking a cost-effective way to expand the coverage and improve the quality and capacity of their networks, and by consumer demand for 4G and other next generation mobile communications technologies that require upgrades beyond the standard configurations permitted by existing lease agreements. Limited incremental capital expenditure is required for colocations to produce Adjusted EBITDA growth because the Group invests upfront in its site portfolio. As of 30 June 2019, 73 per cent. of the Group's sites were lease-up ready for additional tenancies, with the Group estimating that approximately 84 per cent. of anticipated colocation demand can be accommodated with no upgrade capital expenditure investment.

The Group also drives organic revenue growth through build-to-suit site construction, which helps MNOs unlock service potential in areas without current mobile telecommunications coverage and strengthen existing coverage to increase network capacity. For example, during 2018 the Group invested in the upgrade and construction of a new telecommunications backbone network in DRC that covers 1,800 kilometres. The network replaced old satellite technology and provides connectivity to an estimated six million people. The investment supports continued network improvement and expansion efforts by local MNOs and follows the recent award of inaugural 4G licences to Vodacom, Orange and Africell.

The Group has an established strategy of demand-led capital expenditure, which means it will not begin the construction of any build-to-suit site until it has secured an anchor tenant on terms that provide enduring and efficient economics. The Group's build-to-suit sites currently have an average cash payback of approximately six years.

The Group also has grown and intends to continue to grow in its existing markets through the purchase of site portfolios. The strength of the Group's customer relationships is critical to ensuring the Group has access to the pipeline of site assets that MNOs may be seeking to divest. The Group estimates that there were approximately 29,000 marketable and potentially acquirable towers still owned by MNOs in its markets as of 30 June 2019.

Grow in New Markets

The Group's strategy is also to investigate new African markets where opportunity exists to expand the Group's geographic footprint and product offering. Out of a total of approximately 225,000 mobile telecommunications towers in Africa, approximately 61,000, located almost entirely in Sub-Saharan Africa, are currently owned by independent tower companies, with the remainder (approximately 164,000 sites) owned by MNOs. (*TowerXchange "TowerXchange analysis of the Sub-Saharan African tower Industry", March 2019*). The Group believes there are significant further opportunities for it to expand through selective asset purchases into new structurally attractive markets with superior growth dynamics. It estimates that Africa needs over 75,000 new PoS by 2023. As of 30 June 2019, the Group estimated that there were approximately 135,000 sites that could be acquired in other markets and the Group was closely monitoring approximately 10,000 sites and over 13,000 PoS.

The Group has adopted a disciplined approach to entering new markets using an internal rate of return of 20 per cent. to 30 per cent. as a guiding metric coupled with profit multiples over a three to five-year business plan and it has set out a framework for assessing such opportunities. Under this framework the Group looks for opportunities that fulfil certain criteria, including that the market be an emerging market with (i) a population in excess of 10 million; (ii) three or more MNOs; (iii) a stable and/or pegged currency; (iv) the ability to achieve the largest or second largest market share in the country; (v) an infrastructure gap; (vi) a high usage growth; (vii) lease-up and build-to-suit opportunities; and (viii) low mobile penetration (in the vast majority of cases), that the Group believes will enhance its returns.

In January 2019, the Group announced the creation of an infrastructure platform to enter and accelerate growth in South Africa through Helios Towers South Africa, a majority-owned joint venture with Vulatel, and the subsequent acquisition of HTSA Towers (Pty Ltd), which comprises the former businesses of SA Towers and Sky Coverage Proprietary Limited. The Group intends to leverage SA Towers' pipeline of build-to-suit site opportunities, its knowledge of the South African market, its existing regional relationships with MNOs and its town planning expertise and capabilities for managing building permit applications with municipalities. Moreover, the Group expects to invest in the business platform by funding and supporting the build-out and expansion of SA Towers' pipeline of more than 500 potential sites (which are sites that the Group has identified as being of potential interest to MNOs and which are ready to build or sites for

which the Group is in the process of obtaining relevant permits). The Group also expects to share its management expertise with the SA Towers team, which have been integrated into the Group's organisation to manage the day-to-day South African site operations.

South Africa is a large, high-growth market with diversified customers and technology that has attractive growth indicators and favourable structural dynamics. The country has a population of 58 million that is forecast to increase by four million over the next six years, of which 66 per cent. already live in urban areas (*United Nations, World Population Prospects, June 2019*). According to TowerXchange, there are approximately 29,000 mobile telecommunications towers, of which the Hardiman Report estimates only approximately 15 per cent. are owned by independent tower companies. It is estimated that approximately 7,000 additional standard PoS will be required by 2024 (*Hardiman Report, August 2019*). 3G and 4G are widely available and over four million 5G connections are expected by 2023; however, compared to the G7 countries, South Africa had low mobile market penetration as of 31 December 2018 (67 per cent. compared to 85 per cent.), indicating potential for growth in the market. Multiple MNOs operate in South Africa, including two of Africa's "Big Five", and it is also seen as the leader in telecommunications innovation in Africa, providing the Group with the opportunity to develop expertise in adjacent technologies which can be leveraged in its other four markets.

Grow in Adjacent Technologies and Services

The Group also intends to develop new business areas in other aspects of passive infrastructure, leveraging the Group's core infrastructure management skills, such as:

- small cell sites: small cell sites are low-powered radio access nodes or base stations that have a coverage range of up to a few hundred metres and can be used to densify networks through the use of urban structures (e.g. bus shelters, traffic lights, street lights) as a low-cost alternative to deploying additional macro-sites. Small cell sites offer an advantage where the installation of macro-sites is impossible due to planning restrictions and where additional coverage density is required to support traffic and macro-sites are not practicable because the traffic requires cells as small as 50 metres. Some of the Group's customers in Ghana have requested small cell sites and the Group has carried out pilot schemes for this already. The use of small cell sites to densify networks is beneficial to the Group as such sites require low capital expenditure to install and low operating expenditure to maintain. Additionally, the Group has also implemented in-building solutions in four cities in Tanzania, which represent a total of 56 tenants that HT is serving across 34 sites.
- edge data centres: edge data centres are secure temperature-controlled technical facilities which are smaller than a standard core network data centre and positioned on the edge of a telecommunications network. They are used by operators to regenerate fibre signal, deliver cloud computing resources or cache streaming content for local users. Edge data centres are located either on-premises or at locations close to end-users. The centres are defined by their proximity to the source of the data to be processed. While edge data centres complement existing public cloud services or colocation deployments, their proximity to end-users gives them a commercial advantage by enabling them to support applications that demand a significant amount of bandwidth, require rapid response times, are latency-sensitive, or are a combination of all three. Hosting third-party equipment at both edge data centres and potentially core data centres may offer an effective additional revenue stream and leverage the Group's expertise in project delivery, security and reliable power provision. During the first half of 2019, the Group acquired 13 edge data centres in South Africa and will continue to evaluate other similar opportunities across its markets of operation.
- fibre backhaul: opportunities may exist in fibre backhaul (i.e. the portion of the network which comprises a series of intermediate links), as this becomes the predominant means of connecting mobile towers to the backbone network to meet 4G bandwidth requirements.

South Africa is considered to be a leader in telecommunications innovation within Africa, and the Group believes the more developed nature of adjacent technologies in South Africa can therefore be leveraged to develop expertise and accelerate roll-out of these technologies across the Group's four other markets.

Grow Profitability through Continued Business Excellence and Efficiency Improvements

The Group considers the delivery of reliable and innovative customer service solutions in accordance with its guiding principles of integrity, partnership and excellence an integral component of its strategy to grow its business and expand its relationships with all of its customers. The Group believes that its Business Excellence Programme and bespoke digital initiatives built on platforms such as ServiceNow and Red Cube

will assist the Group in continuing to deliver high levels of power uptime and reductions in operating costs, maximising the life of its capital assets such that they exceed the targets in the Group's SLAs and improve financial performance. For the year ended 31 December 2019, the Group is targeting an approximate mid-single digit percentage decrease in site operating expenses as a result of savings initiatives.

The Group also works in partnership with MNO customers, using its proprietary Geographic Information System ("GIS"), which enables it to more accurately forecast colocation demand, better inform the analysis of site asset portfolio acquisitions, make better capital investments by choosing the right locations to build new sites and achieve higher colocation ratios on existing sites through proactive marketing.

Power usage is the Group's largest operating expense and it is pursuing multiple strategies for lowering diesel and electricity costs, including (i) establishing grid connections where reliable grid capacity has been installed close to Group sites; (ii) deploying hybrid installations, which involve alternating between battery power and diesel generators or grid power; and (iii) installing solar power technologies at selected sites. These efficiencies not only reduce the Group's fuel operating expenses but also reduce recurring maintenance capital expenditure by reducing diesel generator run time, prolonging service life and requiring fewer site visits. As the majority of the Group's MLAs allow it to retain the cost benefit of increased power efficiency, alternative power systems improve the Group's operating margins by reducing fuel costs and shortening the cash payback period on tower sites.

Grow Responsibly and Sustainably

The Group has an entrepreneurial culture and invests in its employees through training focused on skill development and by offering competitive rewards. As the Group's local businesses grow, it has consciously and progressively reduced the need for expatriates, with a significant majority of management and employees being local and bringing unique insights and market knowledge to benefit the Group's operations. By the end of 2018, approximately 35 per cent. of the Group's employees had been trained in Lean Six Sigma, and this is expected to grow to approximately 50 per cent. by the end of 2019. Although primarily for the Group's employees, this has also included certain members of its maintenance partners, strengthening the Group's "one team" ethos.

The Group takes its responsibility to reduce the environmental impact of its operations for the local populations it serves seriously. The Group's site sharing model immediately removes the need for wasteful duplication, unnecessary site constructions, multiple power generators and emissions, and many thousands of miles driven in parallel maintenance programmes. The Group's investment in solar technology and hybrid solutions in 2018 is expected to cut the emission of more than 5,000 tonnes of carbon dioxide each year, while also delivering millions of dollars in fuel cost savings.

Corporate governance and risk management are integral to the Group's strategy, both in the achievement of its long-term goals and the protection of shareholder value. The Directors are committed to maintaining high standards of corporate governance and have implemented a corporate governance framework that they consider appropriate for the size and current ownership structure of the Group. 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 Group defines risk appetite as the amount of risk that the business is prepared to take in order to deliver safe, effective working practices as well as maintaining and growing its business. The Group dedicates resources and focus to understanding and ensuring risk is identified, assessed, managed and monitored.

South Africa

In March 2019, the Group entered into a majority-owned joint venture with Vulatel in South Africa to create Helios Towers South Africa. As part of its initial contribution to the joint venture, Vulatel sold 13 edge data centres and related customer contracts to a subsidiary of Helios Towers South Africa in return for shares in Helios Towers South Africa, valued at approximately US\$2 million.

Separately, on 30 April 2019, Helios Towers South Africa acquired an 89.5 per cent. interest in HTSA Towers (Pty) Ltd for an initial consideration of US\$10.6 million. SA Towers holds the remaining 10.5 per cent. shareholding in HTSA Towers (Pty) Ltd. The share subscription agreement provides that, for a three-year period ending 31 May 2022, each calendar quarter, HTSA Towers (Pty) Ltd will pay outstanding distributions to SA Towers calculated by reference to, among other things, the satisfaction of development conditions for certain sites specified in the agreement and the type and number of customers hosted on those sites. The maximum total amount payable by the Group for the interest in HTSA Towers (Pty) Ltd,

including the initial consideration and the outstanding distributions, is US\$65 million over the three-year period.

The Group commenced operations in South Africa in March 2019 following the transfer of the acquired South African sites on that date. The Group integrated the SA Towers' team into the wider business through training in the Group's process, systems and Business Excellence Program to ensure continuity of service and retain their expertise in the South African market. The Group completed the integration of the acquired South African sites and the SA Towers' team from an operations perspective at the end of May 2019. As of 30 June 2019, the Group operated 101 sites in South Africa, including the 13 edge data centres.

The Group expects its primary operations in South Africa to be consistent with its principal business, mainly owning, operating and maintaining telecommunications sites to provide site space and related services to MNOs and other telecommunications providers. See "*Tower Contracts*". As such, currently the Group's principal offerings in South Africa are in sites and edge data centres. However, in the medium-term, the Group expects to use its South African operations as a platform to expand its product offering.

The Group expects to invest into the SA Towers' business platform by funding and supporting the build out and expansion of SA Towers' pipeline of more than 500 potential sites (which are sites that the Group has identified as being of potential interest to MNOs and which are ready to build or sites for which the Group is in the process of obtaining relevant permits). See "*Build-to-Suit Sites*". The sites acquired as part of the SA Towers acquisition are located on real property subject to lease agreements with the property owners, which have the same characteristics as the ground leases in the Group's other markets. See "*Real Property*". The Group intends to operate these sites through a "grass and steel" model by which it will provide and be responsible for the tower, electricity distribution boards and site services (such as access, site cleaning and maintenance of the tower structure) and Eskom will provide and be responsible for the power supply while the Group's customers will own, manage, operate and secure the equipment they place on the site.

Unlike prior site portfolio acquisitions, the Group expects to invest significantly less in upgrading the acquired sites because the sites were constructed for multi-tenant use by a tower company and the Group believes that they are ready to be leased-up. Furthermore, in South Africa the Group is only responsible for ensuring that its sites have a connection to the main electricity grid and for the distribution of electricity at its sites. The landlord or municipal authority is responsible for the supply of electricity, the connection and the back-up power supply, which is a significant reduction in the scope of the Group's responsibilities and thereby its costs compared to its other markets.

Through the Group's joint venture with Vulatel, the Group is also considering entering into fibre and small cells. Vulatel's management team, which comprises former directors of Vodacom and Dark Fibre Africa, will assist in the development of the strategy for Helios Towers South Africa. This team will also provide construction and maintenance services to the Group on preferential terms through their separate telecommunications services business. Vulatel has a Level 2 Broad-Based Black Economic Empowerment rating.

Operations

The Group's Site Portfolio

Since its inception, the Group has grown its site portfolio through acquiring site portfolios of MNOs and constructing strategic build-to-suit sites. The Group's overall site portfolio has grown from 2,974 total online sites as of 31 December 2013 to 6,882 total online sites as of 30 June 2019, consisting of acquired sites and build-to-suit sites, as detailed below.

The following table shows a breakdown of the growth of the Group's site portfolio through a mixture of acquisitions and build-to-suit as of and for the periods indicated:

	Year ended 31 December								
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Online Sites									
Year-end site asset									
acquisitions	831	2,517	2,451	2,418	3,604	4,128	4,942	4,858	4,923
Year-end build-to-suit ...	—	—	259	556	1,052	1,296	1,535	1,661	1,822
Total online sites⁽¹⁾	831	2,517	2,710	2,974	4,656	5,424	6,477	6,519	6,745

	Year ended 31 December								
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Site purchases during period ⁽²⁾	831	1,721	13	14	1,186	535	961	22	196
Consolidations during period	—	(35)	(79)	(47)	—	(11)	(147)	(106)	(131)
Total change in acquired sites for the period ⁽³⁾	831	1,686	(66)	(33)	1,186	524	814	(84)	65
Built-to-suit sites added during period	—	—	259	297	496	244	239	111	161

Notes:

- (1) Refers to total live towers, IBS sites or sites with customer equipment installed on third-party infrastructure that are owned and/or managed by the Group with each reported site having at least one active customer tenancy as of a given date.
- (2) Site portfolio purchases and other site asset purchases made by the Group following the signing of sale and purchase and/or management agreements including sites that the Group currently manages but does not own due to either: (i) certain conditions for transfer under the relevant acquisition documentation, ground lease and/or law not yet being satisfied; (ii) the site being subject to an agreement with the relevant MNO under which the MNO retains ownership and outsources management and marketing to it; or (iii) sites that are maintained by the Group on behalf of a telecommunications operator but which are not marketed by the Group to other telecommunications operators for colocation (and in respect of which the Group has no right to market).
- (3) Includes the consolidation and/or decommissioning of previously acquired sites.

	Six months ended 30 June 2019
Online Sites	
Period-end site asset acquisitions	4,937
Period-end build-to-suit	1,945
Total online sites⁽¹⁾	6,882
Site purchases during period ⁽²⁾	101
Consolidations during period	(87)
Total change in acquired sites for the period ⁽³⁾	14
Built-to-suit sites added during period	123

Notes:

- (1) Refers to total live towers, IBS sites or sites with customer equipment installed on third-party infrastructure that are owned and/or managed by the Group with each reported site having at least one active customer tenancy as of a given date.
- (2) Site portfolio purchases and other site asset purchases made by the Group following the signing of sale and purchase and/or management agreements including sites that the Group currently manages but does not own due to either: (i) certain conditions for transfer under the relevant acquisition documentation, ground lease and/or law not yet being satisfied; (ii) the site being subject to an agreement with the relevant MNO under which the MNO retains ownership and outsources management and marketing to it; or (iii) sites that are maintained by the Group on behalf of a telecommunications operator but which are not marketed by the Group to other telecommunications operators for colocation (and in respect of which the Group has no right to market).
- (3) Includes the consolidation and/or decommissioning of previously acquired sites.

The following table shows a more detailed breakdown of the Group's site portfolio by country as of 30 June 2019:

	As of 30 June 2019					
	Tanzania	DRC	Ghana	Congo Brazzaville	South Africa	Total
Site Asset Purchases	2,309	1,402	748	377	101	4,937
Build-to-suit	1,341	415	185	4	—	1,945
Total online sites	3,650	1,817	933	381	101	6,882
Offline	134	72	—	18	—	224
Total sites	3,784	1,889	933	399	101	7,106

The Group's site portfolio is weighted towards what it believes to be higher-growth urban areas, with 60 per cent. of the Group's site sites per country located in urban areas as of 30 June 2019. MNOs in the countries in which the Group operates face increasing regulatory pressure to extend network coverage to rural areas in addition to consumer demands for improving quality of service, particularly in urban and suburban areas, by increasing existing capacity.

The following table shows a more detailed breakdown of the Group's site portfolio in urban and rural areas by country as of 30 June 2019:

Country	Rural	Urban/ Suburban
Tanzania	46%	54%
DRC	34%	66%
Congo Brazzaville.....	45%	55%
Ghana	26%	74%
South Africa	24%	76%

From time to time, the Group consolidates or decommissions previously acquired sites after evaluating each site's profitability. The cost of decommissioning a site may vary from US\$3,000 to up to US\$21,000 if the decommissioning involves full depth site restoration and active equipment removal, both of which increase logistical complications and transportation costs.

Tenancies and ALU

The Group markets colocation space on its sites to telecommunications providers and drives its revenue and margins by adding additional colocations tenancies to its sites or undertaking contract amendments. Additional colocations are highly accretive, typically adding significant incremental revenue while incurring limited incremental operating expense and requiring minimal capital expenditure. The Group calculates ALU as the number of colocations added to the Group's portfolio in a defined period of time divided by the average number of total sites for the same period of time, excluding colocations acquired as part of site asset acquisitions reported as of a certain date.

The following tables show the Group's total number of sites, tenancies, colocation tenancies, tenancy ratio and ALU as of and for the periods indicated:

As of 31 December									
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Total online sites ⁽¹⁾	831	2,517	2,710	2,974	4,656	5,424	6,477	6,519	6,745
Acquired site anchor tenants ..	831	2,517	2,451	2,418	3,604	4,128	4,942	4,858	4,923
Build-to-suit anchor tenants ..	—	—	259	556	1,052	1,296	1,535	1,661	1,822
Total anchor tenancies	831	2,517	2,710	2,974	4,656	5,424	6,477	6,519	6,745
Acquired colocation tenants ..	—	—	—	—	520	633	1,051	1,051	1,051
Organic colocation tenants	170	543	1,149	1,681	2,323	3,951	4,981	5,417	5,753
Total colocations ⁽²⁾	170	543	1,149	1,681	2,843	4,584	6,032	6,468	6,804
Total tenancies ⁽³⁾	1,001	3,060	3,859	4,655	7,499	10,008	12,509	12,987	13,549
Tenancy ratio	1.20x	1.22x	1.42x	1.57x	1.61x	1.85x	1.93x	1.99x	2.01x
ALU for year ⁽⁴⁾	—	0.29x	0.24x	0.19x	0.15x	0.32x	0.17x	0.07x ⁽⁵⁾	0.05x
Build-to-suit ALU for year ⁽⁴⁾	—	—	0.21x	0.24x	0.22x	0.14x	0.15x	0.44x	0.41x

Notes:

- (1) Refers to total live towers, IBS sites or sites with customer equipment installed on third-party infrastructure that are owned and/or managed by the Group with each reported site having at least one active customer tenancy as of a given date.
- (2) Refers to the sharing of site space by multiple customers or technologies on the same site.
- (3) Refers to individual site occupancies by each customer as of a given date.
- (4) Refers to the number of colocations added to the Group's portfolio in a defined period of time divided by the average number of total sites for the same period of time, excluding colocations acquired as part of site acquisitions reported as of a certain date.
- (5) Excludes 218 site removals of the small configuration/lease rate colocations of a small data operator and a government-controlled operator.

	As of 30 June 2019
Total online sites ⁽¹⁾	6,882
Acquired site anchor tenants	4,937
Build-to-suit anchor tenants	1,945
Total anchor tenancies	6,882
Acquired colocation tenants	1,107
Organic colocation tenants	6,111
Total colocations ⁽²⁾	7,218
Total tenancies ⁽³⁾	14,100
Tenancy ratio	2.05x

Notes:

(1) Refers to total live towers, IBS sites or sites with customer equipment installed on third-party infrastructure that are owned and/or managed by the Group with each reported site having at least one active customer tenancy as of a given date.

(2) Refers to the sharing of site space by multiple customers or technologies on the same tower.

(3) Refers to the individual site occupancies by each customer as of a given date.

The following tables show the Group's total sites net of consolidations, tenancies and tenancy ratio by country as of and for the periods indicated:

Tanzania

	Year ended 31 December							
	2011	2012	2013	2014	2015	2016	2017	2018
Sites at beginning of year	—	1,200	1,352	1,535	3,114	3,428	3,465	3,491
Sites at end of year	1,200	1,352	1,535	3,114	3,428	3,456	3,491	3,701
Tenancies at beginning of year	—	1,213	1,685	2,166	4,700	6,389	7,163	7,392
Tenancies at end of year	1,213	1,685	2,166	4,700	6,389	7,163	7,392	7,848
Tenancy ratio at year end	1.01x	1.25x	1.41x	1.51x	1.86x	2.07x	2.12x	2.12x

	Six months ended 30 June 2019
Sites at beginning of period	3,701
Sites at end of period	3,650
Tenancies at beginning of period	7,848
Tenancies at end of period	7,950
Tenancy ratio at period end	2.18x

DRC

	Year ended 31 December							
	2011	2012	2013	2014	2015	2016	2017	2018
Sites at beginning of year	—	521	582	656	743	814	1,832	1,819
Sites at end of year	521	582	656	743	814	1,832	1,819	1,773
Tenancies at beginning of year	—	548	837	1,075	1,349	1,643	3,179	3,347
Tenancies at end of year	548	837	1,075	1,349	1,643	3,179	3,347	3,492
Tenancy ratio at year end	1.05x	1.44x	1.64x	1.82x	2.02x	1.74x	1.84x	1.97x

	Six months ended 30 June 2019
Sites at beginning of period.....	1,773
Sites at end of period.....	1,817
Tenancies at beginning of period	3,492
Tenancies at end of period.....	3,705
Tenancy ratio at period end.....	2.04x

Ghana

	Year ended 31 December								
	2010	2011	2012	2013	2014	2015	2016	2017	2018
Sites at beginning of year	—	831	796	776	783	799	789	786	825
Sites at end of year.....	831	796	776	783	799	789	786	825	891
Tenancies at beginning of year.....	—	1,001	1,299	1,337	1,414	1,450	1,464	1,638	1,723
Tenancies at end of year	1,001	1,299	1,337	1,414	1,450	1,464	1,638	1,723	1,680
Tenancy ratio at year end	1.20x	1.63x	1.72x	1.81x	1.81x	1.86x	1.94x	2.09x	1.89x

	Six months ended 30 June 2019
Sites at beginning of period.....	891
Sites at end of period.....	933
Tenancies at beginning of period	1,680
Tenancies at end of period.....	1,744
Tenancy ratio at period end.....	1.87x

Congo Brazzaville

	Year ended 31 December		
	2016	2017	2018
Sites at beginning of year.....	393	394	384
Sites at end of year.....	394	384	380
Tenancies at beginning of year.....	512	529	525
Tenancies at end of year.....	529	525	529
Tenancy ratio at year end.....	1.34x	1.37x	1.39x

	Six months ended 30 June 2019
Sites at beginning of period.....	380
Sites at end of period.....	381
Tenancies at beginning of period	529
Tenancies at end of period.....	533
Tenancy ratio at period end.....	1.40x

South Africa

Six months
ended
30 June 2019

Sites at beginning of period.....	—
Sites at end of period.....	101
Tenancies at beginning of period.....	—
Tenancies at end of period.....	168
Tenancy ratio at period end.....	1.66x

The Group's build-to-suit sites tend to have a higher ALU compared to acquired sites, primarily due to the Group's strategic selection of site locations that are designed at the outset to address the needs of multiple operators and because its acquired sites are typically acquired with a single existing anchor tenancy. The table below displays the number of build-to-suit sites deployed and the incremental colocations achieved during the periods presented:

	Year ended 31 December							Total
	2012	2013	2014	2015	2016	2017	2018	
Build-to-suit sites constructed.....	259	297	496	244	239	111	161	1,807
Number of colocations added in the year.....	347	389	498	119	89	84	33	1,559
Average ALU.....	0.21x	0.24x	0.22x	0.14x	0.15x	0.44x	0.41x	0.23x

The Group's sites host a variety of customers that utilise different technologies, although Global Systems for Mobile Communication ("GSM") and increasingly 3G technologies for the Group's large MNO customers comprise the most prevalent types of technology on the Group's sites. The Group expects to see continued deployment of advanced telecommunications technologies, such as the additional roll-out of 4G. Such 4G services started in Tanzania in 2013, in Ghana in 2014, in Congo Brazzaville in 2016, and in DRC in 2018. The Group expects that high demand for telecommunications services in its markets will lead to site network expansion and the densification of sites as well as demand for additional or different space for newer equipment as the introduction of new technologies requires both additional PoS and Network PoS.

The main method by which the Group has grown its site portfolio to date is the acquisition of site portfolios from MNOs. In 2010, the Group acquired Millicom's portfolio of sites in Ghana, which was the first instance of an independent tower company acquiring an MNO's sites and entering into long-term servicing contracts with that MNO in Africa. Following initial site portfolio acquisitions in both countries, the Group has also made follow-on site asset acquisitions in Tanzania and DRC to complement its existing portfolios. Following the acquisition of site portfolios, the Group typically invests heavily in upgrading sites to strengthen sites for lease-up and prepare them for use with anticipated future technologies, deliver efficient and reliable power and comply with the Group's health and safety standards. The following table summarises each of the Group's major site portfolio acquisitions:

	Millicom (Ghana)	Millicom (DRC)	Millicom (Tanzania)	Vodacom (Tanzania)	Airtel (Congo Brazzaville)	Airtel (DRC)	Zantel (Tanzania)	Viettel (Tanzania)	SA Towers (South Africa)
Date of transaction	2010	2011	2011	2014	2015	2016	2017	2018	2019
Portfolio type.....	Urban-weighted portfolio	Urban-weighted portfolio	Urban-weighted portfolio	Distributed across country with strong presence in Lakes zone	Largest portfolio distributed across country	Rural weighted portfolio	Unique mainland sites	Distributed across country	Urban-weighted portfolio
Number of sites.....	831	521	1,200	1,149	393	961	22 ⁽¹⁾	196	88
Build-to-suit agreement.....	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	n.a.
Contract length (years).....	12	12	12	12	10	10	12	14	n.a.
Strategic rationale.....	First ever site asset purchase in Africa	Enter new virgin market through purchase of significant portfolio and build agreement	Enter new virgin market through purchase of significant portfolio and build agreement	Complement Tigo portfolio in Tanzania	Enter new virgin market through purchase of largest portfolio	Expand coverage in DRC, especially in rural areas	Add unique sites to site portfolio. Decommission duplicate sites to reduce environmental impact	Expand tower network by adding unique sites to the existing portfolio	Diversify business by entering one of the largest telecom and tower markets in Africa

Note:

(1) Acquisition included the purchase of 79 offline sites not included in the total.

Under the terms of these transactions, the sites are typically transferred to the Group in tranches once they have satisfied certain closing conditions, including conditions relating to the ground leases and permits. There is typically a minimum number of sites that must satisfy the site-specific conditions before any sites are transferred and the Group may not ultimately acquire the total number of sites set out in the relevant sale and purchase agreement.

The seller will typically enter into an MLA with the Group under which the Group makes space available on the site for use by the seller. The site-specific terms (for example, the location of the site and the initial standard configuration) are set forth in an ISA in the form set out in the relevant MLA. Typically, there is a transitional period during which the service levels set out in the SLA (which forms part of the MLA) are relaxed or the remedies are otherwise limited. The parties also typically enter into temporary managed services arrangements in respect of any sites that are not part of the first tranche (sometimes with full marketing rights to synthesise transfer of ownership). If any sites are not transferred by an agreed long-stop date (for example, due to a failure to satisfy certain critical contractual conditions), the temporary managed services arrangements may be made permanent. The parties also typically enter into a build-to-suit agreement to construct new sites in unique locations.

The Group seeks to ensure that there is no disruption to the operation of a site when it is transferred by agreeing a detailed transition plan with the seller. This plan includes a handover period, which typically commences two months prior to the date of transfer of the site. During this period, the Group's employees shadow the seller's site maintenance operations (which includes access to the seller's NOC) to obtain a clear understanding of the particular requirements for operating and managing the site portfolio. In most cases, the Group looks to employ certain key members of the seller's passive network personnel to further ensure continuity of service and retain expertise in a particular region. Once the Group has taken over the sites, it initiates a 100-day plan to fully integrate the sites into its existing portfolio. In a few instances, the Group may be required to perform remedial work at a site it has purchased but the Group's own pre-acquisition due diligence and the shadowing during the transition plan mean that, in the majority of cases, the Group is aware of the need for any remedial work well in advance of taking over a site. The Group undertakes upgrade capital expenditure to ensure that sites built by an MNO meet the prevailing network needs of that MNO, and are suitable for marketing to other telecommunications customers as soon as possible after the Group takes over control of such sites.

As of 30 June 2019, the Group had 224 offline sites, being sites on which no customers are present. Of these, 134, 72 and 18 were located in Tanzania, DRC and Congo Brazzaville, respectively. The Group plans to re-activate several of these dormant sites in the future as customers request the locations. Following the acquisition of a portfolio of site assets, the Group may migrate tenants to new sites as part of its portfolio rationalisation strategy in order to remove duplicate costs and thereby increase customer margins. A site may also be dismantled as a result of a regulatory ruling or because the ground lease agreement is not renewed by the landlord, although such instances are rare. If a site is dismantled, the process is completed in compliance with the Group's health and safety policies and the steel and other equipment is removed and used on another site or recycled.

Geographic Information System Platform

The Group uses the proprietary GIS that combines site location and topographical data, demographic information and network design principles to better inform strategic decisions regarding site location using a user application which is employed by the Group's sales and commercial teams. GIS enables the Group to evaluate (i) the colocation potential of a portfolio of sites when making site portfolio asset acquisitions, (ii) the network fit and colocation potential of build-to-suit sites and (iii) existing sites as candidates for proactive marketing initiatives. The benefits of GIS to the Group are better forecasting of colocation demand, more informed analysis of site asset portfolio acquisitions, better capital investments through choosing the right locations to build new sites and higher colocation ratios on existing sites through proactive marketing. Together these benefits provide a strategic advantage to the Group and enable it to develop better relationships with its customers. The Group believes that GIS has resulted in better decisions with respect to the location of build-to-suit sites leading to faster lease-up rates for build-to-suit sites than for acquired sites.

Zonal Analysis

The Group uses a zonal analysis to assess the colocation and rationalisation potential of its site portfolio by classifying the Group's sites into three categories based on distance to other site infrastructure: unique sites, overlap sites and consolidation sites.

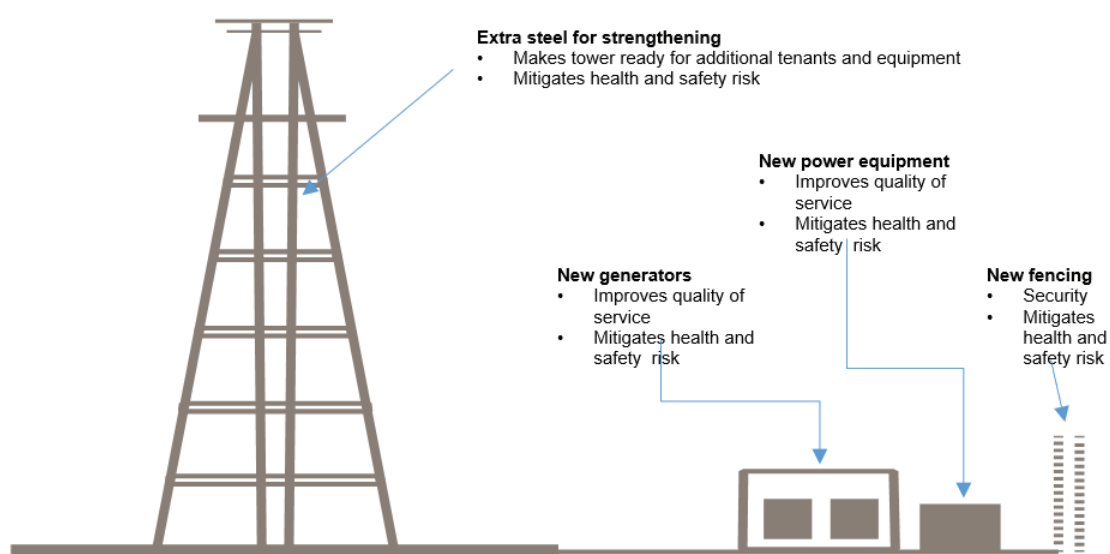
Unique sites are the only sites in a given area. In urban areas, the Group considers a site unique if it is located more than 300 metres from an alternative infrastructure solution, and in rural areas, the Group considers a site unique if it is located more than 2,500 metres from an alternative infrastructure solution. The Group considers a site to be an overlap site if there is the potential that the coverage it provides could be covered by other infrastructure owned by an MNO, which in urban areas means there is an alternative infrastructure solution within a range of 100 metres to 300 metres and for rural sites a range of 500 metres to 2,500 metres. Overlap sites are too close together to be considered unique sites but too far apart to justify consolidation onto one site without substantially affecting existing coverage. The Group's consolidation sites are those it believes are close enough to another Group site (within 100 metres in urban areas and within 500 metres in rural areas) that the Group could potentially combine the customer equipment onto one site, thereby increasing the tenancy ratio and removing the fixed costs applicable to the consolidated site, resulting in an increase in Adjusted EBITDA. As of 30 June 2019, 66 per cent. of the Group's sites were unique sites while 17 per cent. were overlap sites and 17 per cent. were consolidation sites. Of the Group's urban sites, 73 per cent., 17 per cent. and 10 per cent. were unique, overlap and consolidation sites, respectively, as of 30 June 2019. Of the Group's rural sites 55 per cent., 16 per cent. and 29 per cent. were unique, overlap and consolidation sites, respectively, as of 30 June 2019.

The following table provides a breakdown of the zonal analysis of the Group's sites by urban and rural market and country as a percentage of total urban and rural sites, respectively, as of 30 June 2019:

As of 30 June 2019					
	Tanzania	DRC	Ghana	Congo Brazzaville	South Africa
			(%)		
Urban unique sites.....	81	69	58	79	47
Urban overlap sites.....	12	22	25	17	27
Urban consolidation sites.....	7	9	17	5	26
Rural unique sites.....	53	61	43	70	50
Rural overlap sites.....	17	13	19	20	38
Rural consolidation sites.....	31	26	38	10	13

Site Specifications

The Group's site portfolio comprises two main types of sites: rooftop sites, in which a tower is built on the rooftop of an existing structure, and greenfield sites, where the tower is freestanding. The portfolio consists principally of four-legged, heavy duty, ground-based towers typically ranging in height from 35 to 70 metres. The Group builds higher towers when circumstances require, including when towers are built in valleys or require greater range for transmission. The Group's build-to-suit ground-based towers with a height of 40 metres or more are designed to accommodate three or more tenants (based on a standard configuration). The following diagram illustrates the standard facilities typically located on the Group's sites:



The radio frequency and microwave antennae in the diagram above and the telecoms electronics are owned and maintained by the Group's customers, while in four of its five jurisdictions the Group owns and maintains the passive infrastructure, including the perimeter fence and security, the telecommunications site diesel generator, battery backup system, site monitoring system and, if applicable, the hybrid and solar technology. In South Africa, the Group's customers own, manage, operate and secure the equipment they place on the site while the Group provides and is responsible for the tower, electricity distribution boards and site services (such as access, site cleaning and maintenance of the tower structure). The landlord or municipal authority is responsible for the supply of electricity and for the connection and the back-up power supply, which is a significant reduction in the scope of the Group's responsibilities compared to its other markets.

The number of antennae that a site can accommodate varies depending on the design of the tower (self-supporting monopole, guyed or self-supporting lattice), the height of the tower and the wind load, weight and positioning of such antennae. The substantial majority of the Group's sites are self-supporting lattice towers that can sustain a large number of antennae and therefore enable the Group to market its tower space to a diverse group of wireless communications providers, including private, mobile, radio and fixed wireless companies, as well as broadcast/government agencies. A tenancy is subject to defined limits, including (i) vertical space occupied on the site, (ii) wind load and (iii) power consumption. Key criteria in determining how many tenancies a site can support are the wind load capacity of the tower and the specifics of the tenant's equipment, including the number, size and type of cellular radio and microwave antennae, as well as the number, size and type of RRUs. The capacity of a single tower can be increased by tower strengthening and height extensions and by adding further antenna mounting poles. The structure of the tower can be reinforced and the foundation strengthened to accommodate additional tenants.

Typically, the Group's costs to construct a tower range from US\$100,000 to US\$150,000. For the three months ended 30 June 2019, the Group's annualised operating expenses per site were approximately US\$20,000.

Estimated Lease-Up Capacity

Many of the Group's sites have the capacity to accommodate additional tenants. In Tanzania, the Group's sites have available capacity to accommodate up to a 4.3x tenancy ratio and the Group believes the sites can accommodate 80 per cent. of anticipated colocation demand with no upgrade capital expenditure investment. In Ghana, the Group's sites have available capacity to accommodate up to a 4.3x tenancy ratio and the Group believes the sites can accommodate 97 per cent. of anticipated colocation demand with no upgrade capital expenditure investment. In DRC, the Group's sites have available capacity to accommodate up to a 4.0x tenancy ratio and the Group believes the sites can accommodate 80 per cent. of anticipated colocation demand with no upgrade capital expenditure investment. In Congo Brazzaville, the Group's sites have available capacity to accommodate up to a 3.8x tenancy ratio and the Group believes the sites can accommodate 93 per cent. of anticipated colocation demand with no upgrade capital expenditure investment. Overall, the Group's sites have available capacity to accommodate up to a 4.2x tenancy ratio and the Group estimates that the portfolio can accommodate 84 per cent. of anticipated colocation demand with no upgrade capital expenditure investment.

The following table sets out a breakdown of the Group's site portfolio by number of tenants by country as of 30 June 2019:

Tenancy Split

Country	One tenant	Two tenants	Three or more tenants
		(%)	
Tanzania	36	35	29
DRC	38	33	28
Ghana	48	38	14
Congo Brazzaville.....	64	34	2
South Africa.....	47	42	12
Total	40	35	25

The following table illustrates the Group's estimate of the lease-up capacity of its sites by country as of 30 June 2019:

Country	At capacity	+1 tenancy	+2 tenancies	+3 tenancies
		(%)		
Tanzania	29	20	6	45
DRC	28	24	11	37
Ghana	10	38	16	36
Congo Brazzaville	22	22	5	51
Total⁽¹⁾	27	23	8	41

Note:

(1) Based on a structural audit of 6,412 online sites. Sites in South Africa were not audited.

Site Contracts

The Group's principal business is owning, operating and maintaining telecommunications sites in order to provide site space and related services to MNOs and other telecommunications providers that in turn provide wireless, voice and data services to end-users. The Group also offers comprehensive site-related operational services, including site selection, site preparation, construction, maintenance, security and power management. The Group provides space on its sites under a combination of MLAs, which set out the principal commercial terms that govern the provision of site space, and an ISA, which acts as an appendix to the relevant MLA and includes site-specific information (for example, location and equipment details). ISAs are drafted to address the effective panel area that the tenant occupies on a given tower as well as the vertical positioning of the equipment located on the tower, since some spaces on a given tower will be more suitable for certain applications (for example, transmission backhaul is best located higher on a tower and GSM antennae are often located at the highest point on a tower to ensure maximum coverage) which allows the Group to capture amendment revenue. The pricing of amendment revenue is based on the opportunity cost of the space utilised for the new equipment. To ensure that the Group has long-term visibility over the availability of its sites, it enters into long-term ground lease agreements with property owners to lease the land for the Group's sites. See "— Real Property".

Customer Site Contracts

As of 30 June 2019, the Group had entered into MLAs with all of its MNO customers. These overriding agreements between the Group and the MNOs determine the commercial terms governing the Group's provision of site space. The material commercial terms of these contracts include contractual provisions setting out, amongst other things, scope of supply, duration, termination and price escalations. The Group seeks to negotiate stable long-term contracts that include certain contractual parameters, which the Group believes are fundamental to its sustainable below total cost of ownership offering. The Group is willing to withdraw from certain site asset acquisition negotiations if it does not achieve these terms. However, the resulting MLAs safeguard the Group's long-term strategy and enable it to provide customers with the desired quality of service with suitable protections at a cost to the tenant that is lower than the cost of self-provision. Among the important features that are common to the Group's MLAs are: (i) a typical duration of 10-15 years; (ii) minimal cancellation rights; (iii) inflation and power price escalators; (iv) menu pricing for amendment revenue; (v) automatic renewal clauses; and (vi) take-or-pay commitments. The following table illustrates certain features of the Group's most significant customer site contracts on a country-by-country basis as of 30 June 2019:

	DRC	Tanzania	Congo Brazzaville	Ghana	South Africa
Tenor	8-12 years	10-15 years	10 years	10-15 years	10-15 years
Ranges of average remaining contract length.....	6-10 years	5-12 years	6 years	3-14 years	7-13 years
		U.S. dollars ⁽²⁾	U.S. dollars ⁽²⁾ / Central		
		/Tanzanian	African	U.S. dollars ⁽²⁾	South African
Contractual currencies	U.S. dollars ⁽¹⁾	Shillings	francs ⁽³⁾	/Ghanaian cedi	Rand ⁽²⁾

Notes:

(1) DRC's economy is largely dollarised, and payments under the Group's customer site contracts are generally made in U.S. dollars; however, pursuant to certain agreements, the Group can elect to receive small payment amounts in local currency.

(2) Each of the U.S. dollar-based contracts in Tanzania, Congo Brazzaville and Ghana provide the customer with the ability to settle in local currency in amounts that are translated from U.S. dollars.

(3) Central African francs are guaranteed by the French treasury and pegged at a fixed exchange rate to the Euro.

The Group believes that its customer site contracts provide it with a highly visible recurring revenue stream. As of 30 June 2019, the weighted average remaining life for the Group's customer site contracts was approximately 7.8 years and the total value of these contracts was US\$3.0 billion, without taking into account any extension options, while only 2.7 per cent. of its customer site contracts were due to expire by the end of 2020. Except for certain events of default such as breach and insolvency, the Group's MLAs may only be terminated prior to the agreed termination date in limited circumstances.

The Group includes contractual escalators in a majority of its customer site contracts to mitigate against inflation risk as well as increases in diesel prices and electricity prices. The service fees payable by the Group's customers under its MLAs are typically split between power and non-power service rates. Although the Group remains exposed to inflation and diesel and electricity price volatility in certain instances, this approach has significantly reduced the Group's exposure to the volatility inherent to these critical costs, which helps it better predict future cash flows and plan for capital expenditures.

A majority of the Group's MLAs include contracted increases to the non-power portion of the service rates to mitigate against inflation risk or local currency devaluations. In most cases, the MLAs are also linked to the CPI of the country of operation and/or the United States, depending on the underlying denomination of the fee. These increases allow for increased contracted revenue year-on-year as a hedge against inflation and are typically applied once per year for a subsequent 12-month period. In some cases, the increases are subject to a cap and/or a floor. As a result of the Group's CPI escalator provisions, the escalation of contracted rates is likely to increase the Group's revenue on an annual basis to offset its increased costs, but because rate escalations are made annually, the Group may be subject to periods within a financial year when its underlying costs increase in price but its contract rates do not adjust upwards. As of 30 June 2019, approximately 99 per cent. of the Group's customer site contracts contained inflation escalation provisions.

The power portion of the service rates in a few of the Group's MLAs follows a similar escalation formula used for the non-power service rates but in most cases the Group benefits from power indexation clauses that provide unit cost pass-through provisions in relation to changes in fuel and electricity prices. These provisions help the Group mitigate its exposure to volatility in fuel and electricity prices. For example, under the provisions of certain of the Group's MLAs if there is a specific percentage increase or decrease in the per litre price of fuel above or below an agreed base price at the end of a period (such as the price in a fuel cost index produced by a government authority in the relevant country), such percentage increase or decrease is also applied to the relevant power element either annually or, in the case of most MLAs, quarterly (depending on the payment terms). In some cases, the increases are subject to a cap. As of 30 June 2019, approximately 96 per cent. of the Group's customer site contracts contained power escalation provisions, with 45 per cent. escalated on an annual basis and 55 per cent. escalated on a quarterly basis.

Another feature of the Group's MLAs is the right to retain the benefit of power conservation initiatives. In 2016, the Group initiated a programme of power saving initiatives at selected sites across its portfolio. As of 30 June 2019, the Group had:

- initiated the use of solar solutions at 430 sites;
- introduced new hybrid technologies solutions at 740 sites; and
- completed grid connections at 408 sites.

Virtually all of the Group's MLAs have adjustments linked to diesel unit price movements, with adjustments being made periodically (quarterly or annually) to the fuel portion of the lease rates. The variations of the volume of fuel consumed on site are not passed through to the customer and therefore reductions in the quantum of fuel used will result in cost savings contributing directly to the Group's Adjusted EBITDA.

The Group believes that its customer site contracts will generally enjoy a high renewal rate because (i) the locations of many of the Group's sites are critical to the efficient and cost-effective operation of its tenants' telecommunications networks, (ii) there are cost and time implications associated with reconfiguring customer equipment across multiple sites when relocating a base transmission site, (iii) there is often a lack of suitable alternative sites within a required proximity and (iv) there are site acquisition, regulatory compliance issues and other barriers associated with the construction of new sites and the relocation of antenna equipment. In addition, the Group's contracts typically contain automatic renewal periods consisting of extensions on a five-year basis after the end of the primary term.

Service Fees

The Group's customers typically pay for the space and services the Group provides on a quarterly basis but in Ghana and DRC certain customers pay for space and services on a monthly basis. The initial fee that the

Group receives from a new tenant is generally fixed for the initial term of the customer site contract, based on the following factors:

- (i) power requirements;
- (ii) windload requirements (which are a product of (iii), (iv) and (v) below);
- (iii) the amount of space that the tenants' technology requires on the tower;
- (iv) the location of tenants' antenna and transmission panels on the tower;
- (v) the size of the tenants' antenna equipment located on the tower;
- (vi) the ground space necessary for the tenants' electronic and other equipment related to the antenna;
- (vii) the site location;
- (viii) payment terms;
- (ix) the type of tower and tower height; and
- (x) the range of services required.

The Group charges incrementally for additional power requirements and additional amounts of space required on towers as telecommunications technology evolves and MNOs install newer equipment with additional or different power and space requirements. In certain circumstances, the Group also provides marginal rate discounts for its customers with a sufficiently high volume of tenancies to encourage retention.

Real Property

Most of the Group's sites are located on real property that has been leased to the Group by individual landowners under ground lease agreements or building lease agreements with the property owners. The Group's remaining sites are located on real property that it owns. In such cases, the Group has acquired the real property from an MNO that originally bought the land or was granted it by way of government concession. The following table shows the number of sites that the Group owned and the number of sites with ground leases in each of the countries in which the Group operated as of 30 June 2019.

Country	Number of Sites on land owned by the Group (and Percentage of Total Number of Sites in Country) ⁽¹⁾		Number of Sites with Ground Leases (and Percentage of Total Number of Sites in Country) ⁽¹⁾	
	Number	Percentage	Number	Percentage
Tanzania	—	—	3,316	100%
DRC	442	25%	1,306	75%
Ghana	79	9%	810	91%
Congo Brazzaville	220	58%	161	42%
South Africa	3	3%	98	97%

Note:

(1) The number and percentage of total sites do not include sites that are offline, managed or build-to-suit sites that are under commission, the sites that are situated on a customer's property and the sites where leases are out of term and due for renegotiation.

For ground leases, the Group generally seeks to enter into real-property lease agreements with a term between 20 to 50 years in order to underpin the ISAs with its tenants, which have a typical duration of 10 to 15 years. The fees payable under a majority of the Group's ground leases escalate periodically in line with increases in CPI in the applicable country or at a pre-agreed fixed percentage. In Tanzania and Ghana, the majority of these leases were denominated in local currency while in DRC and Congo Brazzaville almost all of the leases were denominated in U.S. dollars or currencies pegged to the euro. The following table shows, by country, the number of sites with a corresponding ground lease and lease duration from the start of the lease as of 30 June 2019:

Country	Number of Leases	Average Remaining Duration
Tanzania	3,316	20 years
DRC	1,306	17 years
Ghana	810	14 years
Congo Brazzaville	161	7 years
South Africa	98	18 years
Total	5,691	18 years

When the Group agrees a ground lease it becomes the lessee; the Group asks the lessor to enter into a form of ground lease that contains a comprehensive set of rights that are required to effectively operate and manage each site and run the Group's business, including (but not limited to) (i) a term of between 20 to 50 years, (ii) express rights to provide space on the tower and ground space at the site to the Group's customers, (iii) the automatic renewal of the term of the ground lease, (iv) a right of the lessee to assign its rights without the consent of the lessor (by way of security or otherwise) and (v) obligations on the lessor to provide any documentation required by the Group to obtain permits or licences to operate the site. Since the Group has adopted a strategy of making advance payments for ground lease fees, which typically represent a substantial rental yield for the landlord, in the Group's experience ground leases are not typically difficult to obtain or renew.

The Group attempts to mitigate its ground lease expiration profile so that it is not faced with a disproportionate number of leases expiring in any one year. The table below shows the percentage of ground leases expiring over the next five years, assuming non-renewal, as of 30 June 2019:

Ground Lease Expiration Date	% Expiring
2019.....	1%
2020.....	3%
2021.....	4%
2022.....	8%
2023.....	4%
Total.....	19%

The Group enters into ground leases with a diverse group of lessors that typically lease one or two sites to the Group, and although this increases the administrative burden of ground lease management, it also reduces the Group's key landlord risk.

A number of the Group's Tanzanian sites are situated on village land. By strict interpretation of the relevant law a majority foreign-owned company cannot occupy village land. However, it is not uncommon for majority foreign-owned companies to occupy village land in Tanzania, including for the purposes of providing infrastructure and telecommunication services. In addition, the Group has been active in Tanzania since 2010 and in this time the Group has never had its occupation of village land challenged or questioned by any government department or agency or any landlord with whom the Group has entered into a lease. Furthermore, the Group holds a network facilities licence from the government regulator and a valid Certificate of Incentives from the Tanzanian Investment Centre. As part of the application for this Certificate of Incentives, the Group submitted detailed business plans to the Tanzanian Investment Centre. There is therefore an assumption that the Group was invited to invest in Tanzania as per its business plan and that the Government of Tanzania was on notice as to the Group's investment and development plans. Further, there is doubt as to whether the provisions of the Village Land Act, Cap 114, 2002 relating to the occupation of village land by a majority foreign-owned company apply to tower companies and whether such act was intended to apply to the occupation of village land by tower companies. Finally, the Group is not aware of any litigation or government action in Tanzania against tower companies or telecommunication companies who operate their own towers as a result of their occupation of village land.

Colocations

Colocations are at the core of the Group's business model, as they allow the Group to grow revenue and improve operating margins without significant additional capital expenditures. Colocations are equal to the sum of standard colocation and amendment colocation tenants. A standard colocation tenant is defined as a customer occupying site 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. Amendment colocation tenants are tenants that add or modify equipment, taking up additional space, wind load capacity and/or power consumption under an existing lease agreement. The Group calculates amendment colocation tenants on a weighted basis as compared to the market average lease rate for a standard tenancy lease in the month the amendment is added.

The following tables show a breakdown of colocations by country in which the Group operates for the periods indicated:

	Year ended 31 December		
	2016	2017	2018
Tanzania	3,698	3,901	4,147
DRC	1,347	1,528	1,719
Ghana	852	898	789
Congo Brazzaville.....	135	141	149
Total colocations.....	6,032	6,468	6,804

	Six months ended 30 June	
	2018	2019
Tanzania	3,967	4,300
DRC	1,576	1,888
Ghana	772	811
Congo Brazzaville.....	148	152
South Africa.....	—	67
Total colocations.....	6,463	7,218

The following table shows a breakdown of colocations for the last four financial quarters:

	Three months ended			
	30 September 2018	31 December 2018	31 March 2019	30 June 2019
Standard colocations	5,972	6,269	6,295	6,578
Amendment colocations				
Ghana	115	115	115	127
Tanzania	385	385	397	435
DRC	26	30	72	72
Congo Brazzaville	5	5	5	6
South Africa.....	—	—	—	—
Total amendment colocations	531	535	589	640
Total colocations.....	6,503	6,804	6,884	7,218

The Group believes that its current site portfolio, significant operating expertise and total cost of ownership business model will help it capitalise on expected market growth and colocation opportunities. As a result, the Group believes that MNOs in the countries in which it operates will continue to seek to colocate on the Group's sites, because the Group's sites are strategically located and colocation is the most cost-effective means of improving and expanding their site networks.

The Group aims to continue its success in generating colocations by (i) leveraging its position as an experienced independent tower company that delivers colocation options to a range of MNO and other customers (the Group's existing sites provide customers with a significant time-to-market advantage over build-to-suits or self-provisioning), (ii) actively promoting site sharing by offering specialised network planning skills and solutions to MNOs and (iii) capitalising on the Group's extensive site portfolio and strong operational performance to attract additional customers.

The Group's marketing team is in regular discussions with its customers to identify customer requirements, assess customers' long-term investment plans, determine whether its existing sites can fulfil near-term new tenancy demand, or if customers' needs can be better addressed by build-to-suit construction. Customers will usually prefer colocation as opposed to build-to-suit due to initially lower annual lease costs and faster deployment, as well as the opportunity to avoid the uncertainty and potential delay depending on the ability

to secure an appropriately located site. Colocations are processed in accordance with the terms of the Group's existing customer site contracts and new contracts as required.

A typical colocation process involves the following steps:

- Upon determining whether to contract a site space for colocation, the customer delivers a work order requesting reservation of a site space. Once the work order has been processed and the site space is ready for installation (typically 15 to 30 business days), the Group issues a notification to the customer that the site is ready for installation, which includes a site acceptance form (an "RFI notice").
- Upon the customer's execution of the site acceptance form, an ISA is signed for the commissioning of the colocation, which references the provisions of the MLA. The accrual of fees generally starts either from the time the customer accepts the space or from the time the space is deemed accepted after the customer does not reject the space within a contractually defined period.
- Invoicing typically occurs in advance of the ITP but the lease start date depends on the particular tenancy agreement and usually commences within 10 to 30 days of the issuance of the RFI notice.

As of 30 June 2019, the minimum installation time for a colocation was one day.

Committed Colocations

The Group has entered into contractual commitments with several of its customers which provide for a high degree of visibility on incremental revenues in Tanzania and DRC during the three years ending 2021. These contractual commitments relate to prospective colocations and are in the form of: (i) a "take-or-pay" arrangement, whereby the customer has agreed to increase its colocations pursuant to an agreed schedule or pay the standard service rate on any colocations not added from the applicable agreed date of installation; (ii) a "take-up" arrangement, whereby the customer has agreed to increase its colocations pursuant to an agreed schedule or, if there is a shortfall in added colocations at the end of a given financial year, thereafter pay an increased rate of service across all its then-existing tenancies; or (iii) an instruction to proceed which is a binding order for a colocation issued by a customer under the terms of the relevant customer site contract. As of 30 June 2019, these agreements, together with existing contracted revenues, represented US\$194.2 million of total contractually committed revenue for the period total beginning 1 July 2019 until 31 December 2019 and US\$385.9 million and US\$378.2 million of contractually committed revenue during the years ending 31 December 2020 and 2021, respectively. The Group has benefited from such contractual commitments historically and expects to continue this programme of adding advance colocation commitments, furthering its success in securing committed future revenue and expected Adjusted EBITDA growth.

Build-to-Suit Sites

The Group believes that its timely deployment of build-to-suit sites, based upon its expertise in site acquisition, site selection, construction, engineering, power management and regulatory compliance, has been a critical component in obtaining and completing build-to-suit orders. The Group generally seeks to construct build-to-suit sites with attractive additional colocation capacity consistent with community and regulatory approvals.

For the majority of the sites that the Group constructs on a build-to-suit basis, the Group retains ownership as well as the exclusive right to colocate additional tenants on the site. On a limited number of build-to-suit sites (as agreed with the relevant MNO), the Group retains ownership but does not have the exclusive right to colocate additional tenancies on the site. The Group strives to realise the operating leverage inherent in the tower business by adding incremental tenancies to its build-to-suit site base. Consequently, the Group builds sites for customers in locations that have the potential to attract other customers (or, in exceptional circumstances, where special premium rate arrangements are made to reflect that the site is unlikely to be shared immediately or is not shareable).

The entire process from the receipt of a work order to the completion of build-to-suit construction typically takes fewer than 120 days. As of 30 June 2019, the average number of days to complete the construction of a build-to-suit site was between 23 to 56 days. The actual time taken and the detailed steps followed can vary depending on the customer, the location of the specific site, the response time of the regulatory authorities and any issues identified during the site acquisition process.

A typical build-to-suit process, including the Group's additional value-added services, involves the following steps:

- A new customer will sign an MLA and a build-to-suit agreement. From time to time, pursuant to the terms of the MLA and/or the build-to-suit agreement, the new customer will inform the Group's marketing unit that it requires a new site in a certain location (usually a location within a one-mile radius of a precise coordinate).
- The Group's mapping specialists select the most suitable sites based on a number of factors, including (i) proximity to central coordinates provided by the customer, (ii) appropriate terrain most suited to broadcasting uninterrupted radio signals, (iii) proximity to the power grid, (iv) which sites provide the most attractive property lease or purchase terms, (v) which sites have the highest potential to be approved for building, aviation and environmental permits in the shortest time frame and (vi) which sites may be the most viable locations for additional tenants. A list of selected sites is then submitted to the customer or the Group's site acquisition department pursuant to the customer's request.
- Once a site is selected and a work order has been issued by the customer, the Group will negotiate and enter into a long-term ground lease pursuant to which it acquires a leasehold interest in the property (typically a 20- to 50-year lease with subsequent renewal periods thereafter) and appropriate easements. Concurrent with the negotiation of appropriate property rights, the Group takes certain steps in relation to each new site, including obtaining a title report, conducting site and environmental surveys and performing soil analysis. The resultant plan is then submitted to the relevant regulatory authority for approval. The Group also aims to obtain all the building, environmental and aviation permits necessary to commence construction and/or to install equipment on the site and uses contractors to build the site.
- Once the site is complete, the Group issues an RFI notice. Upon the customer's execution of the site acceptance form related to the completion of the tower construction, a separate ISA is signed for the commissioning of the individual site, which incorporates the provisions of the MLA. The accrual of lease and maintenance fees generally starts either from the time of the customer's acceptance of the completion of the tower construction or from the time the site is deemed accepted in the event the customer does not reject the site within a contractually defined period after receiving the RFI notice. Subsequent invoicing depends on the particular tenancy agreement but generally commences within five to 10 days of the issuance of the RFI notice.

Site Management and Maintenance

The Group manages and maintains its site assets through a combination of in-house personnel and independent contractors. In-house personnel are responsible for the oversight and supervision of all aspects of site maintenance and management, including managing customer relationships (operations-related only), managing structural engineering and site capacity issues, ensuring proper signage and the supervision of independent contractors, including with respect to HSE, the Group's workplace code of conduct ("Code of Conduct") and the Group's supplier code of conduct ("Supplier Code of Conduct") to which independent contractors are bound. In-house personnel include the Group's Site Performance Analysis team, which analyses the performance and configuration of each of the Group's sites on an ongoing basis and identifies efficiency improvements designed to extend site life and reduce operating expenses. Independent contractors provide maintenance services, warehousing management services, build-to-suit construction services, structural design analysis and security personnel, and supply diesel to the Group's sites. These contractors have strict contractual execution targets placed upon them, in relation to both financial and operational performance. If the contractors do not meet these targets, the Group has a contractual right to terminate the contract and complete the process itself. By entering into these agreements the Group is able to ensure its sites perform at or better than the service levels agreed with the customers while fixing the Group's costs by setting maximum costs per site with the contractor providing the services. In addition to the SLAs that need to be maintained, outsourcing to contractors allows the Group to budget more effectively.

The Group utilises NOCs, which are 24-hour fully operational management centres that allow the Group to manage its site networks from a central location and work to provide its customers with high service uptime. The Group's NOCs monitor three key operational performance indicators across its site networks: average weekly downtime, average weekly power uptime per site and full-time employees per 100 sites. Under the terms of its SLAs, the Group has agreed to average weekly power uptime per site targets against which its performance is measured. The activities conducted in the Group's NOCs ensure that the Group continually provides its customers with an improving quality of service and high uptime performance. NOCs also co-ordinate activities with the Group's operations team. The operations team is responsible for all preventative maintenance activities in relation to the power systems. Through the Group's Business Excellence Programme and digitalisation programme, power uptime has increased significantly. For example,

average uptime during the three months ended 30 June 2019 exceeded the targets in the Group's SLAs. Since introducing the programme, the Group has improved its productivity by 34 per cent. with employees per 100 towers reducing from 8.6 in December 2015 to 5.7 as of 30 June 2019. Moreover, in the year ended 31 December 2018 and the six months ended 30 June 2019, the Group achieved average uptimes of 99.98 per cent. and 99.99 per cent., respectively, across its sites.

The Group's engineering team focuses on optimising the technical performance of assets through information provided by the NOCs and operations team. The team identifies product and configuration changes that are needed to meet and exceed site performance standards and ensures that site technology is operated and maintained in line with standards.

The Group uses a combination of bespoke remote monitoring systems, customer real time feeds and physical verifications to better regulate site conditions, including, amongst other things, site fuel levels and consumption as well as site outages.

Site maintenance and management activities include:

Power

As part of its Business Excellence Programme, the Group is focused on increasing the number of grid connections across its site networks in order to reduce its monthly power operating expenses. As of 31 December 2018, the Group had achieved 85 per cent., 96 per cent., 52 per cent. and 60 per cent. grid connectivity in Tanzania, Ghana, DRC and Congo Brazzaville, respectively, and had reduced its average monthly power operating expenses per site in each market to an average of US\$703, US\$1,054, US\$1,781, and US\$644, respectively.

Given the lack of a reliable main grid electricity supply in the countries in which the Group operates, the Group currently sources a substantial amount of the power it needs for its daily operations from the use of diesel generators. To improve reliability and extend generator life, as well as to reduce the costs associated with generator use and maintenance, the Group has introduced hybrid power systems, which involve alternating between power storage sources such as batteries (VRLA and lithium ion) and diesel generators using ServiceNow, a system which automates the opening, performance and closing of work orders, fuel deliveries and preventative maintenance, and as of April 2019 was online in all of the Group's markets other than South Africa. The Group is responsible for monitoring the diesel levels of its generators and scheduling diesel deliveries via its NOCs, as well as monitoring the performance of the various power systems. The supply of diesel to the Group's sites is outsourced to oil and logistics companies. The Group is pursuing several strategies for lowering power costs, in addition to deployments of hybrid installations, including solar power technologies at selected sites. Although the diesel escalation provisions in the Group's customer site contracts protect against increases in local diesel prices, the Group's alternative power solutions allow it to decrease its consumption of diesel and related fuel costs, reduce the associated carbon emissions, create a more consistent energy supply to maximise site uptime for the Group's customers, lower maintenance costs and reduce long-term capital expenditure by extending generator life. Through hybrid installations and solar power technologies, the Group aims to increase the life of its diesel generators from 18,000 hours to 35,000 hours and phase out the use of lead acid batteries. The Group uses site analysis to configure each site's power supplies using one, or a combination of, on-grid, off-grid, hybrid or solar power sources to increase site performance and reduce costs.

Security

The protection of the Group's assets is key to ensuring the sustainability of the Group's business. The Group ensures that all of its assets are secured by outsourced security guards, either onsite or as part of roaming patrols checking sites periodically, fencing and security lights. The Group applies rigorous access control policies at its sites, requiring each visitor to pre-approve visits with the Group's customer representatives, and the Group has deployed remote monitoring systems that allow it to track unauthorised access to restricted areas on its sites. The Group also works to integrate the local community into its asset protection plan through the recruitment of local security guards.

Sales, Marketing and Customer Relationships

The Group combines sales and operations planning, supply chain management and procurement under a single delivery and technology function that reports directly to a member of the Senior Management team. The delivery and technology business function uses three integrated systems, SAP, Red Cube and ServiceNow, and plans to migrate to Siterra following the completion of testing, to support procurement and

supply chain operations. The integration of these three teams supports the adoption of business and system processes across multiple functions and the efficient management of sites.

Sales and Marketing

The Group's sales and marketing team is in regular discussions with customers to identify customer requirements, assess customers' long-term investment plans, determine whether the Group's existing sites can fulfil new tenancy demand, or if customers may require new build-to-suit sites. The Group's sales and marketing team utilises GIS analysis, demographic data and the network information of MNOs to proactively call attention to specific network gaps of each MNO. Additionally, the Group focuses on opportunities within its own network by identifying areas of high population that either lack coverage or have sparse coverage. By alerting MNOs to commercially beneficial opportunities for colocation, densification or network expansion, the Group aims to set the foundation for a co-operative partnership to meet both the demands of MNO-specific network gaps and its own dynamic portfolio.

In many cases, customers prefer colocation due to a faster time-to-market advantage. However, the Group's expertise in site acquisition, site selection, construction, and structural and electrical engineering, as well as regulatory compliance, has been a critical component to obtain and complete build-to-suit orders on time and within budget.

The Group's sales and marketing department is tasked with:

- new business development, focusing on maximising colocation opportunities based on customers' roll-out plans;
- maintaining business relationships with the Group's existing tenants;
- collecting feedback regarding the Group's quality of service and providing immediate assistance in order to maintain customer satisfaction;
- negotiating commercial contracts with the Group's customers on competitive terms; and
- processing site acceptance forms and examining the creditworthiness of new customers.

Procurement and Project Management

The Group maintains a centralised procurement function. As part of the Group's Business Excellence Programme, the procurement team has focused on rationalising the Group's procurement partnerships, reducing suppliers from 60 as of 30 June 2015 to 12 as of 30 June 2019 and producing capital expenditure savings on equipment pricing of approximately US\$48 million over the same period. The Group has a structured supply chain that reduces lead times for equipment delivery. Completed goods for all of the Group's key equipment are held in warehouses in the country of their manufacture before being shipped to strategic consignments held by suppliers in country. This allows equipment to be shipped rapidly when needed with the sales and operational planning team determining where in the country goods will be needed.

The Group has established a project management team in order to further improve its customer service and project execution. The team focuses on risk identification and management, the establishment of clearly defined delegation of authority and escalation paths and the creation of communication plans for customers, suppliers and internal stakeholders. At the end of each project, the project management team also conducts performance reviews in order to further strengthen the Group's proficiency.

The Group's Customers

The Group's key customers consist of highly rated telecommunications operators, including five of the largest MNO holding companies in Sub-Saharan Africa (Airtel, MTN, Orange, Tigo and Vodacom), each with a long history of operating in multiple Sub-Saharan African jurisdictions and an investment-grade or near-investment-grade credit rating. For the year ended 31 December 2018 and the six months ended 30 June 2019, 86.7 per cent. and 86.5 per cent. of the Group's revenue, respectively, was attributable to these five key customers. An additional 12.0 per cent. of the Group's revenue for the year ended 31 December 2018 and 12.3 per cent. of the Group's revenue for the six months ended 30 June 2019 was attributable to subsidiaries of Viettel and Africell, more recent but fast-growing entrants to the mobile market in Sub-Saharan Africa. The following table sets forth the composition of the Group's tenancies by customer and by country as of 31 December 2018:

	Tanzania	DRC	Ghana	Congo Brazzaville
		(%)		
Airtel	8	33	—	72
MTN.....	—	—	17	23
Orange.....	—	33	—	—
Vodacom	36	25	22	—
Viettel.....	22	—	—	—
Africell	—	8	—	—
Tigo.....	31	— ⁽²⁾	58 ⁽¹⁾	—
Other	3	1	3	5
Total	100	100	100	100

Notes:

(1) In Ghana, Airtel and Tigo have effectively merged into one entity.

(2) In DRC, Orange acquired Tigo in 2016.

Competition

The Group believes that competition in the tower leasing industry in the countries in which it operates is based principally on tower location, quality and height, relationships and track record with telecommunications operators, operational management and the provision of reliable services, and, to a lesser extent, the size of the site portfolio, pricing and additional services offered to tenants. The Group is the sole independent tower company in three of its markets but its customers in these markets could adopt alternative strategies to acquire access to the necessary site space, including:

- self-provisioning;
- agreements with other telecommunications operators which own and may lease their own site portfolios; and
- in certain coverage solutions, agreements with owners of alternative site structures such as building rooftops and IBS.

The Group's MNO customers' in-house colocation operations have historically been limited to barter trade with other MNOs on the basis of an equal (or close to equal) number of site swaps. Additionally, the Group's MNO customers typically would not allow non-GSM operators to efficiently colocate on their sites. Furthermore, while the Group's sites are specified to be able to accommodate numerous (typically three or more) customers on each site, its MNO customers' sites require investment to enable them to accommodate multiple tenants. While MNOs colocate with other MNOs, the Group believes that there are cost and commercial inefficiencies that impact the profitability of MNOs sharing space on their owned sites with other MNOs. However, if MNOs are able to share space with other MNOs more efficiently, or should they sell their site asset portfolio to a competitor or a third-party who then commences site sharing, some of these sites could then become competitive sites.

Build-to-suit sites are rarely located near existing telecommunications sites due to the Group's policy of not deploying near existing structures in normal circumstances, uncertainty in securing the required regulatory permits, planning constraints and capital efficiency limitations. As a result, direct competition for colocation on build-to-suit sites is extremely limited. Additionally, the Group believes that its customers are likely to renew substantially all of their site contracts due to a lack of alternative sites in areas where the Group's sites are located, the unique qualities of the Group's site locations and the Group's pricing strategy in relation to the cost of an MNO constructing a site itself.

Independent tower companies have been active in the Ghanaian market since 2010, when each of Helios Towers, American Tower and Eaton Towers entered the market. The historical presence of three independent tower companies, which will reduce to two following American Tower's acquisition of Eaton Towers that is expected to close by the end of 2019, makes this a competitive market for new sites but competition for existing sites is less intense as each company has its own locations within the market. Despite the competitive aspects of the marketplace, the Ghana market is particularly supportive of the independent tower model, given that all of the main MNOs in Ghana rely on the independent tower companies for new build sites, and emerging wireless ISPs are also potential customers. Local planning guidelines and restrictions

limit the number of new towers that can be built, and the duplication of towers is prohibited, which limits the construction of towers in close proximity to each other, which cuts down on competitive site pressures.

Independent tower companies are also active in South Africa, where the Group commenced operations in South Africa in March 2019. The South African telecommunications tower industry is a largely fragmented market in which only approximately 15 per cent. of the towers are owned and operated by independent tower companies (*Hardiman Report, August 2019*). The main independent tower companies in South Africa are American Tower and Atlas Towers.

Permits and Licences

For a description of the permits and licences the Group must obtain to operate its business in the countries in which the Group operates, please see Part IX: “Regulatory Information”.

Intellectual Property

The Group currently does not have any patents, registered trademarks or trade names.

Environmental

As the owner and operator of its sites, the Group’s operations are subject to national and local laws and regulations relating to the management, use, storage, disposal, emission, and remediation of, and exposure to, hazardous and non-hazardous substances, materials and wastes. In general, the Group’s customer site contracts prohibit its customers from using or storing any hazardous substances on the Group’s sites in violation of applicable environmental laws and require its customers to provide notice of certain environmental conditions caused by them.

The Group has compliance programmes and monitoring projects to help ensure that it is in substantial compliance with applicable environmental laws. Nevertheless, the Group faces certain risks in connection with compliance with existing or future environmental laws. See Part II: “Risk Factors — Risks Related to the Group and its Business — The Group could have liability under environmental, occupational safety and health laws” and Part II: “Risk Factors — Risks Related to the Group and its Business — The Group’s costs could increase and the growth of its revenue could decrease due to perceived health risks from radio emissions”.

Employees and Contractors

The following table provides a breakdown of the Group’s employees by entity as of the dates indicated:

	31 December			
	2016	2017	2018	30 June 2019
Helios Towers Africa LLP/Helios Towers, Ltd	87	78	83	92
Helios Towers Congo Brazzaville SASU	29	27	27	30
HT Infraco DRC SARL	131	115	101	97
HTG Managed Services Limited.....	67	55	56	54
HTT Infraco Limited	124	95	89	91
HTSA Towers (Pty) Ltd/Helios Towers South Africa Services (Pty) Limited.....	—	—	—	29
Total	438	370	356	393

The Group’s operations in DRC are the only ones where a union is present. The Group is currently in negotiations with the union in relation to defining and implementing a collective bargaining agreement but to date nothing has been agreed. The Group considers its relationship with the union to be good and to date there have been no instances of strikes or work being curtailed.

The Group also works with a number of maintenance and security contractors to operate its site portfolio. As of 30 June 2019, the Group had a total of 10 maintenance and 11 security partners, which provided 671 maintenance technicians and 6,596 security guards.

Insurance

The Group maintains all-risk property insurance, including for earthquakes, and business interruption insurance against losses that might arise from damage to the Group's site infrastructure. As of 30 June 2019, the Group's site portfolio had a total coverage of approximately US\$1 billion, including coverage for business interruption. Some of the Group's insurance policies have exclusions, including in relation to losses resulting from war and terrorism.

The Group carries a comprehensive general liability insurance policy covering public liability, workers' compensation and employer's liability. The Group carries additional motor vehicle and motorcycle insurance covering damages to the Group's vehicles and third-party claims. The Group also has group medical insurance for its employees, covering accidents, permanent disablement, medical expenses and death. Each of the Group's insurance policies is subject to deductibles and has exclusions that may prevent the Group from recovering in full for any loss it may suffer.

Properties

As of 30 June 2019, the Group leased real property relating to all of its headquarters in the countries in which it operates, as well as office space for its offices in London, United Kingdom, and Dubai, United Arab Emirates, and its five regional offices. As of 30 June 2019, the Group leased four warehouses in Tanzania (located in Arusha, Dar Es Salaam, Mwanza and Mbeya), three warehouses in DRC (located in Kinshasa, Goma and Lubumbashi), two warehouses in Ghana (both located in Accra) and two warehouses in Congo Brazzaville (located in Brazzaville and Nyogo). As of 30 June 2019, the Group also had six RNOCs in Tanzania (two located in Dar Es Salaam, and one in each of Arusha, Mwanza, Zanzibar and Mbeya) and a CNOC in HTT Infracore's offices in Dar Es Salaam, five RNOCs in DRC (located in Kinshasa, Matadi, Goma and Lubumbashi) – and a CNOC in HTD's offices in Kinshasa, one NOCs in Ghana (located in Accra) and one NOC in Congo Brazzaville (located in Brazzaville). For more information regarding the Group's sites, see “— *Real Property*”.

Health and Safety

Helios Towers has formulated a corporate health, safety and environment (“HSE”) manual that focuses on the education, health and safety of its staff and contractors. The Group's HSE initiatives are overseen by its Director of Sustainability and Business Organisation with day-to-day responsibility sitting with the Group Head of HSE and Quality. Each operational company in the Group has a dedicated HSE team and these teams have direct relationships with teams in partner organisations. This is a newly created role that was filled in June 2019. The Group undergoes annual audits based on the standards of the International Finance Corporation (“IFC”), which are conducted by UK-based HSE consultants on behalf of one of the Group's principal investors. The British Standards Institution have certified the Group's integrated management systems of the operations in Africa for ISO 9001, (Quality Management), ISO 14001 (Environmental Management) and OSHAS 18001 (Occupational Health and Safety Management). The London office is also certified for ISO 9001 and OSHAS 18001 (excluding HTSA). The Group experienced two fatalities and six lost time injuries, inclusive of such fatalities, during the six months ended 30 June 2019. The Group experienced three fatalities and 19 lost time injuries during the year ended 31 December 2018, compared to 10 fatalities and 26 lost time injuries during the year ended 31 December 2017 and three fatalities and 18 lost time injuries during the year ended 31 December 2016. All fatalities were incurred or caused by contractors working on the Group's behalf and some impacted members of the public. The majority of non-fatal injuries related to motorbike or vehicle accidents.

HSE Excellence Programme

The Group has well-established policies and procedures relating to HSE management in each of its operational companies and is subject to both internal and external audits and review on an ad hoc and annual basis. Previous reviews identified several areas of the Group's HSE function where improvement would be beneficial and programmes were put in place to address these, including the HSE Excellence Programme, which was rolled out in parallel to the implementation of the Operational Excellence Programme.

Focusing on the three key areas of HSE risk: driving, working at height and working with electricity, the Group revised and reinforced communication and governance. For driving, the Group has compulsory journey management plans for any exceptional journey or for those over 150 km, mandatory vehicle inspections with data collection, monitoring of driver behaviour and enhanced training of drivers. Specific training, certification and equipment requirements are in place for those who climb towers or work with

electricity. The Group has striven to implement a greater degree of “visual management” with daily meetings based around white boards, the sharing and discussion of information, and stronger individual accountability.

More recently, with the success of the HSE Excellence programme in reducing vehicle related incidents more focus has been applied to reducing the risks associated with the use of motorcycles (prevalent in DRC) and security guards. Motorcycle safety initiatives including further training, the installation of GPS tracking systems, the provision of personal protective equipment (in addition to helmets), increased governance of motorcycle conditions and rider behaviours have been introduced. From a security perspective, in Tanzania, with the oversight of the HTT Security Manager, the “Safe-Catch” programme has seen approximately 400 guards and supervisors trained in measures to avoid putting themselves in danger when faced with intruders and challengers at sites. The policy is to avoid conflict, to retreat and seek assistance.

When launched, the HSE Excellence Programme introduced new maintenance partners and new regionalised offices, which resulted in a more efficient deployment of SHEQ resources in each key region or zone. Zonal managers are accountable for all HSE matters within their respective zones and the zonal SHEQ coordinators are responsible for HSE-related matters on a day-to-day basis. The central office sets the rules and applies the governance and reporting standards. In each zone, the SHEQ coordinators work with shared and standardised documentation and procedures.

The Group also has an HSE Champion Programme, which was established through a three-day intensive HSE training course not only on the foundations of HSE, but also on how to conduct investigations. The HSE training course has been attended by individuals from across the Group and its partner network. As of 30 June 2019, 261 individuals have completed the HSE Champion Programme and those individuals receive ongoing support and additional responsibilities to help develop the culture of the Group.

Reporting to the current Director of Sustainability and Organisational Development, the newly created role of Group Head of HSE and Quality will be responsible for the continuous improvement of all health, safety, security, environmental and quality programmes across the company. This position was filled in June 2019.

Legal Proceedings

The Group is party to various legal proceedings from time to time arising in the ordinary course of business. There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, a significant effect on the Company and/or the Group’s financial position or profitability. As of 30 June 2019, the Group had not provisioned any amounts for pending litigation and claims, which may have a significant effect on the Company’s and/or the Group’s financial position or profitability.

Anti-Bribery and Sanctions Policy

The Group has detailed policies and procedures in place designed to assist compliance with applicable anti-bribery, corruption and sanctions laws and regulations, including the FCPA and the Bribery Act and any sanctions administered or enforced by the United States (including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury), the United Kingdom, the European Union and the United Nations.

Anti-bribery laws prohibit providing, offering, promising or authorising, directly or indirectly, anything of value to government officials, political parties or political candidates for the purposes of obtaining or retaining business or securing any improper business advantage. The provisions of the Bribery Act extend beyond the bribery of government officials and do not exempt facilitation payments and penalties. See Part II: “*Risk Factors — Risks Related to the Group and its Business — The Group is exposed to the risk of violations of anti-corruption laws, sanctions or other similar regulations*”.

Both the Group’s Code of Business Conduct and its Integrity Policy include provisions on anti-bribery and corruption. These policies apply to all employees, officers and directors who work for the Group, their subsidiaries and affiliates. The Group expects anyone acting on its behalf to comply with its Third Party Code of Conduct, including business partners, contractors and third-party representatives. In addition, the Group provides training for its internal personnel and external third parties to address the risk of bribery and corruption. An anti-bribery and corruption e-learning module is required to be completed by all new employees soon after joining the Group. The compliance training programme also covers whistle-blowing, fraud and related white-collar crime subjects. The Group seeks to ensure that all of its third-party contractual arrangements include an undertaking that third parties shall refrain from activities that are, among other

things, illegal or unethical. The Group obtained the ISO 37001: Anti-Bribery Management System certification in June 2019.

The Group's Code of Business Conduct and Integrity Policy also include provisions designed to ensure compliance with all applicable sanctions laws. In addition, the Group's International Trade Sanctions and Export Controls Policy restricts all dealings in connection with targeted persons and activities, and with or in comprehensively sanctioned jurisdictions, identified by the sanctions authorities of the United States, United Kingdom, European Union, and United Nations.

The Group's Ethics Point helpline (hosted by Navex Global), was launched in 2012 and is an online and telephone whistle-blower hotline available in English, French and Swahili. The Group has provided details about the hotline (including its non-retaliation policy for any concerns raised in good faith) in its Codes of Conduct and Integrity, in related policies and in multiple locations in the various offices in the countries in which the Group operates. The Group receives concerns raised relating to compliance matters through whistle-blowers from time to time which the Group investigates. The Group's Director of Sustainability and Organisational Development and Group Head of Compliance receive details of all incidents reported via the hotline. Concerns raised via the hotline have included matters such as: improper management style, conduct of management, conflicts of interest, allegations of kickbacks, fraud and fuel theft. Any whistle-blower reports are investigated thoroughly using internal and external resources.

The Group undertakes periodic monitoring reviews to assess the effectiveness of its internal compliance policies. Enhanced policies, including an Integrity, Risk Management and Third Party Engagement and Due Diligence Policy, were introduced and effective from 1 January 2018. These policies were refreshed and updated in January 2019. All compliance policies are communicated to employees and are available on the Group's intranet portal. Initial compliance training is provided to all new employees at periodic intervals. Tailored refresher training on high risk areas is provided to key Group functions and employees in all operating countries at regular intervals or as the need arises. The Group's training and policies also extend to its suppliers. The Group Head of Compliance provides regular communications to all employees via newsletters, risk alerts and other educational materials made available on the compliance intranet portal.

PART XI

DIRECTORS, SENIOR MANAGEMENT AND CORPORATE GOVERNANCE

1 Directors and Senior Management

Directors

The following table lists the names, ages and positions of the Directors:

Name	Date of birth	Age	Position
Sir Samuel Jonah.....	19 November 1949	69	Chair
Kash Pandya.....	9 January 1963	56	Chief Executive Officer
Tom Greenwood.....	28 May 1981	38	Chief Financial Officer
Richard Byrne.....	21 May 1957	62	Independent Non-Executive Director
Alison Baker.....	16 January 1971	48	Independent Non-Executive Director
Magnus Mandersson.....	12 May 1959	60	Senior Independent Non-Executive Director
David Wassong.....	21 December 1970	48	Non-Executive Director
Temitope Lawani.....	24 May 1970	49	Non-Executive Director

The business address of the Chief Executive Officer and the Chief Financial Officer is DIC, Unit 102, 1st Floor, Building 05, Dubai, United Arab Emirates, and the business address of the other Directors is 10th Floor, 5 Merchant Square West, London W2 1AS, United Kingdom.

Senior Management

The Group's current Senior Management, in addition to the Directors listed above, is as follows:

Name	Age	Position
Alexander Leigh.....	33	Chief Commercial Officer
Helen Shaw (Ebert).....	43	Chief Legal Officer
Colin Gaston.....	67	Director of Special Projects
Nicholas Summers.....	42	Director of Sustainability and Organisational Development
Roy Cursley.....	38	Director of Delivery and Technology
Philippe Loridon.....	55	Chief Executive Officer — Helios Towers Tanzania, Helios Towers DRC and Helios Towers Congo Brazzaville
Leon-Paul Many Okitanyenda.....	53	Chief Executive Officer — Helios Towers DRC
Jeffrey Schumacher.....	34	Chief Executive Officer — HTSA and Helios Towers Ghana
Patrick ("Rico") Marx.....	39	Head of Towers Division — HTSA
Belgacem Chriti.....	46	Managing Director — Helios Towers Congo Brazzaville
Fritz Dzeklo.....	35	Managing Director — Helios Towers Ghana
Ramsey Koola.....	46	Managing Director — Helios Towers Tanzania

Biographies

The management experience and expertise of each of the Directors are set out below.

Sir Samuel Jonah was appointed Chair on 12 September 2019. He has worked for Ashanti Goldfields and later became Executive President of AngloGold Ashanti Limited. He served on the boards of various public and private companies and is a member of the Global Advisory Council of the Bank of America Corporation. He has formerly served as a director of Vodafone Group plc, Lonhro plc (subsequently Lonmin plc), Standard Bank Group, and as Chairman of a number of listed companies including, Equinox Ltd., Moto Goldmines Limited and UraMin Inc. An Honorary Knighthood was conferred on him by Her Majesty the Queen in 2003 and in 2006 he was awarded Ghana's highest national award, the Companion of the Order of the Star of the Volta. He was born and educated in Ghana and obtained a master's degree in management from Imperial College, London.

Kash Pandya was appointed as Director on 12 September 2019 after previously being a director of Helios Towers, Ltd. since August 2015. Previously, Kash spent eight years with Aggreko plc, the world's largest temporary power generation company. He sat on the board of directors for eight years and led the European business for three years, after which he served as Managing Director for five years overseeing a doubling of Aggreko's international business. Kash began his career through an

engineering apprenticeship. He then went on to complete a bachelor's degree in technology engineering and a master's degree in Manufacturing. Kash began his progression through engineering and manufacturing companies in 1989, starting at Jaguar before moving to roles with General Electric Company, Ford Motor Company and Novar PLC (then Caradon PLC). In 1999, Kash joined APW Ltd., a global technically enabled manufacturing services company, to lead all operations outside the United States. In 2004, Kash became the CEO of Johnston Group, a publicly quoted company, and left the business on its sale to Ennstone plc.

Tom Greenwood joined the Group in 2010, was made Finance Director in 2012, and has been Chief Financial Officer since September 2015. Tom is responsible for all finance and IT activities at the Group. He has been instrumental in raising and managing debt and equity for the Group, raising a total of US\$1.6 billion gross capital. He also oversees tower asset portfolio acquisitions and the establishment of new operating companies. Under Tom's direction, the Group has established a single SAP group-wide accounting and financial reporting system, and a centralised financial control function based in London to which all of the Group's operating companies report. Prior to joining the Group in 2010, Tom was at PricewaterhouseCoopers in the TMT Transaction Services team, focusing on M&A and refinancings, mainly in the telecommunications sector. Tom is a qualified chartered accountant of the Institute of Chartered Accountants of England and Wales.

Richard Byrne was appointed a Director on 12 September 2019 after previously being a director of Helios Towers, Ltd. since December 2010. Richard co-founded TowerCo in 2004, has served as the company's President and Chief Executive Officer and was a member of the board of directors from its beginning until his retirement in December 2018. Prior to that, he served as president of the tower division of SpectraSite Communications, LLC, which grew from 125 towers to more than 8,000 during his tenure. Richard served as national director of business development at Nextel Communications Inc. and was responsible for bringing the industry's first major portfolio of wireless carrier towers to market. Richard started his wireless career performing site acquisitions for AT&T Mobility LLC (then McCaw Cellular) in the New York metropolitan trading area. From 2008 to 2018, he served on the board of directors of the Wireless Infrastructure Trade Association in the United States.

Alison Baker was appointed a Director on 12 September 2019. She has 25 years of experience in auditing, capital markets and assurance services with extensive experience working in emerging markets, including those in Africa. Alison is currently a non-executive director and the Chair of the Audit Committee of KAZ Minerals plc and senior independent director and Audit Committee Chairperson of Rockhopper Exploration plc. She is also a member of the Strategic Advisory Board of Emperor, a leading UK creative communication agency. Until January 2017, Alison was a partner at PriceWaterhouseCoopers LLP and prior to that, a partner at Ernst & Young LLP. She is a qualified Chartered Accountant of the Institute of Chartered Accountants of England and Wales and earned a Bachelor of Science in mathematical sciences from Bath University.

Magnus Mandersson was appointed Senior Independent Director on 12 September 2019. He has 25 years of experience in the global telecommunications sector. Previously, he worked at Telefonaktiebolaget LM Ericsson for 14 years, where he held various positions including executive vice president. He was also President and Chief Executive Officer of SEC, the parent company for Tele2 Europe, held various leading positions in the IKEA Group and, between 1998 and 1999, was the Chief Operating Officer of Millicom S.A. He is currently Chairman of Karnov Group AB, a plc in Sweden listed on NASDAQ. He is also Chairman of Next Biometrics Group ASA and Tampnet ASA plc and a board member of Albert Immo Holding S.à.r.l., PMM Advisors S.A. and Interogo Foundation and is the former Chairman of Doro AB and RedBee Media Group Ltd. He has a Bachelor of Science in business administration from Lund University in Sweden.

David Wassong was appointed a Director on 12 September 2019 after previously being a director of Helios Towers, Ltd. since January 2010. David is Managing Partner of Newlight Partners LP (formerly known as Strategic Capital Investment Partners, LP), which commenced operations as an independent investment manager effective October 2018 when part of the Strategic Investments Group of Soros Fund Management LLC ("SFM") spun out of SFM. Prior to the spin-out, David was co-head of the Strategic Investments Group and jointly responsible for overseeing its investments in private equity, real estate, infrastructure, growth equity, venture capital, and private equity and venture capital funds. David and his team currently manage a global portfolio of direct private equity investments. Prior to joining SFM, David was Vice President at Lauder Gaspar Ventures, LLC. He started his career in

finance as an analyst and then an associate in the investment banking group of Schroder Wertheim & Co., Inc. David received an MBA from the Wharton School at the University of Pennsylvania and his bachelor's degree from the University of Pennsylvania.

Temitope Lawani was appointed a Director on 12 September 2019 after previously being a director of Helios Towers, Ltd. since February 2010. Temitope, a Nigerian national, is a cofounder and Managing Partner of Helios Investment Partners (“Helios”) and has more than 20 years of principal investment experience. Prior to forming Helios, Temitope was a principal in the San Francisco and London offices of TPG Capital, a global private equity firm. At TPG, Temitope had a lead role in the execution of over US\$10 billion in closed venture capital and leveraged buyout investments, including the acquisitions of Burger King Corp., Debenhams plc., J. Crew Group and Scottish & Newcastle plc Retail. Temitope began his career as a mergers and acquisitions and corporate development analyst at the Walt Disney Company. Temitope received a Bachelor of Science in chemical engineering from the Massachusetts Institute of Technology, a Juris Doctorate (*cum laude*) from Harvard Law School and an MBA from Harvard Business School. He is fluent in Yoruba, a West African language.

The management experience and expertise of each of the members of Senior Management are set out below.

Alex Leigh has been Chief Commercial Officer of the Group since August 2017. Alex was appointed to the Group Executive Team in October 2015 and is responsible for commercial, business development, M&A and the Sales Excellence Programme. Prior to joining the Group Executive Team, he served as Business Development Director covering M&A, equity raises and business development. Alex has negotiated most of the Company's major customer agreements, led the Group's entry into South Africa and has been a key team member in the capital raising activities of the Group. Before joining Helios Towers in 2012, Alex worked at both UBS Group AG and Rothschild & Co, primarily advising telecommunications, media and technology companies in an M&A capacity. During this time, he was involved in numerous M&A transactions and leverage financed deals and provided strategic advice to large telecommunications, media and technology companies across Europe.

Helen Shaw (Ebert) joined the Group as Chief Legal Officer in January 2018. Helen trained at Linklaters LLP, qualifying as a solicitor in 2000, before moving to Slaughter and May (Singapore) and then Freshfields Bruckhaus Deringer LLP (London) to work in their corporate departments. Helen brings a wealth of experience to the role. She has significant international M&A, general commercial and compliance experience in Europe, the Middle East and Africa, Asia-Pacific, the United States and Russia. She has held senior legal roles at the Vita Group and World Fuel Services. Immediately prior to joining the Group, Helen was General Counsel at Exterior Media (formerly CBS Outdoor International) where she provided general legal advice as well as advising on M&A and refinancing transactions across Europe. Helen is a qualified solicitor and holds a law degree from Cambridge University.

Colin Gaston joined the Group in October 2015 and has been Director of Special Projects since January 2019. Previously, he held several senior positions at Aggreko plc from 2000 to 2013, including Operations Director for the International Business, Regional Director for West and Central Africa and Head of Logistics. He later worked as an independent consultant in Dubai from 2013 to 2015. Colin has 20 years of international experience in senior management roles with Schlumberger Limited and is an accredited Lean Six Sigma Black Belt.

Nicholas Summers has been Director of Sustainability and Organisational Development since January 2019 and a member of the Group Executive Team since 2015, when he was appointed Director of Corporate Services. Nicholas joined the Group in 2010 after spending nine years with Vodafone both in the United Kingdom and abroad. His final role at Vodafone Group Plc was National Head of RAN Deployment for Vodafone Ghana (previously state-owned Ghana Telecom). Nicholas is the head of the London office. Within the Group, Nicholas is responsible for the definition, implementation and governance of the Company's HSE policies in addition to implementing and monitoring the Group's ethics and compliance systems and overseeing human resources.

Roy Cursley has been Director of Delivery and Technology since February 2019 and a member of the Group Executive Team since joining the Group in October 2015. Prior to joining the Group, he was Head of Projects, Planning & Continuous Improvement at Aggreko plc, where he was responsible for the execution of temporary power projects, primarily in emerging markets. He delivered projects in 14 countries in Africa. Roy has a wealth of experience in South Africa and the East Africa region and is an accredited Lean Six Sigma Black Belt.

Philippe Loridon has been the Chief Executive Officer of Helios Towers Tanzania since January 2015 and the Chief Executive Officer of Helios Towers Congo Brazzaville and Helios Towers DRC since May 2019. He was previously Chief Executive Officer of Helios Towers DRC between December 2011 and December 2014. Philippe previously served as Chief Executive Officer at Equateur Telecom Congo, where he re-launched Equateur Telecom Congo in the Republic of Congo. Prior to this, Philippe accumulated 20 years' experience in the telecommunications industry with MNOs based in San Marino, Israel and Papua New Guinea. This included 13 years at Hutchison Whampoa, fulfilling senior roles in sales, marketing and business development before first becoming Chief Executive Officer of Hutchison Sri Lanka in 1998, and then head of Hutchison Telecommunications' Latin American operations between 2000 and 2002. He also previously held a position at Be-Mobile.

Leon-Paul Many Okitanyenda has been the Chief Executive Officer of Helios Towers DRC since January 2015. Leon-Paul was appointed Network Operations Director in February 2011. He has over 18 years of experience in the telecommunications industry. Prior to joining the Group in 2011, Leon-Paul worked as a sales supervisor for Oasis SA (now Tigo), contract execution manager at Telefonaktiebolaget LM Ericsson and project supervisor for MER Group. Before MER Group, he was operations manager for Venture and Logistics Manager at Plessey Company plc. Leon-Paul holds a master's degree in economics and mathematics and is a citizen of DRC.

Jeffrey Schumacher has been the Chief Executive Officer of Helios Towers Ghana since 2015 and the Chief Executive Officer of Helios Tower South Africa since 2019. He joined in 2011 and has held senior positions during the set-up, launch and growth phases of the Group, including as Chief Executive Officer of Helios Towers Congo Brazzaville, Managing Director of Chad and Chief Commercial Officer of Helios Towers DRC. Prior to joining the Group, Jeffrey was an investment professional at SFM where he was actively involved with the Helios Towers since its formation in 2009. Jeffrey holds a Bachelor of Science in mechanical engineering (*magna cum laude*) from Northwestern University in the United States.

Patrick ("Rico") Marx has been the Head of Towers at Helios Towers South Africa since Helios Towers South Africa acquired HTSA Towers (Pty) Ltd in April 2019. He co-founded and became director of SA Towers in 2014 after having founded several companies in the construction and telecommunications sectors since 2007. Prior to this, Rico began his career in banking before moving into financial services, where he worked as an investment specialist at both ABSA Group Limited, which was later acquired by Barclays Bank plc, and Old Mutual Limited. During his first year at Old Mutual Limited, Rico had the fastest growing assets under management investment portfolio and was the number one broker for Old Mutual South Africa's banking division. He holds a C.A.I.B degree in banking and also had several marketing diplomas from Randse Afrikaanse University (R.A.U) Johannesburg. He is a citizen of South Africa.

Belgacem Chriti has been Managing Director of Helios Towers Congo Brazzaville since February 2018. Prior to Helios Towers, he held various senior positions with different MNOs in charge of infrastructure development and sales, including Millicom International Cellular SA (Tigo) and Dimension Data. While working with Millicom International Cellular, he was in charge of the towers sales transaction (in DRC, Ghana and Tanzania) to Helios Towers. He has more than 15 years of experience in managing telecommunications projects in international environments. He holds a civil engineering diploma and a MBA in entrepreneurship and innovation from Vienna University of Business and Economics (WU). He is a Tunisian citizen.

Fritz Dzeklo has been Managing Director of Helios Towers Ghana since July 2019. He has worked at the Group since October 2012 and has held various other senior roles within the Group, including Project Director for HTT and Head of Projects for Helios Towers Ghana. In these roles, Fritz was responsible for key structural and revenue projects deliveries across Tanzania and Ghana. Prior to Helios Towers Ghana, he was at Vodafone Ghana. He has experience in East Africa and West Africa, is a citizen of Ghana and is a certified Lean Six Sigma professional.

Ramsey Koola has been the Managing Director of Helios Towers Tanzania since May 2019. He joined Helios Towers in 2015 as head of NOC, later taking on the role of Group Head of NOC, in which he delivered technology upgrades and process improvements across the business. Prior to Helios Towers, Ramsey was a technical support manager with Siemens Telecommunication (Pty) Ltd and CELLC (Pty) in South Africa and has over 20 years' experience in the African telecommunications industry. Ramsey is a certified Lean Six Sigma Black Belt and a citizen of Tanzania.

2 Corporate Governance

2.1 UK Corporate Governance Code

The Board is committed to the highest standards of corporate governance. Save as set out below, as of the date of this Prospectus, and on and following Admission, the Board complies and intends to continue to comply with the requirements of the UK Corporate Governance Code. In compliance with the UK Corporate Governance Code, the Board has established three committees: an Audit Committee, a Nomination Committee and a Remuneration Committee. If the need should arise, the Board may set up additional committees as appropriate.

The UK Corporate Governance Code recommends that at least half the board of directors of a UK-listed company, excluding the chair, should comprise non-executive directors determined by the Board to be independent in character and judgement and free from relationships or circumstances which may affect, or could appear to affect, the director's judgement. From Admission, the Company will not comply with this aspect of the UK Corporate Governance Code because out of seven Directors, being the Board excluding the Chair, three will be deemed independent (being Alison Baker, Richard Byrne, and Magnus Mandersson). The Board consider Richard Byrne to be independent notwithstanding that he has been a director of Helios Towers Ltd. since 2010. The Chair will also be independent on Admission. Notwithstanding this, the Board believes that the current Directors bring to the Company a desirable range of skills and experience in light of its challenges and opportunities following Admission, while at the same time ensuring that no individual (or small group of individuals) can dominate the Board's decision making. The Board intends to achieve full compliance with the UK Corporate Governance Code over time.

The UK Corporate Governance Code recommends that the board of directors of a company with a premium listing on the Official List of the FCA should appoint one of the Independent Non-Executive Directors to be the Senior Independent Director to provide a sounding board for the chair and to serve as an intermediary for the other directors when necessary. Magnus Mandersson has been appointed as the Senior Independent Director.

The UK Corporate Governance Code further recommends that directors should be subject to annual re-election. The Company intends to comply with this recommendation.

2.2 Audit Committee

The Audit Committee assists the Board in discharging its responsibilities with regard to financial reporting, external and internal audits and controls, including reviewing and monitoring the integrity of the Group's annual and interim financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors, overseeing the Group's relationship with its external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of the Group's internal control review function. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board. The Audit Committee will give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the Listing Rules.

The UK Corporate Governance Code recommends that an audit committee comprise at least three members who are independent non-executive directors and includes one member with recent and relevant financial experience. The Audit Committee is chaired by Alison Baker and its other members are Magnus Mandersson and Richard Byrne. The Directors consider that Alison Baker has recent and relevant experience. The Audit Committee will meet not less than three times a year. The Board considers that the Group complies with the requirements of the UK Corporate Governance Code in this respect.

2.3 Nomination Committee

The Nomination Committee assists the Board in discharging its responsibilities relating to the composition and make-up of the Board and any committees of the Board. It is also responsible for periodically reviewing the Board's structure and identifying potential candidates to be appointed as Directors or committee members as the need may arise. The Nomination Committee is responsible for evaluating the balance of skills, knowledge and experience and the size,

structure and composition of the Board and committees of the Board, retirements and appointments of additional and replacement directors and committee members and will make appropriate recommendations to the Board on such matters.

The UK Corporate Governance Code recommends that a majority of the members of a nomination committee should be independent non-executive directors. The Nomination Committee is chaired by Sir Samuel Jonah, and its other members are Magnus Mandersson and Temitope Lawani. The Nomination Committee will meet not less than twice a year. The Board considers that the Group complies with the requirements of the UK Corporate Governance Code in this respect.

2.4 Remuneration Committee

The Remuneration Committee assists the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Company's policy on executive remuneration, including setting the over-arching principles, parameters and governance framework of the Group's remuneration policy and determining the individual remuneration and benefits package of each of the Company's Executive Directors and certain senior executives. The Remuneration Committee will also ensure compliance with the UK Corporate Governance Code in relation to remuneration.

The UK Corporate Governance Code provides that a remuneration committee should comprise at least three members who are independent Non-Executive Directors and that the chair of the board should not be the chair of the Remuneration Committee. The Remuneration Committee is chaired by Richard Byrne and its other members are Sir Samuel Jonah, Magnus Mandersson and Alison Baker. The Board considers that the Group complies with the requirements of the UK Corporate Governance Code in this respect.

2.5 Share dealing code

The Company has adopted, with effect from Admission, a code of securities dealings in relation to the Shares which is based on the requirements of the Market Abuse Regulation. The code adopted will apply to the Directors and all employees of the Group.

3 Shareholders' Agreement with the Principal Shareholders

See paragraph 13.2 of Part XIX: "*Additional Information — Material Contracts — Shareholders' Agreement*" for a description of the Shareholders' Agreement entered into between the Company and the Principal Shareholders.

4 Conflicts of Interest

Save for their capacities as persons legally and beneficially interested in Shares as set out in paragraph 8 of Part XIX: "*Additional Information — Interests of the Directors and Senior Management*", and save for:

4.1 the appointment of Temitope Lawani as a representative of Lath Holdings Ltd.; and

4.2 the appointment of David Wassong as a representative of Quantum Strategic Partners, Ltd.,

in each case pursuant to the terms of the Shareholders' Agreement (see paragraph 13.2 of Part XIX: "*Additional Information — Material Contracts — Shareholders' Agreement*"), there are:

- (i) no potential conflicts of interest between any duties to the Company of the Directors and members of Senior Management and their private interests and/or other duties; and
- (ii) no arrangements or understandings with any other major Shareholders, customers, suppliers or others pursuant to which any Director or member of Senior Management was selected.

PART XII

SELECTED FINANCIAL AND OPERATING INFORMATION

The selected financial information relating to the Group set out below has been extracted, without material adjustment, from Part B of Part XV: "Historical Financial Information". The selected Non-IFRS measures and operating information relating to the Group set out below has been calculated on the basis set out in Part III: "Presentation of Information on the Group". The selected financial and operating information presented below should be read in conjunction with Part XIII: "Operating and Financial Review and Prospects". Investors should read the whole of this Prospectus before making an investment decision and not rely solely on the summarised information in this Part XII: "Selected Financial and Operating Information".

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				(unaudited)	
			(US\$ thousands)		
Revenue	282,507	344,957	356,049	178,128	190,681
Cost of sales	(235,867)	(275,651)	(255,848)	(130,890)	(132,715)
Gross profit	46,640	69,306	100,201	47,238	57,966
Administrative expenses	(77,741)	(91,261)	(91,059)	(49,320)	(39,945)
Loss on disposal of property, plant and equipment	(3,761)	(2,018)	(5,835)	(6)	(5,367)
Operating (loss)/profit	(34,862)	(23,973)	3,307	(2,088)	12,654
Interest receivable	216	706	951	464	713
Other gains and losses	(6,682)	21,797	(16,831)	(24,097)	24,276
Finance costs	(73,268)	(102,757)	(107,005)	(55,516)	(56,351)
Loss before tax	(114,596)	(104,227)	(119,578)	(81,237)	(18,708)
Tax expense	(1,514)	(3,207)	(4,369)	(2,113)	(3,783)
Loss for the period	(116,110)	(107,434)	(123,947)	(83,350)	(22,491)
Exchange differences on translation of foreign operations – (loss)/gain	(3,603)	(1,384)	(2,214)	(391)	1,224
Total comprehensive loss for the period	(119,713)	(108,818)	(126,161)	(83,741)	(21,267)

Consolidated Statement of Financial Position

	As at 31 December			As at 30 June
	2016	2017	2018	2019
	(US\$ thousands)			
Non-current assets				
Intangible assets.....	35,556	17,961	12,406	40,110
Property, plant and equipment.....	655,140	705,700	676,643	653,502
Right of use assets.....	102,406	104,983	103,786	108,502
Investments	132	132	132	—
Derivative financial assets	1,393	23,917	7,086	31,362
	<u>794,627</u>	<u>852,693</u>	<u>800,053</u>	<u>833,476</u>
Current assets				
Inventories.....	19,503	9,538	10,265	9,979
Trade and other receivables.....	126,929	108,491	102,250	125,620
Prepayments	20,466	23,403	16,225	26,891
Cash and cash equivalents.....	133,737	119,700	88,987	89,765
	<u>300,635</u>	<u>261,132</u>	<u>217,727</u>	<u>252,255</u>
Total assets.....	<u>1,095,262</u>	<u>1,113,825</u>	<u>1,017,780</u>	<u>1,085,731</u>
Equity				
Issued capital and reserves				
Share capital.....	909,134	909,154	909,154	909,154
Share premium.....	186,795	186,951	186,951	186,951
	<u>1,095,929</u>	<u>1,096,105</u>	<u>1,096,105</u>	<u>1,096,105</u>
Other reserves	(11,693)	(12,778)	(12,778)	(12,778)
Non-controlling interest buy-out reserve.....	(54,429)	—	—	—
Translation reserve.....	(77,282)	(79,449)	(81,663)	(80,427)
Accumulated losses.....	(554,878)	(752,280)	(879,959)	(902,266)
	<u>397,647</u>	<u>251,598</u>	<u>121,705</u>	<u>100,634</u>
Equity attributable to owners of the Company.....	<u>397,647</u>	<u>251,598</u>	<u>121,705</u>	<u>100,634</u>
Non-controlling interest	(36,322)	—	—	(196)
Total equity	<u>361,325</u>	<u>251,598</u>	<u>121,705</u>	<u>100,438</u>
Non-current liabilities				
Long-term lease liabilities	90,111	96,097	98,720	103,009
Loans.....	340,633	581,100	610,790	662,622
Contingent consideration	—	—	—	16,526
Deferred tax liabilities	—	—	—	6,348
	<u>430,744</u>	<u>677,197</u>	<u>709,510</u>	<u>788,505</u>
Current liabilities				
Non-controlling interest buy-out liability.....	57,886	—	—	—
Trade and other payables.....	163,857	147,324	149,752	151,099
Contingent consideration	—	—	—	5,837
Short-term lease liabilities	20,934	20,452	19,559	20,947
Loans.....	60,516	17,254	17,254	18,905
	<u>303,193</u>	<u>185,030</u>	<u>186,565</u>	<u>196,788</u>
Total liabilities	<u>733,937</u>	<u>862,227</u>	<u>896,075</u>	<u>985,293</u>
Total equity and liabilities.....	<u>1,095,262</u>	<u>1,113,825</u>	<u>1,017,780</u>	<u>1,085,731</u>

Consolidated Statement of Cash Flows

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
				<i>(US\$ in thousands)</i>	
Cash Flows from Operating Activities					
Loss before tax	(114,596)	(104,227)	(119,578)	(81,237)	(18,708)
Adjustments for:					
Other gains and losses.....	6,682	(21,797)	16,831	24,097	(24,276)
Finance costs.....	73,268	102,757	107,005	55,516	56,351
Interest receivable.....	(216)	(706)	(951)	(464)	(713)
Depreciation and amortisation.....	129,455	148,926	141,328	68,860	73,788
Loss on disposal of property, plant and equipment.....	3,761	2,018	5,835	6	5,367
Movement in working capital:					
(Increase)/decrease in inventories.....	387	(2,548)	(1,004)	22	514
(Increase)/decrease in trade and other receivables.....	(46,534)	7,632	9,332	(19,986)	(25,676)
(Increase)/decrease in prepayments	(5,422)	5,968	(3,841)	(2,821)	(13,070)
(Increase)/decrease in trade and other payables.....	20,780	(27,567)	(21,198)	9,577	(9,950)
Cash generated by operations.....	67,565	110,456	133,759	53,570	43,627
Interest paid	(41,626)	(51,633)	(69,875)	(37,371)	(36,291)
Tax paid	(635)	(1,251)	(2,941)	—	(1,226)
Net cash generated by operating activities	25,304	57,572	60,943	16,199	6,110
Cash flows from investing activities					
Payments to acquire property, plant and equipment.....	(273,766)	(166,711)	(103,000)	(56,407)	(42,045)
Payment to acquire intangible assets	(22,411)	(3,857)	(3,158)	(1,922)	(512)
Acquisition of business net of cash acquired	—	—	—	—	(10,581)
Proceeds on disposal on assets.....	114	249	138	—	106
Interest received.....	216	704	951	464	713
Net cash used in investing activities.....	(295,847)	(169,615)	(105,069)	(57,865)	(52,319)
Cash flows from financing activities					
Gross proceeds from issue of equity share capital	184,297	163	—	—	—
Loan financing costs.....	(8,922)	(24,079)	—	—	—
Equity issuance costs.....	(410)	—	—	—	—
Payments for buy-back of shares	—	(58,556)	—	—	—
Repayment of lease liabilities.....	(8,353)	(11,675)	(10,422)	(3,673)	(2,616)
Loan drawdowns.....	173,612	600,000	25,000	—	50,000
Loan repayments.....	(23,485)	(407,983)	—	—	—
Net cash generated from/(used in) financing activities.....	316,739	97,870	14,578	(3,673)	47,384
Net increase/(decrease) in cash and cash equivalents.....	46,196	(14,173)	(29,548)	(45,339)	1,175
Foreign exchange on translation movement.....	(749)	136	(1,165)	(404)	(397)
Cash and cash equivalents, at beginning of period	88,290	133,737	119,700	119,700	88,987
Cash and cash equivalents, at end of period	133,737	119,700	88,987	73,957	89,765

Certain Non-IFRS Measures

	Year ended/As of 31 December			Six months ended/As of 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
			<i>(US\$ in thousands)</i>		
Adjusted EBITDA ⁽¹⁾	105,161	145,962	177,603	85,939	98,974
Adjusted EBITDA margin ⁽²⁾	37.2%	42.3%	49.9%	48.0%	52.0%
Portfolio Free Cash Flow ⁽³⁾	50,654	96,782	132,716	61,476	79,760
Leveraged Portfolio Free Cash Flow ⁽⁴⁾	21,964	59,953	78,918	34,565	51,745
Adjusted Free Cash Flow ⁽⁵⁾	(278,493)	(88,619)	(23,706)	(25,092)	4,278
Free Cash Flow ⁽⁶⁾	(278,898)	(182,297)	(54,547)	(45,339)	(48,825)
Gross debt ⁽⁷⁾	512,194	714,903	746,323	717,680	805,483
Net debt ⁽⁸⁾	378,457	595,203	657,336	643,723	715,718
Gross leverage ⁽⁹⁾	4.9x	4.9x	4.2x	4.1x	4.0 x
Net leverage ⁽¹⁰⁾	3.6x	4.1x	3.7x	3.7 x	3.6 x

Notes:

- (1) The Group defines “Adjusted EBITDA” as loss for the period, adjusted for tax expenses, 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, recharged depreciation, deal costs for aborted acquisitions, deal costs not capitalised, share-based payments and long-term incentive plan charges, and exceptional items. Exceptional items are material items that are considered exceptional in nature by management by virtue of their size and/or incidence.

The following table reconciles Adjusted EBITDA to loss for the period for each of the periods presented:

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
			<i>(US\$ in thousands)</i>		
Loss for the period	(116,110)	(107,434)	(123,947)	(83,350)	(22,491)
Adjustments applied:					
Exceptional items:					
Restructuring costs ^(a)	4,318	2,298	—	—	—
Tanzanian IPO ^(b)	—	1,481	—	—	—
Litigation costs ^(c)	—	917	10,180	3,950	—
Exceptional project costs ^(d)	—	9,780	14,655	14,655	3,121
Loss on disposal of property, plant and equipment	3,761	2,018	5,835	6	5,367
Other gains and losses ^(e)	6,682	(21,797)	16,831	24,097	(24,276)
Recharged depreciation ^(f)	975	1,209	805	556	—
Share-based payments and long-term incentive plans	—	—	—	—	1,646
Deal costs for aborted acquisitions ^(g)	1,414	3,306	—	—	—
Deal costs not capitalised ^(h)	—	—	1,493	—	2,398
Depreciation of right-of-use assets	10,661	11,224	8,761	5,062	3,877
Depreciation of property, plant and equipment	96,829	115,924	124,194	59,651	65,169
Amortisation of intangibles	22,065	21,778	8,373	4,147	4,742
Interest receivable	(216)	(706)	(951)	(464)	(713)
Finance costs	73,268	102,757	107,005	55,516	56,351
Tax expense	1,514	3,207	4,369	2,113	3,783
Adjusted EBITDA	105,161	145,962	177,603	85,939	98,974

Notes:

- (a) Restructuring costs reflect specific actions taken by management to improve the Group’s future profitability and mainly comprise the costs of an operational excellence program where management worked to optimise operational headcount to gain efficiencies and adopt robust internal compliance best practices, and have therefore incurred certain severance and office closure costs in 2016 and 2017. Management considers such costs to be exceptional as they are not representative of the trading performance of the Group’s operations.
- (b) Advisory and other costs relating to the Group’s preparation for the IPO of HTT Infracore, the Group’s primary operating subsidiary in Tanzania.
- (c) Litigation costs relate to legal and settlement costs incurred in connection with a previously terminated equity transaction.
- (d) Exceptional project costs are in relation to the exploration of strategic options for the Group, including, but not limited to, a potential London Stock Exchange listing.
- (e) Other gains and losses include fair value movements of derivative financial instruments and non-controlling interests, the impairment of related party receivables and the fair value cost of shares issued to Millicom. For an explanation of other gains and losses, see Note 23 to the Historical Financial Information.
- (f) Prior to the period ended 30 June 2019, the Group incurred costs charged to it through a service contract from Helios Towers Africa LLP. Management considers that the depreciation element of the charge should be removed from Adjusted EBITDA as it is depreciation in nature.
- (g) These mainly comprise professional fees and travel costs incurred while investigating potential site acquisitions. Such costs are expensed when the potential site acquisition does not proceed. Management has excluded such costs from Adjusted EBITDA on the basis that they are not representative of the trading performance of the Group’s operations.
- (h) Deal costs relating to the exploration of investment opportunities across Africa. Includes acquisition related costs relating to South Africa in the period ended 30 June 2019. Refer to Note 28 to the Historical Financial Information.
- (2) The Group defines “Adjusted EBITDA margin” as Adjusted EBITDA divided by revenue.

- (3) Defined as Adjusted EBITDA less tax paid, maintenance and corporate capital expenditure and cash payment in respect of lease liabilities (including related interest). For a reconciliation of Portfolio Free Cash Flow to cash generated from/(used in) operating activities please see the table in footnote 7 below.
- (4) Portfolio Free Cash Flow less net payment of interest.
- (5) Defined as Leveraged Portfolio Free Cash Flow less investment capital expenditure.
- (6) Defined as Adjusted Free Cash Flow less cash flows from changes in working capital, exceptional items, deal costs, the Vodacom Tanzania Plc share repurchase and the proceeds from the disposal of assets.

The following table reconciles Free Cash Flow to Adjusted EBITDA for each of the periods presented:

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
			<i>(US\$ in thousands)</i>		
Adjusted EBITDA	105,161	145,962	177,603	85,939	98,974
Less: Maintenance and corporate capex.....	(32,800)	(22,153)	(16,400)	(10,794)	(7,808)
Less: Lease liabilities ^(a)	(21,071)	(25,776)	(25,546)	(13,669)	(10,180)
Less: Tax paid.....	(635)	(1,251)	(2,941)	—	(1,226)
Portfolio Free Cash Flow	50,654	96,782	132,716	61,476	79,760
Less: Net payment of interest ^(b)	(28,690)	(36,829)	(53,799)	(26,911)	(28,014)
Levered Portfolio Free Cash Flow	21,964	59,953	78,918	34,565	51,745
Less: Investment capex.....	(300,457)	(148,572)	(102,623)	(59,657)	(47,468)
Adjusted Free Cash Flow	(278,493)	(88,619)	(23,706)	(25,092)	4,278
Less: Change in working capital.....	6,074	(27,841)	1,192	(4,100)	(40,037)
Less: Exceptional items.....	(5,179)	(7,530)	(31,779)	(16,147)	(13,171)
Less: Deal costs.....	(1,414)	—	(393)	—	—
Less: Vodacom buyout.....	—	(58,556)	—	—	—
Add: Proceed on disposal of assets.....	114	249	139	—	106
Free Cash Flow	(278,898)	(182,297)	(54,547)	(45,339)	(48,825)

Notes:

- (a) Defined as payment of lease liabilities including interest and principal repayment.
- (b) Defined as the net of interest paid and interest received included in the condensed consolidated statement of cash flows excluding interest payments on lease liabilities.
- (7) Defined as the Group's non-current and current loans and long-term and short-term lease liabilities.
- (8) Defined as gross debt less cash and cash equivalents.
- (9) Defined as gross debt divided by Adjusted EBITDA as of 31 December 2016, 31 December 2017, 31 December 2018, and gross debt divided by Last Quarter Annualised Adjusted EBITDA as of 30 June 2018 and 30 June 2019.
- (10) Defined as net debt divided by Adjusted EBITDA as of 31 December 2016, 31 December 2017, 31 December 2018, and net debt divided by Last Quarter Annualised Adjusted EBITDA as of 30 June 2018 and 30 June 2019.

The following table presents the calculation of gross debt and net debt as of each of the dates indicated:

	As of 31 December			As of 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
			<i>(US\$ thousands)</i>		
Long-term lease liabilities.....	90,111	96,097	98,720	97,106	103,009
Short-term lease liabilities.....	20,934	20,452	19,559	19,963	20,947
Non-current and current loans.....	401,149	598,354	628,044	600,611	681,527
Gross debt	512,194	714,903	746,323	717,680	805,483
Cash and cash equivalents.....	(133,737)	(119,700)	(88,987)	(73,957)	(89,765)
Net debt	378,457	595,203	657,336	643,723	715,718

Certain Financial Measures Provided on a Country-by-Country Basis

The following table sets forth a breakdown of the Group's revenue by country for each of the periods presented:

	Year ended 31 December				Six months ended 30 June	
	2015	2016	2017	2018	2018	2019
					<i>(unaudited)</i>	
			<i>(US\$ in thousands)</i>			
Tanzania.....	96,744	122,301	141,230	149,909	74,296	80,500
DRC.....	61,120	102,171	140,156	140,881	70,130	77,753
Ghana.....	26,363	34,393	40,144	40,967	21,521	19,668
Congo Brazzaville.....	12,419	23,642	23,427	24,292	12,181	12,334
South Africa.....	—	—	—	—	—	426
Corporate.....	—	—	—	—	—	—
Total.....	196,646	282,507	344,957	356,049	178,128	190,681

The following table sets forth a breakdown of the Group's Adjusted EBITDA by country for each of the periods presented:

	Year ended 31 December				Six months ended 30 June	
	2015	2016	2017	2018	2018	2019
					(unaudited)	
			(US\$ in thousands)			
Tanzania.....	29,197	51,308	66,839	86,153	41,367	46,906
DRC.....	27,952	46,671	66,530	72,466	35,428	42,420
Ghana.....	5,201	11,072	17,821	22,835	11,299	11,383
Congo Brazzaville.....	3,163	10,944	9,783	12,107	5,891	6,467
South Africa.....	—	—	—	—	—	(11)
Corporate.....	(11,739)	(14,834)	(15,011)	(15,958)	(8,046)	(8,191)
Total.....	53,774	105,161	145,962	177,603	85,939	98,974

The following table sets forth a breakdown of the Group's revenue and Adjusted EBITDA by country for the three months ended 30 June 2019:

	Three months ended 30 June 2019					
	South Africa	Tanzania	DRC	Ghana	Congo Brazzaville	Total
			(unaudited)			
			(US\$ in thousands)			
Revenue	426	41,204	39,291	9,913	6,136	96,970
Adjusted EBITDA	(11)	23,999	21,540	5,761	3,051	50,175

Key Operational Measures

The Group monitors a number of key operational measures, as indicators of its operating performance. These measures are set out in the following table:

	Year ended 31 December				Six months ended 30 June
	2015	2016	2017	2018	2019
<i>(US\$ in thousands)</i>					
Total online sites at beginning of period ⁽¹⁾	4,656	5,424	6,477	6,519	6,745
Total online sites at end of period ⁽¹⁾	5,424	6,477	6,519	6,745	6,882
Tenancies at beginning of period ⁽²⁾	7,499	10,008	12,509	12,987	13,549
Tenancies at end of period ⁽²⁾	10,008	12,509	12,987	13,549	14,100
Tenancy ratio at end of period ⁽³⁾	1.85x	1.93x	1.99x	2.01x	2.05x
Colocations ⁽⁴⁾	4,584	6,032	6,468	6,804	7,218
Standard colocations ⁽⁵⁾	4,584	5,798	5,965	6,269	6,578
Amendment colocations ⁽⁶⁾	—	234	503	535	640

Notes:

- (1) Refers to total live towers, IBS sites or sites with customer equipment installed on third-party infrastructure that are owned and/or managed by the Group, net of consolidations, with each reported site having at least one active customer tenancy as of the beginning of the period or the end of the period, as applicable.
- (2) Refers to space leased for installation of a base transmission site and associated antennas as of the beginning of the period or the end of the period, as applicable.
- (3) Refers to the total number of tenancies divided by the total number of the Group's sites as of the end of the period.
- (4) Refers to the sharing of site space by multiple customers or technologies in the same site.
- (5) Refers to tenants occupying site 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.
- (6) Refers to tenants that add or modify equipment, taking up additional space, wind load capacity and/or power consumption under an existing lease agreement.

Certain Financial Measures Provided on a Quarterly and Annualised Basis

The following table sets forth revenue, Adjusted EBITDA, Last Quarter Adjusted EBITDA and Adjusted EBITDA margin for the three months ended 30 June 2018 and 2019. The Group presents last quarter annualised Adjusted EBITDA because it is used for calculating the consolidated leverage ratio under the terms of its Senior Notes. Last Quarter Annualised Adjusted EBITDA is not intended to be a profit forecast, projection or prediction.

	Three months ended 30 June	
	2018	2019
<i>(unaudited)</i>		
<i>(US\$ in thousands, except percentages)</i>		
Revenue	89,183	96,970
Adjusted EBITDA ⁽¹⁾	43,944	50,175
Last Quarter Annualised Adjusted EBITDA ⁽²⁾	175,776	200,700
Adjusted EBITDA margin (%) ⁽³⁾	49.0%	51.7%

Notes:

- (1) The Group defines "Adjusted EBITDA" as loss for the period, adjusted for tax expenses, 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, recharged depreciation, deal costs for aborted acquisitions, deal costs not capitalised, share-based payments and long-term incentive plan charges, and exceptional items. Exceptional items are material items that are considered exceptional in nature by management by virtue of their size and/or incidence.
- (2) Last Quarter Annualised Adjusted EBITDA is Adjusted EBITDA for a three-month period of a respective year multiplied by four.
- (3) The Group defines "Adjusted EBITDA margin" as Adjusted EBITDA divided by revenue.

PART XIII

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion and analysis is intended to assist in the understanding and assessment of the trends and significant changes in the Group's results of operations and financial condition. Historical results may not indicate future performance. Some of the information in this section, including information in respect of the Group's plans and strategies for the business and expected sources of financing, contains forward-looking statements that involve risk and uncertainties and is based on assumptions about the Group's future business. Actual results could differ materially from those contained in such forward-looking statements as a result of a variety of factors, including the risks discussed in Part II: "Risk Factors" included elsewhere in this Prospectus. Potential investors should read Part III: "Presentation of Information on the Group — Information Regarding Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements and should also read Part II: "Risk Factors" for a discussion of certain factors that may affect the business, results of operations or financial condition of the Group. The following discussion should be read in conjunction with the Historical Financial Information, including accompanying notes, included in Part XV: "Historical Financial Information".

Overview

The Group is a leading Sub-Saharan independent tower company with operations across five countries in Sub-Saharan Africa. The Group is the sole independent operator and owns and operates more sites than any other operator in each of Tanzania, DRC and Congo Brazzaville. The Group is also a leading operator in Ghana where it has a strong urban presence and it commenced operations in South Africa in March 2019. The Group's principal business is operating owned telecommunications sites and related passive infrastructure in order to provide site space and related services to large MNOs and other telecommunications providers, which in turn provide wireless voice and data services to end-user subscribers. The Group provides its customers with opportunities to use space on existing sites alongside other telecommunications providers, known as colocation, or commission new sites in unique locations where the customers and the Group do not have existing infrastructure, known as build-to-suit. The Group also offers comprehensive-site related operational services, including site selection, site preparation, construction, maintenance, security and power management. As of 30 June 2019, the Group operated 6,882 total online sites with 14,100 tenancies, reflecting a tenancy ratio of 2.05x.

The Group is a service infrastructure business that generates revenue from building, acquiring and operating sites that hold one or multiple tenants, as well as from providing site related operational services. MNOs may place their own active equipment on the Group's sites, for which the Group charges a fee. Customers occupying site space have standard tenancy lease rates and a configuration with defined limits in terms of the vertical space occupied, the wind load (effective plate area) and power consumption. Existing sites provide the potential for colocation revenue, where additional MNOs occupy space on the Group's existing sites. Further, existing tenants may add equipment to sites, which can generate amendment revenue for the Group. The Group estimates that it receives an approximate 80 per cent. to 90 per cent. Adjusted EBITDA margin on incremental revenue from colocations to tenants' existing contracts with the Group. The Group also generates revenue from constructing build-to-suit, strategically located sites, which also create opportunities for additional colocation. The Group had revenue of US\$282.5 million, US\$345.0 million, and US\$356.0 million and Adjusted EBITDA of US\$105.2 million, US\$146.0 million and US\$177.6 million for the years ended 31 December 2016, 2017 and 2018, respectively. The Group had revenue of US\$178.1 million and US\$190.7 million, and Adjusted EBITDA of US\$85.9 million and US\$99.0 million, for the six months ended 30 June 2018 and 2019, respectively.

Factors Affecting the Group's Financial Condition and Results of Operations

The Group's financial condition, results of operations and liquidity have been influenced in the periods discussed in this Prospectus by the following events, facts, developments and market characteristics. The Group believes that these factors are likely to continue to influence its operations in the future.

Changes in Network Coverage and New Technology in the Countries in which the Group Operates

The Group's customers' demand for additional tenancies on the Group's sites is necessarily dependent on the changes and development of network coverage and new technologies in the countries in which the Group operates. Due to substantial population growth, urbanisation and the growing dependency on mobile communications in these countries, there has been significant growth in mobile penetration with the Group

anticipating significant further growth. This growth is evidenced by an increase in the Group's tenancies, which grew from 12,509 as of 31 December 2016 to 14,100 as of 30 June 2019.

For an MNO to expand its network and improve quality as subscribers, data usage and MoU increase, it must maintain effective capacity to ensure network stability and a lack of congestion. This in turn requires that MNOs increase their PoS, either by locating additional antennae equipment on existing sites or by building new sites to ensure greater network coverage and density. In addition, as MNOs seek to augment their services with more recent mobile telecommunications technologies (e.g. 4G), it creates additional opportunities for colocation revenues for the Group's existing and new build-to-suit sites.

The Group expects an increasing need for further PoS to accommodate new areas of 2G coverage where coverage was previously unavailable and also to meet the range and capacity requirements of certain wireless technologies in more densely populated urban areas. Further, the Group expects the roll-out and densification of 3G and 4G services to provide the majority of medium-term demand for PoS in the Group's markets, and the Group intends to grow its revenues by servicing its customers' long-term needs, including the future infrastructure roll-out requirements of the Group's customers for upcoming 4G/LTE, enterprise and other data technologies. The Group also expects the increasing penetration of smartphones and other internet-enabled devices will support growth in demand for data services as consumers stream music and videos, download content-rich applications and use social media on their phones. Consequently, data usage in the Group's markets is expected to increase significantly to be more in line with global data usage trends.

The Hardiman Report estimates that approximately 19,000 new PoS will be required by 2024 in the Group's markets to accommodate increased mobile subscriber levels, increased data demand, the adoption of new technologies and to maintain network quality (*Hardiman Report, August 2019*). For additional information regarding the industry and markets in which the Group operates, see Part VIII: "Industry Overview".

Growth in the Number of Colocation Tenancies

The Group provides its customers with opportunities to use space on existing sites alongside other telecommunications providers, known as colocation. Colocations are at the centre of the Group's business model since they allow the Group to grow its revenue and improve operating margins without significant additional capital expenditures.

The following table shows the total incremental colocations, organic incremental colocations and ALU during the three years ended 31 December 2016, 2017 and 2018:

	Year ended 31 December		
	2016	2017	2018
	(US\$ in thousands)		
Total incremental colocations	1,448	436	336
Organic incremental colocations	1,030	436	336
ALU	0.17x	0.07x	0.05x

As of 30 June 2019, these agreements, together with existing contracted revenues, represented US\$194.2 million of total contractually committed revenue for the period beginning 1 July 2019 until 31 December 2019 and US\$385.9 million and US\$378.2 million of total contractually committed revenue during the years ending 31 December 2020 and 2021, respectively.

While additional colocations are accretive to the Group's revenue, certain of the Group's contractual arrangements provide discounts to anchor tenants as additional colocations occur on the respective sites, particularly on build-to-suit sites where a single anchor tenant typically pays an above average lease rate until colocation tenants are added to the site, which may result in an incremental decrease in the Group's average service rate per tenancy. Service rates for colocation tenancies vary depending on the number of colocations, the location of the relevant sites and various other factors regarding the services to be provided. See Part X: "Information on the Group — Site Contracts — Service Fees".

Construction of Built-to-Suit Sites

The Group provides its customers with opportunities to commission new sites in unique locations where the customers and the Group do not have existing infrastructure, known as build-to-suit. The Group capitalises on its existing relationships with MNOs in order to drive organic growth through build-to-suit site construction. The Group pursues build-to-suit construction only where such construction provides an

attractive return derived from an anchor tenant of good credit strength, which allows the Group to manage the timing and amount of associated capital expenditures. The Group completes an extensive site analysis prior to agreeing to the construction of a new site to ensure that the site is attractive for additional colocation tenancies. Build-to-suit sites have a higher lease up rate due to the strategic selection of site locations designed to address needs of multiple operators.

The Group deployed 239, 126 and 161 built-to-suit sites during the years ended 31 December 2016, 2017 and 2018, respectively, and 117 and 123 built-to-suit sites during the six months ended 30 June 2018 and 2019, respectively. As of 30 June 2019, build-to-suit sites represented 28 per cent. of the Group's online sites.

Growth in Colocation Amendments

The Group also earns revenues from amendments to existing leases when tenants add or modify equipment, taking up space, wind load capacity and/or power consumption in addition to the limits set under their existing lease agreement, known as amendment revenue. Demand for amendment revenue is driven by underlying demand among MNOs for telecommunications services, particularly data services, resulting from the adoption of new technologies. It is also driven by MNOs' demand for high levels of service. The Group adds amendment revenue to existing sites for minimal incremental fixed cost as it is able to leverage its investments in colocation and build-to-suit sites to generate colocation amendments. As a result, the Group estimates that it receives an approximate 80 per cent. to 90 per cent. Adjusted EBITDA margin on incremental revenue from colocations and amendments to tenants' existing contracts with the Group. The Group began earning amendment revenue during 2016 and had 234, 503 and 535 amendment colocations for the years ended 31 December 2016, 2017 and 2018, respectively, and 640 amendment colocations for the six months ended 30 June 2019. There were 113 amendment colocations in Ghana for each of the years ended 31 December 2016 and 2017, 115 amendment colocation tenants for the year ended 31 December 2018, and 127 amendment colocations for the six months ended 30 June 2019. In Tanzania, there were 121, 380 and 385 amendment colocations for each of the years ended 31 December 2016, 2017 and 2018, respectively, and 435 amendment colocations for the six months ended 30 June 2019. The Group had 10 and 30 amendment colocations in DRC for the years ended 31 December 2017 and 2018 respectively, with none in 2016, and 72 amendment colocations in DRC for the six months ended 30 June 2019. The Group had five and six amendment colocations in Congo Brazzaville for the year ended 31 December 2018 and the six months ended 30 June 2019, respectively.

Purchase of Site Portfolios

Historically, the Group has increased the size of its site portfolio through the purchase of site portfolios, which generate additional fees and, in most instances, the ability to add colocations. For example, in 2016, the Group acquired 961 sites, primarily from a subsidiary of Airtel in DRC. In 2017, the Group acquired approximately 101 sites from Zantel in Tanzania. In March 2019, the Group entered into a majority-owned joint venture with Vulatel pursuant to which it acquired 13 edge data centres and related customer contracts. In April 2019, the Group acquired SA Towers through the acquisition of a majority interest in HTSA Towers (Pty) Ltd by Helios Towers South Africa, through which the Group acquired 88 sites and a pipeline of more than 500 potential sites (which are sites that the Group has identified as being of potential interest to MNOs and which are ready to build or sites for which the Group is in the process of obtaining relevant permits). In addition, at the end of 2018, the Group entered into a letter of intent and managed services and marketing agreement with Viettel and subsequently a sale and purchase agreement in July 2019 where, subject to various conditions being satisfied, it may acquire up to 196 sites in Tanzania for up to approximately US\$9 million (exclusive of VAT).

The Group acquires existing site portfolios only when they meet the Group's internal criteria, which include, amongst others, return on investment, the potential for future colocations, ease of ground leasing or purchasing land for sites, ease of community approvals, and the credit strength of the potential anchor tenant. Generally, the extent to which the Group can increase revenue and add colocations on its acquired sites depends on the fees payable for, and the existing tenancy ratio of, each acquired site.

The Group's acquired site portfolios are often composed primarily of towers with a single anchor tenancy, which may deliver lower immediate margins compared to site portfolios with a higher tenancy ratio. The Group believes that such site portfolios are often available for purchase at more compelling valuations and include the potential for the Group to leverage its other customer relationships and operational expertise to attract incremental colocation tenancies. Furthermore, the Group's strategy of seeking site portfolios that are available at relatively lower purchase prices affords it the flexibility to set service rates at market levels that

are attractive to its customers, which the Group believes reduces the risk of renegotiation upon contract expiration.

Growth in Tenancies and Cancellations of Existing Tenancies

The addition of tenancies through the acquisition of sites, the construction of the Group's build-to-suit sites and the addition of colocations on these sites increases the Group's revenue. The Group's average tenants per period increased from 11,259 to 12,748 and 13,268 for the years ended 31 December 2016, 2017 and 2018, respectively, and increased from 12,992 to 13,825 for the six months ended 30 June 2018 and 2019, respectively. However, tenancies and their associated revenue may be affected by cancellations of existing customer site contracts. Some of the Group's customer site contracts do not provide any cancellation rights, others have minimal cancellation rights. This can result in small declines in tenancy numbers if not offset by the addition of new tenancies. The maximum impact of cancellation rights equates to approximately one per cent. of tenancies annually. The Group believes that the impact of such cancellations or other similar cancellations on its revenue in the future will be more than offset by the additional contractually committed revenue from the Group's committed colocations. For more information regarding the Group's committed colocations, see Part X: *"Information on the Group — Committed Colocations"*.

Cost and Consumption of Diesel

Fluctuations in the price of oil and changes in foreign exchange rates affect the price of diesel, which is the Group's largest single direct operating expense. The direct effect of falling oil prices is lower input costs, with the degree of reduction dependent on both foreign exchange movements between the U.S. dollar and the currencies of the countries in which the Group operates given the Group pays for diesel in the currencies of these countries and oil is priced in U.S. dollars, and the Group's diesel requirements. Unpredictable or rising oil costs are likely to affect (positively or negatively) the Group's operating expenses and financial condition. However, as discussed below, the Group utilises power escalation provisions in many of its customer site contracts to mitigate its exposure to fluctuations in oil prices.

In addition to changes in the price of diesel and the Group's use of the electricity grid, the Group's results of operations are affected by the Group's efforts to reduce its overall diesel consumption through targeted investment in alternative power system solutions to more efficiently provide power to its sites, including the use of hybrid and AC/DC generators and low-power solar systems. The majority of the Group's MLAs have adjustments linked to diesel unit price movements, with adjustments being made periodically (quarterly or annually) to the fuel portion of the lease rates. Variations in the volume of fuel consumed onsite are not passed through to the customer and therefore reductions in fuel consumption result in cost savings contributing directly to the Group's Adjusted EBITDA. For the year ended 31 December 2018, 39 per cent. of the Group's revenue was linked to power, comprising approximately 46 per cent., 36 per cent., 16 per cent. and 41 per cent. of revenue in Tanzania, DRC, Congo Brazzaville and Ghana, respectively. During the same period, approximately 46 per cent. of the Group's expenses were linked to power. Consequently, revenues and expenses which the Group considers are linked to power contributed approximately 33 per cent. of the Group's Adjusted EBITDA for the year ended 31 December 2018.

The Group's development of alternative power system solutions is relatively advanced in Tanzania, Ghana and DRC and the Group will continue its efforts to reduce diesel consumption and utilise electricity as a less expensive source of power in addition to continuing to develop alternative power system solutions in Congo Brazzaville.

Contract Damages

Many of the Group's long-term customer site contracts contain liquidated damages provisions in the event that it fails to meet the performance standards under its SLA. The Group's liquidated damages provisions generally require it to make a payment to the customer, most often by means of set-off against service fees payable by the customer, if the Group fails to uphold a specified level of uptime and service quality. For example, pursuant to site contracts with Tanzanian telecommunications operators, the Group paid US\$9.9 million in net liquidated damages (i.e. payments to customers net of amounts recouped from suppliers) as a result of the Group's failure to meet required levels of uptime in 2015.

Beginning in the third quarter of 2015, the Group implemented a Business Excellence Program focused on process improvements to avoid a recurrence of liquidated damage payments. As a result, the operational difficulties that led to the incurrence of liquidated damages prior to 2015 have been largely corrected, and, consequently, the Group has been able to reduce the amount of liquidated damages it incurs. The Group had US\$2.3 million, US\$0.8 million and US\$0.6 million in gross liquidated damages and US\$0.6 million,

US\$0.5 million and US\$0.4 million in net liquidated damages for the years ended 31 December 2016, 2017 and 2018, respectively. The Group had US\$0.1 million in gross liquidated damages for the six months ended 30 June 2018 and US\$16,733 for the six months ended 30 June 2019.

Contractual Rate Escalations to Mitigate the Volatility of Primary Cost Components

The Group typically includes contractual escalators in a majority its customer site contracts to mitigate against inflation risk and volatility in diesel prices and electricity prices. The service fees payable by the Group's customers under its MLAs are typically split into power and non-power service rate components. Although the Group remains exposed to inflation as well as diesel and electricity price volatility in certain instances, the Group has significantly reduced its exposure to the inherent volatility of these critical costs, which helps it better predict future cash flows.

The contractual escalators related to inflation are typically linked to the CPI in the countries in which the Group operates or that of the United States, depending on the underlying currency denomination of the fee, and typically are applied once per year based on the preceding 12-month period for the succeeding 12 months. In some cases, the increases are subject to a cap and/or a floor. As a result, the escalation of contracted rates is likely to increase the Group's revenue on an annual basis, but because rate escalations are made annually, the Group may be subject to shorter periods within a fiscal year when its underlying costs have increased in price but its contract rates have not adjusted upwards. As of 30 June 2019, 100 per cent. of the Group's MLAs contained CPI escalation provisions. For the year ended 31 December 2018, 61 per cent. of the Group's revenue was linked to CPI, comprising approximately 55 per cent., 64 per cent., 84 per cent. and 60 per cent. of revenue in Tanzania, DRC, Congo Brazzaville and Ghana, respectively. During the same period, approximately 54 per cent. of the Group's contractual expenses were linked to CPI. Consequently, revenues and expenses which the Group considers are linked to CPI contributed approximately 67 per cent. of the Group's Adjusted EBITDA for the year ended 31 December 2018.

The table below shows the average inflation rates for the periods indicated:

	Year ended 31 December			
	2016	2017	2018	2019 Estimates
U.S. CPI.....	1.3	2.1	2.4	2.0
Tanzania CPI.....	5.2	5.3	3.5	3.5
DRC CPI.....	18.2	41.5	29.3	8.4
Congo Brazzaville CPI.....	3.1	0.4	1.2	1.5
Ghana CPI.....	17.5	12.4	9.8	9.1
South Africa.....	6.3	5.3	4.6	5.0

Source: World Economic Outlook Database, 2019

Additionally, the Group utilises power escalation clauses in its customer site contracts to hedge increases in diesel and electricity prices by passing the costs associated with such increases through to customers. The contractual escalators related to diesel and electricity provide for quarterly or annual increases for the succeeding equivalent period in a corresponding amount to increases in the local unit prices for fuel and usage of the electrical grid. In some cases, the increases are subject to a cap. Because a significant portion of the Group's power escalation clauses adjust quarterly, the Group is less exposed to periods during which its diesel and electricity costs have increased locally without comparable contract rate increases. As of 30 June 2019, approximately 96 per cent. of the Group's site contracts contained power escalation provisions, with 55 per cent. and 45 per cent. escalated on a quarterly and annual basis, respectively.

Between 2016 and 2019, the Group's tenancy lease rate increased as a result of escalation provisions in the Group's MLAs as well as changes in country mix. Average tenancy lease rates increased from US\$25,100 for the year ended 31 December 2016 to US\$27,100 for the year ended 31 December 2017 and US\$26,800 for the year ended 31 December 2018. The last quarter annualised lease rate for the three months ended 30 June 2019 was US\$28,000, which the Group expects to decrease slightly to US\$27,500 for the year ending 31 December 2019. The average tenancy lease rates increased from US\$27,400 for the six months ended 30 June 2018 to US\$27,600 for the six months ended 30 June 2019.

Interest Costs

The Group's indebtedness has been a significant source of its funding for the acquisition of site portfolios and for build-to-suit construction. The Group's interest cost has therefore been a significant component of its

finance costs in each of the years ended 31 December 2016, 2017 and 2018, and for the six months ended 30 June 2018 and 2019, at US\$44.6 million, US\$71.6 million, US\$73.9 million, US\$36.9 million and US\$40.6 million, respectively, in relation to loans. In addition, interest costs on lease liabilities in each of the years ended 31 December 2016, 2017 and 2018, and for the six months ended 30 June 2018 and 2019, were US\$13.8 million, US\$15.0 million, US\$15.1 million, US\$6.5 million and US\$7.8 million. Prior to March 2017, much of the Group's indebtedness was subject to floating interest rates, which, together with increased outstanding principal indebtedness, caused the Group's interest expense to fluctuate with changes in interest rates. On 8 March 2017, HTA Group, Ltd, a wholly owned subsidiary of the Company, issued the Senior Notes, the proceeds of which were used, in part, to settle outstanding local secured term loan facilities, which reduced the Group's exposure to floating interest rates.

Currency Volatility and Foreign Exchange

The Group considers revenue to be U.S. dollar-based where (i) revenue is both denominated and paid in U.S. dollars or (ii) although revenue is denominated in U.S. dollars in the relevant contract, the amount of local currency due is determined by reference to the U.S. dollar amount invoiced and paid at the spot rate for the purchase of U.S. dollars with the applicable currency at the time of the invoice.

The Group's customer contracts in DRC are U.S. dollar-based and revenues in Tanzania, Congo Brazzaville and Ghana are partly U.S. dollar-based. However, especially in Ghana, the Group has contracts denominated and settled in local currency, exposing it to local currency exchange rate fluctuations. See Part II: "*Risk Factors — Risks Related to the Group and its Business — The currencies in the Relevant Jurisdictions are subject to volatility*".

For the year ended 31 December 2018, approximately 57 per cent. of the Group's revenue, 50 per cent. of the Group's expenses and 65 per cent. of the Group's Adjusted EBITDA were U.S. dollar-based or in currencies pegged to the euro, comprising 100 per cent. of the Group's revenues in DRC and 23 per cent., 26 per cent. and 19 per cent. in Tanzania, Congo Brazzaville and Ghana, respectively. The contractual escalators relating to inflation and diesel and electricity costs contained in most of the Group's customer site contracts largely offset local currency and fuel or electricity costs. Consequently, revenues and expenses which the Group considers to be U.S. dollar-based or in currencies pegged to the euro contributed approximately 65 per cent. of the Group's Adjusted EBITDA for the year ended 31 December 2018. For the six months ended 30 June 2019, 57 per cent. of the Group's revenue were U.S. dollar-based or in currencies pegged to the euro.

Factors Affecting Comparability of the Group's Results of Operations

The factors listed below and their impact on the Group's financial condition, results of operations and liquidity may affect the comparability of the periods presented in this Prospectus and may also impact the comparability of the Group's results of operations in future periods with historical results of operations.

Site Asset Portfolio Purchases

As part of its strategy, the Group seeks strategic purchases of existing site portfolios that meet the Group's internal criteria as they come to market. The Group has completed a number of these purchases during the periods discussed in this Prospectus. See "*— Factors Affecting the Group's Financial Condition and Results of Operations — Purchase of Site Portfolios*". The site portfolios that the Group purchases generally have at least one existing anchor tenant and thus provide the Group with immediate revenue and the opportunity to increase revenue and margins by generating colocations following the date of completion. Similarly, the Group's acquired portfolios result in increased cost of sales attributable to diesel costs, fuel costs, maintenance and security costs, and the increase to the Group's overall asset base results in larger depreciation charges in future periods. The Group's past and continued pursuit of site asset portfolio purchases may affect the comparability of results on a period-to-period basis for the historical results of operations included in this Prospectus and future periods with historical results of operations.

Airtel Ancillary Agreements

During the year ended 31 December 2016, the Group, through certain subsidiaries, executed two ancillary agreements with subsidiaries of Airtel related to the Group's site portfolio acquisition in DRC. First, the Company's DRC operating subsidiary entered into an agreement whereby Airtel DRC provided the Company a right of first refusal to construct all of its build-to-suit site requirements in DRC over the next five years in exchange for a US\$20 million payment. Second, the Group entered into a non-compete agreement with the Airtel Group in DRC and Congo Brazzaville, whereby Airtel agreed not to compete

with the Group in DRC or Congo Brazzaville for one year from the date of first closing of the Group's portfolio acquisition (7 July 2016) in consideration for which the Group issued shares with a fair value of US\$30 million. The Group recognised the right of first refusal and the non-compete agreement as intangible assets to be amortised on a straight-line basis over their useful lives, with such amortisation recorded as a component of administrative expenses.

Share Repurchase

Vodacom Tanzania Ltd., previously an NCI holder in Helios Towers Tanzania Ltd., had a right to exchange its shares in Helios Towers Tanzania Ltd. from 19 February 2014 to 31 December 2017 for shares in Helios Towers, Ltd. During the year ended 31 December 2017, Helios Towers, Ltd. purchased Vodacom Tanzania Plc's 24.06 per cent. shareholding in Helios Towers Tanzania Ltd. for US\$58.5 million. The Group recorded the fair value movements of the option within "other gains and losses" on the Group's consolidated statement of profit or loss and other comprehensive income, recording a loss of US\$6.7 million for the year ended 31 December 2016 and nil for the year ended 31 December 2017. Since the option expired in October 2017, it had no further impact for the year ended 31 December 2018 or the six months ended 30 June 2019.

Critical Accounting Policies

The Historical Financial Information included elsewhere in this Prospectus was prepared in accordance with IFRS. The preparation of the Historical Financial Information is in conformity with IFRS, which requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and in any future periods affected. For more details, see Notes 1 and 2 to the Historical Financial Information included in this Prospectus.

The following are the critical judgements that the Group has made in the process of applying its accounting policies and that have the most significant effect on the amounts recognised in the Historical Financial Information. The following also details certain changes in accounting policies. See also Note 2 to the Historical Financial Information included in this Prospectus.

Revenue Recognition

Revenue is recognised as service revenue in accordance with "IFRS 15: Revenue from contracts with customers". In arriving at this assessment, the Group concluded that there is not an embedded lease because its contracts permit it, subject to certain conditions, to relocate customer's equipment on its sites in order to accommodate other tenants and therefore, the contract does not provide the customers with the right to a specific location on the site.

Business Combinations

From time to time, the Group acquires a portfolio of sites, comprising the site infrastructure and other associated assets. The Group assesses each acquisition on the basis of its purchase agreement and the substance of the transaction to determine if it is considered to be a business combination in accordance with IFRS 3. To date, such portfolio acquisitions do not meet the definition of a business under IFRS 3 since they do not represent integrated sets of activities and assets that are capable of being conducted and managed independently, and consequently have been accounted for as an asset acquisition under IAS 16. Accordingly, no goodwill is recognised, and the costs incurred are capitalised as part of the costs of acquisition of the sites.

Key Sources of Estimation Uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty 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.

Impairment of Goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount being the value in use or fair value less costs of disposal of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the

cash-generating unit and a suitable discount rate in order to calculate present value. See Note 10 to Historical Financial Information.

The recoverable amount of each cash generating unit has been determined based on a value in use calculation using cash flow projections for the next ten years from financial budgets approved by senior management as this period matches the typical customer contract period for tower management.

Fair Value of Derivative Financial Instruments

Derivative financial instruments are held at fair value through profit and loss. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages a third-party qualified valuer to perform the valuation. The Group works closely with the qualified external valuer to establish the appropriate valuation techniques and inputs to the model. See Note 25 to the Historical Financial Information included in this Prospectus for information about the valuation techniques and inputs used in determining the fair value of the derivative financial instrument.

Providing for Doubtful Debts

The Group provides services to business customers on credit terms. Certain debts may not be recovered due to default of the Group's customers. The Group uses the IFRS 9 expected credit loss ("ECL") model to measure loss allowances at an amount equal to their lifetime expected credit loss. See Note 25 to the Historical Financial Information included in this Prospectus for further detail of the loss allowance calculation.

Contingent Consideration

Contingent consideration arises when settlement of all or part of the cost of a business combination is dependent on an unknown future outcome. It is stated at the fair value. The estimated value of contingent consideration has been treated as part of the cost of investment. At each balance sheet date, contingent consideration comprises the fair value of the expected contingent consideration valued at acquisition.

Depreciation

Depreciation is charged to profit or loss in proportion to the timing of the benefits derived from the related asset from the date that the fixed assets are available for use over their estimated useful lives.

Transition to New Accounting Standards

IFRS 9

In 2018, the Group transitioned to "IFRS 9: Financial Instruments". The transition provisions of IFRS 9 allow an entity not to restate comparatives. The Group adopted this modified retrospective approach on 1 January 2018. IFRS 9 introduced new requirements for (i) the classification and measurement of financial assets and financial liabilities; and (ii) impairment of financial assets. In relation to the impairment of financial assets, IFRS 9 requires an ECL model as opposed to an incurred credit loss model under IAS 39. The ECL model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised. Under IFRS 9, the Group is required to recognise a loss allowance for expected credit losses on (i) debt investments measured subsequently at amortised cost; and (ii) trade receivables. The adoption of IFRS 9 as of 1 January 2018 resulted in an increase in accumulated losses from US\$752.2 million to US\$756.0 million, which resulted from a change in the measurement attribute of the loss allowance relating to trade receivables. None of the reclassifications of financial assets have had any impact on the Group's financial position, profit or loss, other comprehensive income or total comprehensive income.

Certain Statement of Profit or Loss and Other Comprehensive Income

Revenue

The Group's revenue accrues substantially from fees received for the provision of space on its telecommunications sites and the provision of services to third parties.

Cost of Sales

The Group's cost of sales comprises electricity costs, diesel costs, insurance, maintenance and security costs, site and warehouse depreciation and other operating expenses.

Gross Profit

Gross profit comprises total revenue less cost of sales.

Administrative Expenses

Administrative expenses are costs not directly related to the provision of services to customers but which support the business as a whole. They consist of professional fees (including for audits), depreciation and amortisation (other than site and warehouse depreciation, which is a component of cost of sales), exceptional items, administrative staff costs (including wages and salaries) and other sundry costs.

Other Gains and Losses

Other gains and losses include insurance claims, other agreements with affiliates and losses resulting from changes in fair market values of the exchange rights held by Vodacom.

Loss on Disposal of Property, Plant and Equipment

Loss on disposal of property, plant and equipment consists of the sale, exchange, abandonment and involuntary termination of the Group's property, plant and equipment.

Finance Costs

Finance cost consists of interest expense and amortisation of deferred loan facility fees on loans, interest expense on lease liabilities and unrealised net foreign exchange losses arising from financing.

Results from Operations

For the six months ended 30 June 2018 and 2019

	Six months ended 30 June	
	2018	2019
	<i>(unaudited)</i>	
	<i>(US\$ in thousands)</i>	
Revenue.....	178,128	190,681
Cost of sales.....	(130,890)	(132,715)
Gross profit	47,238	57,966
Administrative expenses	(49,320)	(39,945)
Loss on disposal of property, plant and equipment.....	(6)	(5,367)
Operating loss	(2,088)	12,654
Interest receivable	464	713
Other gains and losses	(24,097)	24,276
Finance costs.....	(55,516)	(56,351)
Loss before tax.....	(81,237)	(18,708)
Tax expense.....	(2,113)	(3,783)
Loss for the period.....	(83,350)	(22,491)
Exchange differences on translation of foreign operations.....	(391)	1,224
Total comprehensive loss for the period.....	(83,741)	(21,267)
Adjusted EBITDA⁽¹⁾	85,939	98,974
Adjusted EBITDA margin	48.0%	52.0%

Note:

(1) Adjusted EBITDA is a Non-IFRS measure as defined in Part III: "Presentation of Information in the Group — Statistical and Non-IFRS measures".

Revenue

Revenue increased by 7.0 per cent. to US\$190.7 million for the six months ended 30 June 2019 from US\$178.1 million for the six months ended 30 June 2018. The increase in revenue during the six months

ended 30 June 2019 reflected an increase in total tenancies from 12,996 as of 30 June 2018 to 14,100 as of 30 June 2019.

The table below shows the Group's revenue, sites and tenancies by country during the six months ended 30 June 2018 and 2019:

	Tanzania		DRC		Congo Brazzaville		Ghana		South Africa	
	Six months ended 30 June									
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
	(US\$ in thousands)									
Revenue	74,296	80,500	70,130	77,753	12,181	12,334	21,521	19,668	—	426
Sites at beginning of period..	3,491	3,701	1,819	1,773	384	380	825	891	—	—
Sites at period end.....	3,508	3,650	1,771	1,817	384	381	870	933	—	101
Tenancies at beginning of period	7,392	7,848	3,347	3,492	525	529	1,723	1,680	—	—
Tenancies at period end.....	7,475	7,950	3,347	3,705	532	533	1,642	1,744	—	168

Revenue increased by US\$6.2 million, US\$7.6 million and US\$0.2 million in Tanzania, DRC and Congo Brazzaville, respectively, and decreased by US\$1.9 million in Ghana, for the six months ended 30 June 2019 compared to the six months ended 30 June 2018.

Tanzania

For the six months ended 30 June 2019, increased revenue in Tanzania was primarily attributable to an increase in total tenancies from 7,475 at 30 June 2018 to 7,950 at 30 June 2019.

DRC

For the six months ended 30 June 2019, increased revenue in DRC was primarily attributable to an increase in total tenancies from 3,347 at 30 June 2018 to 3,705 at 30 June 2019.

Congo Brazzaville

The increase in revenue in Congo Brazzaville for the six months ended 30 June 2019 compared to the six months ended 30 June 2018 was primarily attributable to the higher average number of tenancies for the six months ended 30 June 2019 compared to the six months ended 30 June 2018.

Ghana

The decrease in revenue in Ghana for the six months ended 30 June 2019 compared to the six months ended 30 June 2018 was a result of lower lease rates following a reduction in electricity costs, which was passed on to customers in accordance with the contractual escalation provisions. This was offset by an increase in total tenancies from 1,642 at 30 June 2018 to 1,744 at 30 June 2019.

Cost of Sales

Cost of sales increased by 1.4 per cent. to US\$132.7 million for the six months ended 30 June 2019 from US\$130.9 million for the six months ended 30 June 2018.

The table below shows an analysis of the Group's cost of sales and the Group's cost of sales as a percentage of revenue for the six months ended 30 June 2018 and 2019:

	Six months ended 30 June			
	2018	2019	2018	2019
	<i>(US\$ in thousands)</i>		<i>(%)</i>	
Power costs	42,843	41,415	24.1%	21.7%
Non-power costs ⁽¹⁾	26,214	26,765	14.7%	14.0%
Total site operating expense	69,057	68,180	38.8%	35.7%
Site and warehouse depreciation	61,833	64,535	34.7%	33.9%
Total cost of sales	130,890	132,715	73.5%	69.6%

Note:

(1) Non-power costs are related to maintenance, security and other costs.

The table below shows an analysis of cost of sales on a country-by-country for the six months ended 30 June 2018 and 2019:

	Tanzania		DRC		Congo Brazzaville		Ghana		South Africa	
	Six months ended 30 June									
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
	(US\$ in thousands)									
Power costs.....	15,522	14,920	19,959	20,744	1,481	1,570	5,881	4,129	—	52
Non-power costs.....	12,316	13,465	9,182	8,628	2,665	2,396	2,050	2,229	—	47
Total site operating expenses.....	27,838	28,385	29,141	29,372	4,146	3,966	7,931	6,358	—	99
Site and warehouse depreciation.....	26,775	27,354	25,643	28,019	5,756	5,235	3,660	3,825	—	102
Total cost of sales...	54,613	55,739	54,784	57,391	9,902	9,201	11,591	10,183	—	201

As reflected in the table above, the overall increase in cost of sales for the six months ended 30 June 2019 compared to the six months ended 30 June 2018 was primarily due to higher site and warehouse depreciation costs due to site additions in Tanzania, partially offset by lower power costs following operational improvements.

Power costs

Power costs mostly comprise diesel and electricity costs. The Group's power costs decreased by 3.3 per cent. for the six months ended 30 June 2019 compared to the six months ended 30 June 2018 primarily due to operational improvements.

Non-power costs

Non-power costs relate to maintenance and security costs, insurance and other costs. Non-power costs increased by 2.1 per cent. for the six months ended 30 June 2019 compared to the six months ended 30 June 2018.

The increase in non-power costs over the six months ended 30 June 2019 compared to the six months 30 June 2018 was primarily driven by an increase in the number of sites.

Administrative Expenses

Administrative expenses decreased by 19.0 per cent. to US\$39.9 million for the six months ended 30 June 2019 compared to US\$49.3 million for the six months ended 30 June 2018.

The table below shows an analysis of the Group's administrative expenses and the Group's administrative expenses as a percentage of revenue for the six months ended 30 June 2019 and 2018:

	Six months ended 30 June			
	2018	2019	2018	2019
	<i>(US\$ in thousands)</i>		<i>(%)</i>	
Other administrative costs	24,609	23,501	13.8%	12.2%
Depreciation and amortisation.....	6,106	9,279	3.4%	4.9%
Exceptional items.....	18,605	7,165	10.4%	3.8%
Total administrative expenses.....	49,320	39,945	27.6%	20.8%

As reflected in the table above, the largest component of administrative expenses throughout the periods under review was other administrative costs, which primarily comprises costs relating to the Group's selling, marketing, finance and corporate functions, as well as costs associated with supporting the Group's property and IT infrastructure, and other general overheads.

For the six months ended 30 June 2019, other administrative costs decreased by 4.5 per cent. compared to the six months ended 30 June 2018 due to lower staff costs and office expenses.

Loss on Disposal of Property, Plant and Equipment

Loss on disposal of property, plant and equipment increased by 893.5 per cent. to US\$5.4 million for the six months ended 30 June 2019. The loss on disposal of property, plant and equipment increased during this period primarily as a result of the disposal of assets in the six months ended 30 June 2019, mainly due to site consolidations in DRC and Tanzania.

Other Gains and Losses

The Group recognised a gain of US\$24.3 million for the six months ended 30 June 2019 and a loss of US\$24.1 million for the six months ended 30 June 2018. The primary reason for the gain in the six months ended 30 June 2019 was the positive fair value movement of the embedded derivative valuation of the Senior Notes. The primary reason for the loss in the six months ended 30 June 2018 was a loss on embedded derivative valuation of the Senior Notes.

Finance Costs

Finance costs increased by 1.4 per cent. to US\$56.3 million in the six months ended 30 June 2019.

The table below shows an analysis of finance costs for the six months ended 30 June 2019 and 2018:

	Six months ended 30 June	
	2018	2019
	<i>(US\$ in thousands)</i>	
Foreign exchange difference.....	12,182	7,955
Interest costs.....	36,884	40,617
Interest cost on lease liabilities.....	6,450	7,779
Deferred loan cost amortisation.....	—	—
Total finance costs	<u>55,516</u>	<u>56,351</u>

As reflected in the table above, the increase in finance costs between the six months ended 30 June 2019 compared to the six months ended 30 June 2018 was primarily the result of an increase in overall interest costs, offset by foreign exchange differences related to the Ghanaian cedi and Tanzanian shilling.

Tax Expense

The Group's tax expense was US\$2.1 million and US\$3.8 million for the six months ended 30 June 2018 and 2019, respectively. The Group's tax expense during each period was primarily due to revenue based minimum corporation tax payments required in Tanzania, DRC and Congo Brazzaville where companies are in a tax loss position.

Loss for the Period

The Group had a loss for the period of US\$83.4 million and US\$22.5 million for the six months ended 30 June 2018 and 2019, respectively.

Adjusted EBITDA

Adjusted EBITDA was US\$99.0 million for the six months ended 30 June 2019 compared to US\$85.9 million for the six months ended 30 June 2018 for the reasons discussed above. Adjusted EBITDA margin was 48 per cent. and 52 per cent. for the six months ended 30 June 2018 and 2019, respectively.

For the years ended 31 December 2016, 2017 and 2018

	Year ended 31 December		
	2016	2017	2018
	<i>(US\$ in thousands)</i>		
Revenue.....	282,507	344,957	356,049
Cost of sales.....	(235,867)	(275,651)	(255,848)
Gross profit	46,640	69,306	100,201
Administrative expenses	(77,741)	(91,261)	(91,059)
Loss on disposal of property, plant and equipment.....	(3,761)	(2,018)	(5,835)
Operating loss	(34,862)	(23,973)	3,307
Interest receivable	216	706	951
Other gains and losses.....	(6,682)	21,797	(16,831)
Finance costs.....	(73,268)	(102,757)	(107,005)
Loss before tax	(114,596)	(104,227)	(119,578)
Tax expense	(1,514)	(3,207)	(4,369)
Loss for the period	(116,110)	(107,434)	(123,947)
Exchange differences on translation of foreign operations.....	(3,603)	(1,384)	(2,214)
Total comprehensive loss for the period	(119,713)	(108,818)	(126,161)
Adjusted EBITDA⁽¹⁾	105,161	145,962	177,603
Adjusted EBITDA margin.....	37.2%	42.3%	49.9%

Note:

(1) Adjusted EBITDA is a Non-IFRS measure as defined in Part III: "Presentation of Information in the Group — Statistical and Non-IFRS measures".

Revenue

Revenue increased by 3.2 per cent. to US\$356.0 million for the year ended 31 December 2018 from US\$345.0 million for the year ended 31 December 2017, and increased 22.1 per cent. in 2017 from US\$282.5 million for the year ended 31 December 2016.

The increase in revenue during the year ended 31 December 2018 reflected the increase in total online sites from 6,519 sites at 31 December 2017 to 6,745 sites at 31 December 2018. The Group generated US\$4 million of additional revenue from new colocations and colocation amendments and US\$4 million of revenue from build-to-suit sites for the year ended 31 December 2018. Price changes contributed a further US\$4 million for an aggregate organic revenue growth during the period of US\$12 million; however, these gains were slightly offset by a US\$1 million reduction in revenue from the consolidation of Airtel and Tigo. The increase in revenue during the year ended 31 December 2017 reflected the increase in total online sites from 6,477 sites at 31 December 2016 to 6,519 sites at 31 December 2017 and an increase in total tenancies from 12,509 tenancies at 31 December 2016 to 12,987 tenancies at 31 December 2017, together with an increase in the tenancy ratio from 1.93x to 1.99x. Additional revenue from new colocations and colocation amendments amounted to US\$23.0 million for the year ended 31 December 2017 while revenue from build-to-suit sites amounted to US\$7 million, equating to organic revenue growth of US\$34 million over the period. The increase in revenue was also attributable to the full year contribution to revenue of US\$28.5 million from the portfolio purchases made from subsidiaries of Airtel in Congo Brazzaville and DRC, which initially closed in July 2016 and were fully integrated into the Group's site portfolio by the beginning of 2017.

The table below shows the Group's revenue, sites and tenancies by country during the years ended 31 December 2016, 2017 and 2018:

	Tanzania			DRC			Congo Brazzaville			Ghana		
	Year ended 31 December											
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
	(US\$ in thousands)											
Revenue	122,301	141,230	149,909	102,171	140,156	140,881	23,642	23,427	24,292	34,393	40,144	40,967
Sites at beginning of period	3,428	3,465	3,491	814	1,832	1,819	393	394	384	789	786	825
Sites at period end.....	3,465	3,491	3,701	1,832	1,819	1,773	394	384	380	786	825	891
Tenancies at beginning of period	6,389	7,163	7,392	1,643	3,179	3,347	512	529	525	1,464	1,638	1,723
Tenancies at period end...	7,163	7,392	7,848	3,179	3,347	3,492	529	525	529	1,638	1,723	1,680

Revenue increased by US\$8.7 million, US\$0.73 million, US\$0.82 million and US\$0.87 million in Tanzania, DRC, Ghana and Congo Brazzaville, respectively, for the year ended 31 December 2018 compared to the year ended 31 December 2017. Revenue increased by US\$18.9 million, US\$38.0 million and US\$5.8 million in Tanzania, DRC and Ghana, respectively, and decreased by US\$0.2 million in Congo Brazzaville for the year ended 31 December 2017 compared to the year ended 31 December 2016.

Tanzania

For the year ended 31 December 2018, increased revenue in Tanzania was primarily attributable to an increase in total tenancies from 7,392 at 31 December 2017 to 7,848 at 31 December 2018. For the year ended 31 December 2017, increased revenue in Tanzania was primarily attributable to an increase in total tenancies from 7,163 at 31 December 2016 to 7,392 at 31 December 2017, a small increase in the number of sites from 3,465 at 31 December 2016 to 3,491 at 31 December 2017, and an increasing number of colocations.

DRC

For the year ended 31 December 2018, increased revenue in DRC was primarily attributable to an increase in total tenancies from 3,347 at 31 December 2017 to 3,492 at 31 December 2018. The increase was offset in part by a decrease in the number of online sites from 1,819 at 31 December 2017 to 1,773 at 31 December 2018. For the year ended 31 December 2017, increased revenue in DRC resulted primarily from the full-year contribution to revenue of the site portfolio purchases made from subsidiaries of Airtel in DRC, which contributed additional rent and power charges for equipment. The acquisition initially closed in July 2016 and was fully integrated into the Group's site portfolio by the beginning of 2017.

Congo Brazzaville

Revenue in Congo Brazzaville for the year ended 31 December 2018 increased marginally compared to the year ended 31 December 2017 as a result of an increase in total tenancies from 525 at 31 December 2017 to 529 at 31 December 2018 being offset by a decrease in number of sites from 384 at 31 December 2017 to 380 at 31 December 2018. Revenue in Congo Brazzaville for the year ended 31 December 2017 decreased marginally compared to the year ended 31 December 2016 as a result of an increase in bonuses the Group received for exceeding its target service levels under the terms of its SLAs for the year ended 31 December 2016.

Ghana

The slight increase in revenue in Ghana for the year ended 31 December 2018 over the year ended 31 December 2017 was a result of an increase in total online sites from 825 at 31 December 2017 to 891 at 31 December 2018. This was offset in part by a decrease in total tenancies from 1,723 at 31 December 2017 to 1,680 at 31 December 2018. The increase in revenue in Ghana for the year ended 31 December 2017 over the year ended 31 December 2016 was a result of an increase in total tenancies from 1,638 at 31 December 2016 to 1,723 at 31 December 2017 and an increase in the tenancy ratio from 2.08x at 31 December 2016 to 2.09x at 31 December 2017.

Cost of Sales

Cost of sales decreased by 7.2 per cent. to US\$255.8 million for the year ended 31 December 2018 and increased by 16.9 per cent. to US\$275.7 million for the year ended 31 December 2017 from US\$235.9 million for the year ended 31 December 2016.

The table below shows an analysis of the Group's cost of sales and the Group's cost of sales as a percentage of revenue for the years ended 31 December 2016, 2017, 2018:

	Year ended 31 December					
	2016	2017	2018	2016	2017	2018
	(US\$ in thousands)			(%)		
Power costs.....	81,802	93,756	81,886	29.0%	27.2%	23.0%
Non-power costs ⁽¹⁾	50,289	58,679	49,870	17.8%	17.0%	14.0%
Total site operating expense.....	132,091	152,435	131,756	46.8%	44.2%	37.0%
Site and warehouse depreciation.....	103,776	123,216	124,092	36.7%	35.7%	34.9%
Total cost of sales.....	235,867	275,651	255,848	83.5%	79.9%	71.9%

Note:

(1) Non-power costs are related to maintenance, security and other costs.

The table below shows an analysis of the Group's cost of sales on a country-by-country basis for the years ended 31 December 2016, 2017 and 2018:

	Tanzania			DRC			Congo Brazzaville			Ghana		
	Year ended 31 December											
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
	(US\$ in thousands)											
Power costs.....	33,551	35,413	29,128	30,818	42,330	39,315	3,229	2,722	2,998	14,204	13,291	10,445
Non-power costs.....	24,628	27,415	23,491	15,702	20,459	17,658	5,755	6,365	5,083	4,204	4,440	3,638
Total site operating expenses	58,179	62,828	52,619	46,520	62,789	56,973	8,984	9,087	8,081	18,408	17,731	14,083
Site and warehouse depreciation.....	48,933	55,681	54,788	38,593	48,634	50,156	9,936	11,301	11,332	6,314	7,600	7,816
Total cost of sales.....	107,112	118,509	107,407	85,113	111,423	107,129	18,920	20,388	19,413	24,722	25,331	21,899

The decrease of US\$19.8 million in cost of sales for the year ended 31 December 2018 compared to the year ended 31 December 2017 was primarily due to the decreased power and non-power costs discussed below. The overall increase in cost of sales for the year ended 31 December 2017 compared to the year ended 31 December 2016 was primarily due to the increased costs associated with operating an increased number of sites each year, most prominently an increase in power costs and increased costs related to depreciation of the Group's sites, mainly in DRC due to the purchase of approximately 961 sites from a subsidiary of Airtel in DRC in July 2016. Operating expenses per site increased because sites in DRC generally have higher operating expenses that are primarily driven by higher fuel consumption due to lower grid availability and higher logistics and transportation costs. Site and warehouse depreciation increased by 18.9 per cent. for the year ended 31 December 2017, and 43.7 per cent. for the year ended 31 December 2016, primarily as a result of the expansion of the Group's asset base as a result of the Airtel transaction.

Power costs

Power costs for the three years ended 31 December 2018, 2017 and 2016 have made up over half of the Group's operating expenses. The Group's power costs decreased by 12.7 per cent. for the year ended 31 December 2018 compared to the year ended 31 December 2017.

The decrease in diesel costs for the year ended 31 December 2018 primarily reflected the Group's operational improvements, as shown by lower power expenses in Tanzania, DRC and Ghana, partly offset by power expenses that slightly increased in Congo Brazzaville from 2017.

The increase in diesel costs of US\$10.6 million for the year ended 31 December 2017 was in line with the increase in the Group's total site numbers during the periods under review, increasing by 14.6 per cent. for the year ended 31 December 2017 compared to the year ended 31 December 2016.

The increases in diesel costs for the year ended 31 December 2016 primarily consisted of increases of US\$15.0 million in DRC reflecting increased consumption as a result of the expansion of the site portfolio after the Airtel transaction and decreased reliance on the electrical grid. The decrease in diesel costs in Ghana between the years ended 31 December 2016 and 2017 was attributable to better grid availability and increased deployment of power management solutions by the Group there. Electricity costs remained relatively flat between the years despite an increase in the number of sites across the Group, with a significant portion of the increase in cost attributable to local electricity price increases mitigated through the Group's power contract escalation provisions.

Non-power costs

Non-power costs decreased by 15.0 per cent. for the year ended 31 December 2018 compared to the year ended 31 December 2017 and increased by 16.7 per cent. for the year ended 31 December 2017 compared to the year ended 31 December 2016. The decrease in non-power costs for the year ended 31 December 2018 compared to the prior year, was primarily a result of the Group's operational improvements.

Administrative Expenses

Administrative expenses decreased by 0.3 per cent. to US\$91.1 million for the year ended 31 December 2018 and increased by 17.4 per cent. to US\$91.3 million for the year ended 31 December 2017 compared to US\$77.7 million for the year ended 31 December 2016.

The table below shows an analysis of the Group's administrative expenses and the Group's administrative expenses as a percentage of revenue for the years ended 31 December 2016, 2017 and 2018:

	Year ended 31 December					
	2016	2017	2018	2016	2017	2018
	(US\$ in thousands)			(%)		
Other administrative costs	46,330	47,859	48,989	16.4%	13.9%	13.8%
Depreciation and amortisation.....	25,679	25,621	17,236	9.1%	7.4%	4.8%
Exceptional items.....	5,732	17,781	24,834	2.0%	5.2%	7.0%
Total administrative expenses.....	77,741	91,261	91,059	27.5%	26.5%	25.6%

As reflected in the table above, the largest component of administrative expenses throughout the periods under review was other administrative costs, which comprises administrative staff and other costs relating to the Group's selling, marketing, finance and corporate functions, as well as costs associated with supporting the Group's property and IT infrastructure, and other general overheads.

For the year ended 31 December 2018, other administrative costs increased by US\$1.1 million compared to the prior year, remaining relatively stable as a percentage of revenue. The decrease in depreciation and amortisation to US\$17.2 million is the result of the non-compete agreement intangible right with Airtel, which had a fair value at initial recognition of US\$30 million, and was fully amortised between May 2016 and July 2017. This decrease was offset by an increase in exceptional items, from US\$17.8 million for the year ended 31 December 2017 to US\$24.8 million for the year ended 31 December 2018, which is mainly in relation to the exploration of strategic options for the Group, including, but not limited to, a potential London Stock Exchange listing.

For the year ended 31 December 2017, other administrative costs were broadly in line with those of the year before, representing a favourable decrease as a percentage of revenue from 17.2 per cent. for the year ended 31 December 2016 to 14.3 per cent. for the year ended 31 December 2017. The depreciation and amortisation charge of US\$25.6 million for the year ended 31 December 2017 was US\$0.9 million higher than the previous year and amounted to 7.4 per cent. of revenue compared to 8.7 per cent. previously. The largest increase in administrative expense was due to increases in exceptional items of US\$12.0 million, which mostly comprised exceptional project costs in relation to the exploration of strategic options for the Group including, but not limited to, the listing on the London Stock Exchange.

Loss on Disposal of Property, Plant and Equipment

Loss on disposal of property, plant and equipment increased by 190.0 per cent. to US\$5.8 million for the year ended 31 December 2018 from US\$2.0 million for the year ended 31 December 2017 after decreasing by 46.3 per cent. from US\$3.8 million for the year ended 31 December 2016. The loss on disposal of property, plant and equipment of US\$5.8 million for the year ended 31 December 2018 was primarily a result of site upgrades that necessitated the replacement of older parts and equipment in DRC.

Other Gains and Losses

The Group recognised a loss of US\$16.8 million for the year ended 31 December 2018, compared to a gain of US\$21.8 million for the year ended 31 December 2017, and compared to a loss of US\$6.7 million for the year ended 31 December 2016. The primary reason for the loss of US\$16.8 million for the year ended 31 December 2018 was the decrease in the fair value of the embedded derivative valuation related to the Senior Notes. The primary reason for the gain in the year ended 31 December 2017 was a gain on the embedded value of the Senior Notes. The other loss during the year ended 31 December 2016 represented a charge to the Group's consolidated statement of profit or loss and other comprehensive income as a result of Vodacom Tanzania's put option to exchange its shares in Helios Towers Tanzania for shares in the Company, which expired on the closing of the Vodacom Tanzania Plc share repurchase in October 2017.

Finance Costs

Finance costs increased by 4.1 per cent. to US\$107.0 million for the year ended 31 December 2018 and increased by 40.2 per cent. to US\$102.8 million for the year ended 31 December 2017 from US\$73.3 million for the year ended 31 December 2016.

The table below shows an analysis of finance costs for the years ended 31 December 2016, 2017 and 2018:

	Year ended 31 December		
	2016	2017	2018
	(US\$ in thousands)		
Foreign exchange difference.....	9,796	3,229	18,029
Interest costs	44,645	71,608	73,856
Interest cost on lease liabilities.....	13,812	14,991	15,120
Deferred loan cost amortisation.....	5,015	12,929	—
Total finance costs.....	73,268	102,757	107,005

The increase in finance costs for the year ended 31 December 2018 compared to the year ended 31 December 2017 was primarily the result of interest for the Senior Notes and the foreign exchange differences, driven by the Tanzanian shilling. These increases were partly offset by a decrease in relation to deferred amortisation costs.

The increase in finance costs for the year ended 31 December 2017 over the year ended 31 December 2016 was primarily the result of interest for the Senior Notes, accruing from March 2017. This increase was partially offset by a decrease in foreign exchange difference from US\$9.8 million during the year ended 31 December 2016 to US\$3.2 million during the year ended 31 December 2017. This primarily related to the Tanzanian shilling, which depreciated against the U.S. dollar by 5.0 per cent. during the year ended 31 December 2016 while the Tanzanian shilling was broadly stable depreciating by 2.0 per cent. during the year ended 31 December 2017. The decrease for the year ended 31 December 2017 was also due to the appreciation of the Central African franc, which is pegged to the euro.

Tax Expense

The Group's tax expense was US\$4.4 million in the year ended 31 December 2018 as compared to US\$3.2 million in the year ended 31 December 2017 and US\$1.5 million in the year ended 31 December 2016. The Group's tax expense during each period was primarily due to revenue-based minimum corporation tax payments required in Tanzania, DRC and Congo Brazzaville where companies are in a tax loss position.

Loss for the Year

The Group had a loss for the year of US\$116.1 million, US\$107.4 million, and US\$123.9 million for the years ended 31 December 2016, 2017 and 2018, respectively.

Adjusted EBITDA

Adjusted EBITDA was US\$177.6 million for the year ended 31 December 2018 compared to US\$146.0 million for the year ended 31 December 2017 and US\$105.6 million for the year ended 31 December 2016. Adjusted EBITDA margin was 37.2 per cent., 42.3 per cent. and 49.9 per cent. for the years ended 31 December 2016, 2017 and 2018, respectively.

The Group attributes all of the US\$32 million in Adjusted EBITDA growth for the year ended 31 December 2018 compared to the year ended 31 December 2017 to organic growth. The Group estimates that US\$31 million of the US\$41 million increase in Adjusted EBITDA for the year ended 31 December 2017 compared to the year ended 31 December 2016 was attributable to organic growth, while the remainder was attributable to site asset purchases.

Contracted Revenue

The following tables provide the Group's total contracted revenue by country under agreements with the Group's customers as of 30 June 2019 for the six months ending 31 December 2019 and each of the years ending 2020 to 2023, with local currency amounts converted at the applicable average rate for U.S. dollars on 30 June 2019 held constant. The Group's contracted revenue calculation for each period presented assumes: (i) no escalation in fee rates, (ii) no increases in sites or tenancies other than the Group's committed colocations (contractual commitments relating to prospective colocation tenancies with customers), (iii) the Group's customers do not utilise any cancellation allowances set forth in their MLAs and (iv) the Group's customers do not terminate MLAs early for any reason. The Group's contracted revenues also do not provide for customers renewing their contracts. As customers renew contracts, the Group accounts for more contracted revenues.

	Six months ending 31 December	Year ending 31 December			
	2019	2020	2021	2022	2023
	<i>(US\$ in thousands)</i>				
Tanzania	81,723	161,037	160,670	157,825	151,132
DRC	80,016	162,701	162,649	160,811	159,858
Congo Brazzaville	12,004	22,475	17,159	16,858	16,716
Ghana	19,541	37,842	35,844	31,609	30,172
South Africa	916	1,833	1,833	2,251	2,399
Total	194,200	385,888	378,155	369,354	360,277

	Total Contracted Revenues	Percentage of Total Contracted Revenues
	<i>(US\$ in thousands)</i>	<i>(%)</i>
Five largest MNOs in Sub-Saharan Africa		
Vodacom ⁽¹⁾	699.5	23
Airtel	616.3	21
Tigo	564.9	19
MTN	84.9	3
Orange	477.1	16
Total (including committed colocations)	2,442.8	82
Other ⁽²⁾	552.0	18
Total	2,994.8	100

Notes:

(1) Includes Vodafone contracted revenue in Ghana.

(2) Other includes Viettel, Africell, Smile, Simbanet, Orioncom, TTCL, Zantel and 24 other operators.

Liquidity and Capital Resources

The Group manages its financing structure and cash flow requirements based on the Group's overall strategy and objectives, deploying financial and other resources related to those objectives. The Group manages liquidity risk by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Funding decisions are made based upon a number of internal and external factors, including required amounts and the timing of outflows, the internal and external availability of funds, the costs of financing and other strategic objectives.

The Group's primary sources of liquidity have historically been cash from operations, loans under its debt facilities and equity issuances. The Group typically seeks to finance the costs of developing and expanding its business mainly at the operating level on a country-by-country basis.

Selected Consolidated Statement of Cash Flows Information

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				(unaudited)	
				(US\$ in thousands)	
Net cash generated by operating activities	25,304	57,572	60,943	16,199	6,110
Net cash used in investing activities.....	(295,847)	(169,615)	(105,069)	(57,865)	(52,319)
Net cash generated from financing activities.....	316,739	97,870	14,578	(3,673)	47,384
Net increase/(decrease) in cash and cash equivalents.....	46,196	(14,173)	(29,548)	(45,339)	1,175
Cash and cash equivalents, at beginning of period.....	88,290	133,737	119,700	119,700	88,987
Foreign exchange on translation	(749)	136	(1,165)	(404)	(397)
Cash and cash equivalents, at period end.....	133,737	119,700	88,987	73,957	89,765

Net Cash Generated by Operating Activities

Net cash generated from operating activities consists of cash received from the Group's customers, payments to suppliers, payments to employees and cash inflows and outflows that reflect receipts and payments of interest and tax.

Net cash generated by operating activities was US\$6.1 million for the six months ended 30 June 2019 and US\$16.2 million for the six months ended 30 June 2018. Net cash generated by operating activities was US\$60.9 million for the year ended 31 December 2018, US\$57.6 million for the year ended 31 December 2017 and US\$25.3 million for year ended 31 December 2016.

For the six months ended 30 June 2019, net cash generated by operating activities was primarily driven by an improvement in operating profit, partially offset by the movement in net working capital. For the six months ended 30 June 2018, net cash generated by operating activities was primarily driven by an improvement in operating profit. Net cash generated by operating activities for the year ended 31 December 2018 was primarily driven by an improvement in operating profit and lower cash outflows as a result of working capital changes, offset in part by an increase in exceptional costs. Net cash generated from operating activities for the years ended 31 December 2017 and 31 December 2016 was primarily the result of an improvement in operating loss and lower cash outflows as a result of working capital changes, offset by an increase in interest paid, between the years.

Net Cash Used in Investing Activities

Net cash used in investing activities consists primarily of the Group's additions of sites and other site assets including telecommunications sites, the acquisition of and investment in the share capital of the Group's subsidiaries and the Group's acquisition of land.

Net cash used in investing activities was US\$57.9 million and US\$52.3 million for the six months ended 30 June 2018 and 30 June 2019, respectively. Net cash used in investing activities was US\$105.1 million for the year ended 31 December 2018, US\$169.6 million for the year ended 31 December 2017 and US\$295.8 million for the year ended 31 December 2016.

The decrease in net cash used in investing activities for the six months ended 30 June 2019 was primarily the result of a decrease in payments to acquire property, plant and equipment, which was partially offset by

increased acquisition payments in respect of the HTSA Towers (Pty) Ltd transaction. The decrease in net cash used in investing activities in the year ended 31 December 2018 was primarily the result of a lower volume property, plant and equipment purchasing during the year. The decrease in net cash used in investing activities in the year ended 31 December 2017 was primarily the result of a lower volume of site portfolio purchase activity as compared to the previous year when the Group acquired sites from Airtel in DRC.

Net Cash Generated From Financing Activities

Net cash generated from financing activities consists primarily of the proceeds of equity issuances and loans and the issuance costs related thereto.

Net cash used in financing activities was US\$3.7 million for the six months ended 30 June 2018 and net cash generated in financing activities was US\$47.4 million for the six months ended 30 June 2019. Net cash generated from financing activities was US\$316.7 million, US\$97.9 million and US\$14.6 million for the years ended 31 December 2016, 2017 and 2018, respectively.

Financing activities for the six months ended 30 June 2019 relate to a term loan draw down of US\$50 million in 2019, partly offset by a US\$2.6 million repayment of lease liabilities. Financing activities for the six months ended 30 June 2018 relate to the repayment of lease liabilities of US\$3.7 million. Financing activities for the year ended 31 December 2018 related to loan drawdowns of US\$25 million during the year, partly offset by a US\$10.4 million repayment of lease liabilities. Financing activities for the year ended 31 December 2017 related to the cash inflow from the issue of the Senior Notes, which was used to repay existing loans and finance the buy-back Vodacom's interest in a subsidiary entity. For the year ended 31 December 2016, the primary elements of cash generated from financing activities related to proceeds from issue of equity capital of US\$184.3 million and loan drawdowns under the Group's secured term loan facilities of US\$173.6 million.

Capital Expenditure

The Group incurs capital expenditure in connection with its portfolio acquisition activity and build-to-suit construction activity. The cost of constructing a site is principally comprised of steel for the tower, site construction activities (including transportation and labour and, to a lesser extent, licences), community approvals and shelter construction. Growth capital expenditure relates to (i) the construction of build-to-suit sites; (ii) the installation of colocation tenants and (iii) investments in power management solutions. The Group's upgrade capital expenditure comprises structural, refurbishment and consolidation activities carried out on selected acquired sites to make them suitable to take on additional tenants. Acquisition capital expenditure relates to site purchases. Maintenance capital expenditure consists of periodic refurbishments and the replacement of parts and equipment to keep the Group's sites in service. The Group also incurs corporate capital expenditure, primarily for furniture, fixtures and equipment. Historically, the Group has funded its capital expenditure through a combination of cash from operations, debt financing under its secured loan facilities and debt and equity issuances.

The Group's growth capital expenditure for a new build-to-suit site generally ranges from US\$100,000 to US\$150,000 per tower and approximately US\$125,000 on average. The capital expenditure required to colocate a tenant generally ranges from US\$7,000 to US\$11,000 and approximately US\$10,000 on average. The Group's maintenance capital expenditure generally ranges from US\$2,000 to US\$3,000 per tower per year. The Group's total maintenance and corporate capital expenditure per year generally ranges from US\$20 million to US\$25 million.

The following table shows the Group's capital expenditure incurred by category during the periods presented:

	Year ended 31 December						Six months ended 30 June			
	2016	% of Total Capex	2017	% of Total Capex	2018	% of Total Capex	2018	% of Total Capex	2019	% of Total Capex
<i>(US\$ in millions, except %)</i>										
Acquisition capital expenditure.....	164.5	58.6%	18.7	11.0%	2.2	1.9%	2.0	2.8%	12.8	23.1%
Growth expenditure.....	56.7	20.2%	77.8	45%	78.1	65.6%	36.3	51.5%	27.1	49.1%
Upgrade capital expenditure..	26.8	9.5%	52.0	30.4%	22.3	18.7%	21.4	30.4%	7.6	13.7%
Maintenance capital expenditure.....	29.6	10.6%	19.8	11.6%	13.0	10.9%	9.6	13.6%	6.9	12.5%
Corporate capital expenditure	3.2	1.1%	2.4	1.4%	3.4	2.9%	1.2	1.7%	0.9	1.6%
Total.....	280.8	100.0%	170.7	100.0%	119.0	100.0%	70.5	100.0%	55.3	100.0%

Capital expenditure decreased to US\$55.3 million for the six months ended 30 June 2019, compared to US\$70.5 million for the six months ended 30 June 2018. This decrease primarily reflected a decrease in growth, upgrade and maintenance capital expenditure following advance orders for the rest of the year made in the first half of 2018.

Capital expenditure decreased to US\$119.0 million for the year ended 31 December 2018, compared to US\$170.7 million for the year ended 31 December 2017. This decrease primarily reflected a reduction in the Group's acquisition, upgrade and maintenance capital expenditure, which was primarily due to fewer site acquisitions during the year, lower investment in upgrading acquired sites as well as fewer periodic refurbishments and replacement of parts and equipment. Acquisition capital expenditure for the year ended 31 December 2017 also reflected the Group's acquisition of 101 sites following the announcement of the Zantel transaction in July 2017.

Capital expenditure decreased to US\$170.7 million for the year ended 31 December 2017, compared to US\$280.8 million for the year ended 31 December 2016. This decrease primarily reflected a reduction in the Group's acquisition capital expenditure, which was higher in 2016 as a result of the acquisition of Airtel sites in DRC, followed by a lower level of sites acquired during 2017. This decrease also reflected lower maintenance capital expenditure, which was primarily due to fewer periodic refurbishments and replacement of parts and equipment. The decreased capital expenditure was offset in part by increases in growth and upgrade capital expenditure, reflecting build-to-suit, continued power-saving investment, tower strengthening and upgrade programme and the continued roll-out of colocation tenants.

Following the announcement of the Zantel transaction in July 2017, the Group completed the acquisition of 101 sites that year. Most of the Group's acquisition capital expenditure during the year ended 31 December 2017 related to this transaction. Acquisition capital expenditure during the year ended 31 December 2016 was due to continued investment in the Group's site portfolio, a site strengthening and upgrade programme and the continued rollout of colocation tenants. Maintenance capital expenditure decreased in the year ended 31 December 2017.

The Group currently expects to incur capital expenditure of approximately US\$130 million in the year ending 31 December 2019, which is expected to consist of approximately US\$20 million to US\$25 million of maintenance and corporate capital expenditure, approximately US\$20 million of acquisition capital expenditure and approximately US\$20 million of upgrade capital expenditure. On a geographic basis, the Group expects to incur US\$100 million of capital expenditure in total in its operations in Tanzania, DRC, Ghana and Congo Brazzaville and US\$30 million of capital expenditure in South Africa. The Group expects upgrade capital expenditure to remain at approximately US\$20 million in 2020.

The Group expects to incur capital expenditure of approximately US\$80 million to US\$90 million per year over the medium-term, with maintenance and corporate capital expenditure expected to remain stable, rising to approximately US\$45 million to US\$50 million in the long-term with maintenance and corporate capital expenditure in line with long-term depreciation of US\$45 million plus a small amount of growth capital expenditure, upgrade capital expenditure and acquisition capital expenditure.

The Group continuously evaluates portfolios available for purchase that it finds to be attractive candidates for acquisition. To the extent that the Group finds a suitable opportunity, it has the flexibility to increase its

capital expenditure which it would expect to fund with a combination of cash on hand, loans under its existing debt facilities, or debt or equity issuances.

As the Group incurs capital expenditure to acquire, build or upgrade its site portfolios, the Group's depreciation charges have increased during the periods under review as a result of an increased asset base. The Group expects its depreciation levels to decrease following higher levels during the past three years as a result of depreciation relating to past site asset purchases.

Off-Balance Sheet Arrangements

The Group does not have any off-balance sheet arrangements.

Indebtedness

As of 30 June 2019, the Group's outstanding loans and lease liabilities were US\$805.5 million. For more details, see Note 19 to the Historical Financial Information included in this Prospectus.

Contractual Obligations

As of 30 June 2019, the Group's contractual obligations were as follows:

	Payments due by period			
	Total	1 Year	2-5 Years	> 5 Years
	<i>(US\$ in thousands)</i>			
Contractual Obligations⁽¹⁾				
Long-term debt obligations	681,527	18,905	662,622	—
Lease liability obligations.....	562,409	20,975	75,212	466,222
Total.....	1,243,936	39,880	737,834	466,222

Note:

(1) Long-term debt obligations refers to interest and principal payable in respect of the Senior Notes and the Standard Bank Term Facility (defined subsequently) which mature on 8 March 2022 and 22 January 2022, respectively and shareholder loans. Lease liability obligations refers to outstanding undiscounted contractual payments due under lease liabilities. See Notes 19 and 20 to the Historical Financial Information for further details of these contractual obligations.

Market Risk Disclosures

The Group's major market risk exposures include credit, liquidity and market risk. For more detail, see Note 24 to the Historical Financial Information included in this Prospectus.

Credit risk

Credit risk refers to the risk that a counterparty will default on the Group's contractual obligations resulting in financial loss to the Group. 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 rate the Group's major customers. As of 31 December 2018, the Group had a concentration risk with regards to four of its largest customers and its related parties and the Company had a concentration risk with regards to the receivable balances with related parties. 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 among 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 Historical Financial Information, which is net of impairment losses, represents the Group's exposure to credit risk.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Group manages liquidity risk by maintaining adequate reserves and banking facilities and continuously monitoring forecast and actual cash flows including consideration of appropriate sensitivities.

The Group has long-term debt financing through the Senior Notes. The Group also has a US\$60 million stand-by revolving credit facility (the "Pari Passu RCF") for funding working capital requirements, and a

PART XIV

CAPITALISATION AND INDEBTEDNESS STATEMENT

The following table sets out the Group's capitalisation as of 30 June 2019 and indebtedness as of 31 July 2019.

1 Capitalisation and Indebtedness Statement

	As of 31 July 2019
	<i>(US\$ millions)</i>
Indebtedness	
Current debt	
Guaranteed ⁽¹⁾	23,739
Secured	—
Unguaranteed/unsecured ⁽²⁾	19,219
Total current debt	42,958
Non-current debt (excluding current portion of long-term debt)	
Guaranteed ⁽³⁾	660,616
Secured	—
Unguaranteed/unsecured ⁽⁴⁾	104,173
Total indebtedness	807,747
	As of 30 June 2019
	<i>(US\$ millions)</i>
Capitalisation⁽⁵⁾	
Share capital	909,154
Share premium	186,951
Statutory and other reserves ⁽⁶⁾	(93,205)
Total capitalisation	1,002,900

Notes:

- (1) Current guaranteed debt comprises the current balance of loans as of 31 July 2019, being the Senior Notes and the Standard Bank Term Facility Agreement (as defined in paragraph 13.6 of Part XX: "Additional Information – Standard Bank Term Facility Agreement").
- (2) Current unguaranteed/unsecured debt comprises short-term lease liabilities as of 31 July 2019.
- (3) Non-current guaranteed debt comprises the non-current balance of loans as of 31 July 2019, being the Senior Notes and the Standard Bank Term Facility Agreement.
- (4) Non-current unguaranteed/unsecured debt comprises long-term lease liabilities and shareholder loans as of 31 July 2019.
- (5) This statement of capitalisation has been extracted without material adjustment from the Group's accounting records.
- (6) Statutory and other reserves exclude the retained earnings and a non-controlling interest in the capital of the Group.

The Group's capitalisation in the table above does not take into account the Pre-IPO Reorganisation and Post-IPO Reduction of Capital described in paragraph 4 of "Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital". Except as set out in the preceding sentence, there has been no material change to the Group's total capitalisation since 30 June 2019.

2 Net Financial Indebtedness

The following table sets out the Group's net indebtedness as of 31 July 2019.

	As of 31 July 2019
	<i>(US\$ millions)</i>
Cash.....	82,667
Cash equivalents	—
Trading securities.....	—
Liquidity	82,667
Current financial receivable.....	—
Current bank debt	—
Current portion of non-current debt ⁽¹⁾	(23,739)
Other current financial debt ⁽²⁾	(19,219)
Current financial debt	(42,958)
Net current financial indebtedness.....	39,709
Non-current bank loans ⁽³⁾	(72,772)
Bonds issued ⁽⁴⁾	(587,844)
Other non-current loans ⁽⁵⁾	(104,173)
Non-current financial indebtedness.....	(764,789)
Net financial indebtedness.....	(725,080)

Notes:

- (1) Current portion of non-current debt comprises the current balance of loans as of 31 July 2019, being the Senior Notes and the Standard Bank Term Facility Agreement.
- (2) Other current financial debt comprises short-term lease liabilities as of 31 July 2019.
- (3) Non-current bank loans comprises the non-current balance of the Standard Bank Term Facility Agreement as of 31 July 2019.
- (4) Bonds issued comprises the non-current balance of the Senior Notes as of 31 July 2019.
- (5) Other non-current loans comprises long-term lease liabilities and shareholder loans as of 31 July 2019.

As of 31 July 2019, the Group had provisional acquisition-related contingent consideration liability of US\$22.4 million, of which US\$16.5 million is long-term and US\$5.9 million is short-term.

PART XV

HISTORICAL FINANCIAL INFORMATION

This section of the Prospectus includes consolidated historical financial information as of and for the three years ended 31 December 2018 and as of and for the six months ended 30 June 2018 and 2019, as well as an Accountants' Report thereon prepared by Deloitte LLP, and the historical financial information for Helios Towers plc as of 1 August 2019, as well as the Accountants' Report thereon prepared by Deloitte LLP. This Part XV: "*Historical Financial Information*" is set out in four parts as follows:

- Part A sets out Deloitte LLP's Accountants' Report on the Historical Financial Information;
- Part B sets out the Historical Financial Information and includes the accounting policies and notes including the notes to the Historical Financial Information;
- Part C sets out Deloitte LLP's Accountants' Report on the Historical Financial Information for Helios Towers plc; and
- Part D sets out the Historical Financial Information for Helios Towers plc.

Part A: Accountants' Report on the Historical Financial Information

Deloitte.

Deloitte LLP
1 New Street Square
London
EC4A 3HQ

The Board of Directors
on behalf of Helios Towers plc
10th Floor
5 Merchant Square West
London
W2 1AS
United Kingdom

Merrill Lynch International
2 King Edward Street
London
EC1A 1HQ
United Kingdom

15 October 2019

Dear Sirs/Madams

Helios Towers plc

We report on the financial information for the financial years ended 31 December 2016, 31 December 2017, 31 December 2018 and the six-month period ended 30 June 2019 of Helios Towers, Ltd. ("HT Ltd") and, together with its subsidiaries, the "HTL Group") set out in Part B of Part XV of the prospectus dated 15 October 2019 of Helios Towers plc (the "Company") (the "Prospectus"). This financial information has been prepared for inclusion in the Prospectus on the basis of the accounting policies set out in note 1 to the financial information. This report is required by Annex 1 item 18.3.1 of Commission delegated regulation (EU) 2019/980 (the "Prospectus Delegated Regulation") and is given for the purpose of complying with that requirement and for no other purpose.

We have not audited the financial information for the six-month period ended 30 June 2018 which has been included for comparative purposes only, and accordingly do not express an opinion thereon.

Responsibilities

The Directors of the Company are responsible for preparing the financial information in accordance with the International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex 1 item 1.3 of the Prospectus Delegated Regulation, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the

financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the Prospectus, a true and fair view of the state of affairs of the HTL Group as at the financial years ended 31 December 2016, 31 December 2017, 31 December 2018 and the six-month period ended 30 June 2019 and of its profits, cash flows and changes in equity for the financial years ended 31 December 2016, 31 December 2017, 31 December 2018 and the six-month period ended 30 June 2019 in accordance with the International Financial Reporting Standards as adopted by the European Union.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) we are responsible for this report as part of the Prospectus and declare that to the best of our knowledge, the information contained in this report is in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex 1 item 1.2 of the Prospectus Delegated Regulation and for no other purpose.

Yours faithfully

Deloitte LLP

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ, United Kingdom. Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients.

Part B: Historical Financial Information

Consolidated statement of profit or loss and other comprehensive income

		Year ended 31 December			Six months ended 30 June	
	Note	2016	2017	2018	2018	2019
					(unaudited)	
					(US\$ in thousands)	
Revenue	3	282,507	344,957	356,049	178,128	190,681
Cost of sales		(235,867)	(275,651)	(255,848)	(130,890)	(132,715)
Gross profit		46,640	69,306	100,201	47,238	57,966
Administrative expenses		(77,741)	(91,261)	(91,059)	(49,320)	(39,945)
Loss on disposal of property, plant and equipment.....		(3,761)	(2,018)	(5,835)	(6)	(5,367)
Operating (loss)/profit.....	5	(34,862)	(23,973)	3,307	(2,088)	12,654
Interest receivable.....		216	706	951	464	713
Other gains and losses.....	23	(6,682)	21,797	(16,831)	(24,097)	24,276
Finance costs.....	8	(73,268)	(102,757)	(107,005)	(55,516)	(56,351)
Loss before tax		(114,596)	(104,227)	(119,578)	(81,237)	(18,708)
Tax expense	9	(1,514)	(3,207)	(4,369)	(2,113)	(3,783)
Loss for the period		(116,110)	(107,434)	(123,947)	(83,350)	(22,491)
Loss attributable to:.....						
Owners of HT Ltd.....		(97,740)	(92,817)	(123,947)	(83,350)	(22,307)
Non-controlling interest (NCI)		(18,370)	(14,617)	—	—	(184)
Loss for the period		(116,110)	(107,434)	(123,947)	(83,350)	(22,491)
Other comprehensive loss:						
Items that may be reclassified subsequently to profit and loss:						
Exchange differences on translation of foreign operations – (loss)/gain.....		(3,603)	(1,384)	(2,214)	(391)	1,224
Total comprehensive loss for the period.		(119,713)	(108,818)	(126,161)	(83,741)	(21,267)
Total comprehensive loss attributable to:						
Owners of HT Ltd.....		(101,457)	(94,984)	(126,161)	(83,741)	(21,071)
Non-controlling interest.....		(18,256)	(13,834)	—	—	(196)
Total comprehensive loss for the period		(119,713)	(108,818)	(126,161)	(83,741)	(21,267)
Loss per Share						
Basic and Diluted	26	(0.115)	(0.102)	(0.136)	(0.092)	(0.025)

Consolidated statement of financial position

		As at 31 December			As at 30 June
	Note	2016	2017	2018	2019

Consolidated statement of changes in equity

	Note	Share capital	Share premium	Stated capital	Other reserves	NCI buy-out reserves	Translation reserves	Accumulated losses	Attributable to the owners of HT Ltd	NCI	Total equity
<i>(US\$ in thousands)</i>											
Year ended 31 December											
2015		750,394	131,239	881,633	(11,283)	(54,063)	(75,952)	(448,752)	291,583	(18,906)	272,677
Issue of share capital		158,740	55,556	214,296	—	—	—	—	214,296	—	214,296
Capital from NCI		—	—	—	—	—	—	—	—	340	340
Equity issuance costs		—	—	—	(410)	—	—	—	(410)	—	(410)
NCI buy-out liability	23	—	—	—	—	(366)	—	—	(366)	—	(366)
Comprehensive loss:											
Loss for the period		—	—	—	—	—	—	(106,126)	(106,126)	(17,870)	(123,996)
Other comprehensive (loss)/gain		—	—	—	—	—	(1,330)	—	(1,330)	114	(1,216)
Total comprehensive loss		—	—	—	—	—	(1,330)	(106,126)	(107,456)	(17,756)	(125,212)
Year ended 31 December											
2016		909,134	186,795	1,095,929	(11,693)	(54,429)	(77,282)	(554,878)	397,647	(36,322)	361,325
Issue of share capital		20	156	176	—	—	—	—	176	—	176
Share issue costs		—	—	—	(1,085)	—	—	—	(1,085)	—	(1,085)
Acquisition of NCI		—	—	—	—	—	—	(36,658)	(36,658)	50,156	13,498
Premium on acquisition of NCI		—	—	—	—	—	—	(13,498)	(13,498)	—	(13,498)
NCI buy-out liability	23	—	—	—	—	(54,429)	—	(54,429)	—	—	—
Comprehensive loss:											
Loss for the period		—	—	—	—	—	—	(92,817)	(92,817)	(14,617)	(107,434)
Other comprehensive (loss)/gain		—	—	—	—	—	(2,167)	—	(2,167)	783	(1,384)
Total comprehensive loss		—	—	—	—	—	(2,167)	(92,817)	(94,984)	(13,834)	(108,818)
Year ended 31 December											
2017		909,154	186,951	1,096,105	(12,778)	—	(79,449)	(752,280)	251,598	—	251,598
Effects of transition to IFRS 9		—	—	—	—	—	—	(3,732)	(3,732)	—	(3,732)
Comprehensive loss:											
Loss for the period		—	—	—	—	—	—	(123,947)	(123,947)	—	(123,947)
Other comprehensive loss		—	—	—	—	—	(2,214)	—	(2,214)	—	(2,214)
Total comprehensive loss		—	—	—	—	—	(2,214)	(123,947)	(126,161)	—	(126,161)
Year ended 31 December											
2018		909,154	186,951	1,096,105	(12,778)	—	(81,663)	(879,959)	121,705	—	121,705
Comprehensive loss:											
Loss for the period		—	—	—	—	—	—	(22,307)	(22,307)	(184)	(22,491)
Other comprehensive (loss)/gain		—	—	—	—	—	1,236	—	1,236	(12)	1,224
Total comprehensive loss		—	—	—	—	—	1,236	(22,307)	(21,071)	(196)	(21,267)
Period ended 30 June											
2019		909,154	186,951	1,096,105	(12,778)	—	(80,427)	(902,266)	100,634	(196)	100,438

Other reserves relate to the costs incurred in issuing equity. These costs include registration and other regulatory fees, amounts paid to legal, accounting and other professional advisors.

Non-controlling interest (“NCI”) buy-out reserves are fair value adjustments which arose when options were granted to Vodacom to exchange shares in Helios Towers Tanzania Limited for shares in Helios Towers, Ltd. The option expired in October 2017 when the Vodacom shares were acquired by Helios Towers Holdings Limited. See Note 23.

Translation reserves relate to the translation of the financial statements of overseas subsidiaries in to the Historical Financial Information.

During 2018, the HTL Group transitioned to IFRS 9: Financial Instruments, with the effect of transition shown as at 1 January 2018. More detail is disclosed in Note 1.

Consolidated statement of cash flows

		Year ended 31 December			Six months ended 30 June	
	Note	2016	2017	2018	2018	2019
					(unaudited)	
					(US\$ in thousands)	
Cash flows from operating activities						
Loss before tax		(114,596)	(104,227)	(119,578)	(81,237)	(18,708)
Adjustments for:						
Other gains and losses.....	23	6,682	(21,797)	16,831	24,097	(24,276)
Finance costs.....	8	73,268	102,757	107,005	55,516	56,351
Interest receivable.....		(216)	(706)	(951)	(464)	(713)
Depreciation and amortisation.....	10,11	129,455	148,926	141,328	68,860	73,788
Loss on disposal of property, plant and equipment.....		3,761	2,018	5,835	6	5,367
Movement in working capital:						
Decrease/(increase) in inventories.....		387	(2,548)	(1,004)	22	514
(Increase)/decrease in trade and other receivables.....		(46,534)	7,632	9,332	(19,986)	(25,676)
(Increase)/decrease in prepayments.....		(5,422)	5,968	(3,841)	(2,821)	(13,070)
Increase/(decrease) in trade and other payables		20,780	(27,567)	(21,198)	9,577	(9,950)
Cash generated by operations		67,565	110,456	133,759	53,570	43,627
Interest paid		(41,626)	(51,633)	(69,875)	(37,371)	(36,291)
Tax paid		(635)	(1,251)	(2,941)	—	(1,226)
Net cash generated by operating activities		25,304	57,572	60,943	16,199	6,110
Cash flows from investing activities						
Payments to acquire property, plant and equipment.....		(273,766)	(166,711)	(103,000)	(56,407)	(42,045)
Payment to acquire intangible assets		(22,411)	(3,857)	(3,158)	(1,922)	(512)
Acquisition of business net of cash acquired.....		—	—	—	—	(10,581)
Proceeds on disposal of assets		114	249	138	—	106
Interest received.....		216	704	951	464	713
Net cash used in investing activities.....		(295,847)	(169,615)	(105,069)	(57,865)	(52,319)
Cash flows from financing activities						
Gross proceeds from issue of equity share capital.....		184,297	163	—	—	—
Loan financing costs.....		(8,922)	(24,079)	—	—	—
Equity issuance costs.....		(410)	—	—	—	—
Payments for buyback of shares		—	(58,556)	—	—	—
Repayment of lease liabilities		(8,353)	(11,675)	(10,422)	(3,673)	(2,616)
Loan drawdowns		173,612	600,000	25,000	—	50,000
Loan repayments.....		(23,485)	(407,983)	—	—	—
Net cash generated from / (used in) financing activities.....		316,739	97,870	14,578	(3,673)	47,384
Net increase/(decrease) in cash and cash equivalents		46,196	(14,173)	(29,548)	(45,339)	1,175
Foreign exchange on translation movement.....		(749)	136	(1,165)	(404)	(397)
Cash and cash equivalents at the beginning of period		88,290	133,737	119,700	119,700	88,987
Cash and cash equivalents at end of period		133,737	119,700	88,987	73,957	89,765

Notes to the Historical Financial Information

Authorisation of Historical Financial Information and statement of compliance with IFRS

Helios Towers, Ltd. (“HT Ltd”) is a limited company incorporated and domiciled in the Republic of Mauritius.

The Historical Financial Information has been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (“IASB”) as adopted by the European Union (“IFRS”). The HTL Group (as defined below) holds a Category 2 Global Business Licence issued by the Financial Services Commission of Mauritius (“FSC”). The principal accounting policies adopted by the HTL Group are set out in Note 1. The Historical Financial Information has been authorised on 12 September 2019.

1 Accounting policies

Basis of preparation

The consolidated historical financial information is prepared on the going concern basis using the historical cost as modified by the revaluation of certain financial assets and liabilities. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The consolidated historical financial information is presented in United States Dollars (US\$).

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the HTL Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in this Historical Financial Information is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

Basis of consolidation

The Historical Financial Information incorporates the financial information of HT Ltd (Helios Towers, Ltd.) and entities controlled by HT Ltd (its subsidiaries) (together the “HTL Group”) as disclosed in Note 12. Control is achieved when the HTL Group:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The HTL Group assess 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 HTL Group obtains control over the subsidiary and ceases when the HTL Group 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 and loss and other comprehensive income from the date the HTL Group gains control until the date when the HTL Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to owners of the HTL Group and to the NCIs. Total comprehensive income of the subsidiaries is attributed to the owners of the HTL Group and to the NCIs even if this results in the NCIs having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the HTL Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the HTL Group are eliminated on consolidation.

NCIs in subsidiaries are identified separately from the HTL Group's equity therein. Those interests of non-controlling shareholders that are 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 NCIs are initially measured at fair value. Subsequent to acquisition, the carrying amount of NCIs is the amount of those interests at initial recognition plus the NCIs' share of subsequent changes in equity.

Changes in the HTL 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 HTL Group's interests and the NCIs are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the NCIs are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the HTL Group.

Going concern

The Directors believe that the HTL Group is well placed to manage its business risks successfully, despite the current uncertain economic outlook in the wider economy. The HTL Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the HTL Group should be able to operate within the level of its current committed facilities. The Directors consider it appropriate to adopt the going concern basis of preparation for the Historical Financial Information.

As part of their regular assessment of the HTL 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 Historical Financial Information. In assessing the forecast, the directors have considered:

- trading risks presented by the current economic conditions in the operating markets;
- the impact of macroeconomic factors, particularly interest rates and foreign exchange rates;
- the status of the HTL Group's financial arrangements;
- progress made in developing and implementing cost reduction programmes and operational improvements; and
- mitigating actions available should business activities fall behind current expectations, including the deferral of discretionary overheads and restricting cash outflows.

The Directors have acknowledged the latest guidance on going concern. Management have considered the latest forecasts available to them and additional sensitivity analysis has been prepared to consider any reduction in anticipated levels of Adjusted EBITDA and operating profit.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the HTL Group, liabilities incurred by the HTL Group to the former owners of the acquiree and the equity interest issued by the HTL 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:

- 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 HTL 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 HTL 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 NCI in the acquire, and the fair value of the acquirer's previously held equity interest in the acquire (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 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 HTL 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.

When the consideration transferred by the HTL 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 profit or loss, 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.

Newly adopted accounting policy: IFRS 9 Financial Instruments

In the year ended 31 December 2018, the HTL Group has applied *IFRS 9 Financial Instruments* (as revised in July 2014) and the related consequential amendments to *IFRS 7 Financial Instruments: Disclosures*. The transition provisions of IFRS 9 allow an entity not to restate comparatives. The group adopted this modified retrospective approach on 1 January 2018. The impact of adoption of IFRS 9 on 1 January 2018 is to increase the Accumulated losses balance from US\$752.2 million as previously stated to US\$756.0 million. The US\$3.7 million increase in Accumulated losses resulted entirely from a change in the measurement attribute of the loss allowance relating to trade receivables.

IFRS 9 introduced new requirements for:

- the classification and measurement of financial assets and financial liabilities;
- impairment of financial assets; and
- hedge accounting.

Details of these new requirements, as well as their impact on the Historical Financial Information, are described below. The HTL Group has applied IFRS 9 in accordance with the transition provisions set out in IFRS 9.

Classification and measurement of financial assets

The date of initial application (i.e. the date on which the HTL Group has assessed its existing financial assets and financial liabilities in terms of the requirements of IFRS 9) is 1 January 2018. Accordingly, the HTL Group has applied the requirements of IFRS 9 to instruments that continue to be recognised as at 1 January 2018 and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018.

All recognised financial assets that are within the scope of IFRS 9 are required to be measured subsequently at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

- debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at amortised cost; and
- all other debt investments and equity investments are measured subsequently at fair value through profit or loss (FVTPL) or at fair value through other comprehensive income (FVTOCI), as required.
- The Directors of HT Ltd reviewed and assessed the HTL Group's existing financial assets as at 1 January 2018 based on the facts and circumstances that existed at that date and concluded that the initial application of IFRS 9 has had the following impact on the HTL Group's financial assets as regards their classification and measurement:
 - Financial assets classified as loans and receivables under IAS 39 that were measured at amortised cost continue to be measured at amortised cost under IFRS 9 as they are held within a business model to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

None of the other reclassifications of financial assets (from amortised cost, to FVTPL and FVTOCI) have had any impact on the HTL Group's financial position, profit or loss, other comprehensive income or total comprehensive income in either year.

Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires the HTL Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Specifically, IFRS 9 requires the HTL Group to recognise a loss allowance for expected credit losses on:

- Debt investments measured subsequently at amortised cost; and
- Trade receivables.

In particular, IFRS 9 requires the HTL Group to measure the loss allowance for a financial instrument at an amount equal to the lifetime ECLs if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit-impaired financial asset. However, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit-impaired financial asset), the HTL Group is required to measure the loss allowance for that financial instrument at an amount equal to 12-months ECL. IFRS 9 also requires a simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for trade receivables, contract assets and lease receivables in certain circumstances.

The consequential amendments to IFRS 7 have also resulted in more extensive disclosures about the HTL Group's exposure to credit risk in the Historical Financial Information. See Note 24 for further information.

Classification and measurement of financial liabilities

A significant change introduced by IFRS 9 in the classification and measurement of financial liabilities relates to the accounting for changes in the fair value of a financial liability designated as at FVTPL attributable to changes in the credit risk of the issuer.

Specifically, IFRS 9 requires that the changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability be presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss, but are instead transferred to retained earnings when the financial liability is derecognised. Previously, under IAS 39, the entire amount of the change in the fair value of the financial liability designated as at FVTPL was presented in profit or loss. There is no impact from this change on the Historical Financial Information.

There were no financial assets or financial liabilities which the HTL Group had previously designated as at FVTPL under IAS 39 that were subject to reclassification or which the HTL Group has elected to reclassify upon the application of IFRS 9. There were no additional financial assets or financial liabilities which the HTL Group has elected to designate as FVTPL at the date of initial application of IFRS 9.

The application of IFRS 9 has had no impact on the consolidated cash flows of the HTL Group.

Revenue recognition

The HTL Group recognises revenue from the rendering of tower services provided by utilisation of the HTL Group's tower infrastructure pursuant to written contracts with its customers. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, VAT and other sales-related taxes. Revenue is reduced for estimated and agreed liquidated damages resulting from failure to meet the agreed service performance levels set out in the contract.

The HTL Group provides tower and related services for the utilisation of its tower infrastructure to mobile and other telecommunication operators. Revenue includes fees for the provision of tower infrastructure, power escalations and tower service contracts. These services are recognised as the performance obligation is satisfied over time.

Customers are usually billed in advance creating a contract liability which is then recognised as the performance obligation is met over a straight-line basis. Revenue related to power escalations is recognised when the escalation is calculated in accordance with the contractual terms.

Though multiple performance obligations arise as a result of the provision of these services, the HTL Group considers it reasonable to combine the provision of these tower services into a single performance obligation as this does not impact the ultimate pattern of revenue recognition as they are all recognised over time.

IFRS 15 uses the terms 'contract asset' and 'contract liability' to describe what might more commonly be known as 'accrued income' and 'deferred income', however the Standard does not prohibit an entity from using alternative descriptions in the statement of financial position. The HTL Group has not adopted the terminology used in IFRS 15 to describe such balances.

Lessee accounting

The HTL Group holds leases primarily on land, buildings and motor vehicles used in the ordinary course of business. Based on the accounting policy applied the HTL 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 re-measurement of the lease liability.

The HTL 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; and
- variable lease payments that depend on a fixed rate, as at the commencement date.

Variable lease payments not included in the initial measurement of the lease liability are recognised in the consolidated statement of profit or loss and other comprehensive income as they arise.

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 HTL Group comprises:

- non-cancellable period of lease contracts;
- periods covered by an option to extend the lease if the HTL Group is reasonably certain to exercise that option; and
- periods covered by an option to terminate the lease if the HTL Group is reasonably certain not to exercise that option.

After the commencement date the HTL 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
- re-measuring the carrying amount to reflect any reassessment or lease modifications.

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.

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 HTL Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Tax

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 profit or loss 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 HTL Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

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 Historical Financial Information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet 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 for taxable temporary differences arising on investments in subsidiaries, except where the HTL 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 HTL 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 HTL Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Foreign currency exchange

For the purpose of the Historical Financial Information, the financial information is expressed in United States Dollars (US\$), which is the functional currency of the HTL Group.

In preparing the Historical Financial Information, 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 Historical Financial Information, the assets and liabilities of the HTL 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 NCIs as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the HTL 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 assets), all of the exchange differences accumulated in a separate component of equity in respect of that operation attributable to the owners of HT Ltd 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 HTL Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to NCIs 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 HTL Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

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 HTL Group's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

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 Improvement	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.

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. Other intangible assets are subsequently amortised on a straight-line basis over their estimated lives of three to ten years.

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.

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, except for goodwill

At each reporting date, the HTL Group reviews the carrying amounts of its 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). Where the asset does not generate cash flows that are independent from other assets, the HTL Group estimates the recoverable amount of the cash-generating unit 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit or loss and other comprehensive income.

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.

Financial instruments

Trade and other receivables

Trade receivables are recognised by the HTL Group at original invoice amount less an allowance for any non-collectible or impaired amounts. The HTL Group has adopted the simplified credit loss model as permitted by IFRS 9 for the trade receivables.

Accounting for trade receivables prior to 1 January 2018.

Trade receivables are recognised by the HTL Group and carried at original invoice amount less an allowance for any non-collectible or impaired amounts.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when they are deemed to be non-collectable.

Other receivables are initially recognised at fair value. Subsequent measurement is at amortised cost using the effective interest method, less any impairment.

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 HTL Group's cash management are included as a component of cash and cash equivalents for the purposes of the statement of cash flows.

Derivative financial instruments

Short-term debtors and creditors are treated as financial assets or liabilities. The HTL Group does not trade in financial instruments. The HTL Group enters into derivative financial instruments to manage its exposure to interest rate risk, using interest rate swaps.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit or loss. Embedded derivatives are disclosed in Note 24.

Other financial liabilities

Other financial liabilities, including loans, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The HTL Group derecognises financial liabilities when, and only when, the HTL Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Related parties

For the purpose of the Historical Financial Information, parties are considered to be related to the HTL Group if they have the ability, directly or indirectly to control the HTL Group or exercise significant influence over the HTL Group in making financial or operating decisions, or vice-versa, or where the HTL Group is subject to common control or common significant influence. Related parties may be individuals or other entities.

Non-controlling interest

NCI is the portion of equity ownership in subsidiaries not attributable to Helios Towers, Ltd. Up to October 2017, Helios Towers, Ltd held a 75.9 per cent. controlling interest in Helios Towers Tanzania Ltd, a company incorporated in the Republic of Tanzania, and consolidated the subsidiaries' financial results. In October 2017, the option to acquire the NCI expired and HTL Group took full control of Helios Towers Tanzania Ltd.

Deferred income

Deferred income is recognised when payments are received from customers in advance of services being provided. The HTL Group policy is to bill customers in advance, thus creating deferred income. The deferred income is included as a current liability within trade and other payables.

New accounting pronouncement

The HTL Group has adopted all of the new and revised Standards and Interpretations issued by the IASB and International Financial Reporting Interpretations Committee (“IFRIC”) of the IASB that are relevant to its operations and effective for accounting periods covered by the Historical Financial Information periods. IFRS 15: *Revenue from contracts with customers*, and IFRS 16: *Leases* have been adopted on a fully retrospective basis covering the whole of the Historical Financial Information period.

At the date of authorisation of the Historical Financial Information, the following new and revised IFRS Standards, which are applicable to HT Ltd, were issued but are not yet effective:

Amendments to IFRS 9	<i>Prepayment Features with Negative Compensation</i>
Annual Improvements to IFRS Standards 2015–2017 Cycle	<i>Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs</i>
Amendments to IAS 19 <i>Employee Benefits</i>	<i>Plan Amendment, Curtailment or Settlement</i>

The directors do not expect that the adoption of the Standards listed above will have a material impact on the Historical Financial Information of the HTL Group in future periods.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the HTL 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, that the Directors have made in the process of applying the accounting policies and that have the most significant effect on the amounts recognised in the Historical Financial Information.

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 because its contracts permit it, subject to certain conditions, to relocate customer’s equipment on its towers in order to accommodate other tenants and therefore the contract does not provide the customer with the right to a specific location on the tower.

Business combinations

From time to time, the HTL Group acquires a portfolio of towers, comprising the tower infrastructure and other associated assets. The Directors assess each acquisition on the basis of its purchase agreement and the substance of the transaction to determine if it is considered to be a business combination in accordance with IFRS 3. When the HTL Group concludes that such portfolio acquisitions do not meet the definition of a business under IFRS 3 since they do not represent integrated sets of activities and assets that are capable of being conducted and managed independently,

they are accounted for as an asset acquisition under IAS 16. Accordingly, no goodwill is recognised on these types of transactions and the costs incurred are capitalised as part of the costs of acquisition of the towers.

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.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount being the value in use or fair value less costs of disposal of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

The recoverable amount of each cash generating unit is determined based on a value in use calculation using cash flow projections for the next ten years from financial budgets approved by senior management as this period matches the typical customer contract period for tower management.

Fair value of derivative financial instruments

Derivative financial instruments are held at fair value through profit and loss. In estimating the fair value of an asset or a liability, the HTL Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the HTL 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. Information about the valuation techniques and inputs used in determining the fair value of the derivative financial instrument is disclosed in Note 24.

Providing for doubtful debts

The HTL Group provides services to business customers on credit terms. Certain debts may not be recovered due to default of the HTL Group's customers. The HTL Group uses the IFRS 9 ECL simplified model to measure loss allowances at an amount equal to their lifetime expected credit loss. Further detail of the loss allowance calculation is given in Note 14.

Prior to the adoption of IFRS 9 on 1 January 2018, the HTL Group provided for doubtful debts in accordance with IAS 39. Certain debts may not be recovered due to default of the HTL Group's customers. Estimates, based on historical experience are used in determining the level of debt that the HTL Group do not expect to be collected.

Contingent consideration

Contingent consideration arises when settlement of all or part of the cost of a business combination is dependent on an unknown future outcome. It is stated at the fair value. The estimated value of contingent consideration has been treated as part of the cost of investment. At each balance sheet date, contingent consideration comprises the fair value of the expected contingent consideration valued at acquisition.

Depreciation

Depreciation is charged to profit or loss in proportion to the timing of the benefits derived from the related asset from the date that the fixed assets are available for use over their estimated useful lives.

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 HTL Group, who are considered to be the chief operating decision makers (CODM). 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 CODM is Adjusted EBITDA, which is defined in note 4. A new segment has been added from the period ended 30 June 2019, in relation to the acquisition of the South Africa business.

	Ghana	Tanzania	Democratic Republic of Congo	Congo Brazzaville	South Africa	Total Operating companies	Corporate	Total
<i>(US\$ in thousands)</i>								
Year ended 31 December 2016								
Revenue.....	34,393	122,301	102,171	23,642	—	282,507	—	282,507
Adjusted gross margin ⁽¹⁾ ..	46%	52%	54%	62%	—	53%	—%	53%
Adjusted EBITDA ⁽²⁾	11,072	51,308	46,671	10,944	—	119,995	(14,834)	105,161
Adjusted EBITDA margin	32%	42%	46%	46%	—	42%	—%	37%
Financing costs								
Interest costs.....	(2,374)	(69,052)	(21,534)	(5,305)	—	(98,265)	34,793	(63,472)
Foreign exchange differences	(3,029)	(2,676)	(1,177)	(1,522)	—	(8,404)	(1,392)	(9,796)
	(5,403)	(71,728)	(22,711)	(6,827)	—	(106,669)	(33,401)	(73,268)
Year ended 31 December 2017								
Revenue.....	40,144	141,230	140,156	23,427	—	344,957	—	344,957
Adjusted gross margin ⁽¹⁾ ..	56%	56%	55%	61%	—	56%	—	56%
Adjusted EBITDA ⁽²⁾	17,821	66,839	66,530	9,783	—	160,973	(15,011)	145,962
Adjusted EBITDA margin	44%	47%	47%	42%	—	47%	—	42%
Financing costs								
Interest costs.....	(4,528)	(65,324)	(51,053)	(10,760)	—	(131,665)	32,137	(99,528)
Foreign exchange differences	(4,470)	(7,732)	9	6,117	—	(6,076)	2,847	(3,229)
	(8,998)	(73,056)	(51,044)	(4,643)	—	(137,741)	34,984	(102,757)
Year ended 31 December 2018								
Revenue.....	40,967	149,909	140,881	24,292	—	356,049	—	356,049
Adjusted gross margin ⁽¹⁾ ..	66%	65%	60%	67%	—	63%	—	63%
Adjusted EBITDA ⁽²⁾	22,835	86,153	72,466	12,107	—	193,561	(15,958)	177,603
Adjusted EBITDA margin	56%	57%	51%	50%	—	54%	—	50%
Financing costs								
Interest costs.....	(5,087)	(54,309)	(47,275)	(8,367)	—	(115,038)	26,062	(88,976)
Foreign exchange differences	(3,549)	(11,300)	—	(3,305)	—	(18,154)	125	(18,029)
	(8,636)	(65,609)	(47,275)	11,672	—	(133,192)	26,187	(102,005)
Six months ended 30 June 2018 (unaudited)								
Revenue.....	21,521	74,296	70,130	12,181	—	178,128	—	178,128
Adjusted gross margin ⁽¹⁾ ..	63%	63%	59%	66%	—	61%	—	61%
Adjusted EBITDA ⁽²⁾	11,299	41,367	35,428	5,891	—	93,985	(8,046)	85,939
Adjusted EBITDA margin	53%	56%	51%	48%	—	53%	—	48%
Financing costs								
Interest costs.....	(2,290)	(28,721)	(23,287)	(3,819)	—	(58,117)	14,783	(43,334)
Foreign exchange differences	(2,476)	(7,890)	472	(2,244)	—	(12,138)	(44)	(12,182)
	(4,766)	(36,611)	(22,815)	(6,063)	—	(70,255)	14,739	(55,516)

	Ghana	Tanzania	Democratic Republic of Congo	Congo Brazzaville	South Africa	Total Operating companies	Corporate	Total
	<i>(US\$ in thousands)</i>							
Six months ended								
30 June 2019								
Revenue.....	19,668	80,500	77,753	12,334	426	190,681	—	190,681
Adjusted gross margin ⁽¹⁾ ..	68%	65%	62%	68%	77%	64%	—	64%
Adjusted EBITDA ⁽²⁾	11,383	46,906	42,420	6,467	(11)	107,165	(8,191)	98,974
Adjusted EBITDA margin	58%	58%	55%	52%	(3)%	56%	—	52%
Financing costs								
Interest costs.....	(3,348)	(29,062)	(24,034)	(4,442)	—	(60,886)	12,490	(48,396)
Foreign exchange differences	(4,182)	(2,629)	(575)	(430)	—	(7,816)	(139)	(7,955)
	(7,530)	(31,691)	(24,609)	(4,872)	—	(67,702)	12,351	(56,351)

Notes:

(1) Adjusted gross margin means gross profit, adding back site and warehouse depreciation, divided by revenue.

(2) Adjusted EBITDA is defined and reconciled in Note 4.

Cost of Sales

	Ghana	Tanzania	Democratic Republic of Congo	Congo Brazzaville	South Africa	Total
			<i>(US\$ in thousands)</i>			
Year ended 31 December 2016						
Power costs	14,204	33,551	30,818	3,229	—	81,802
Non-power costs	4,204	24,628	15,702	5,755	—	50,289
Total site operating expenses	18,408	58,179	46,520	8,984	—	132,091
Site and warehouse depreciation.	6,314	48,933	38,593	9,936	—	103,776
Total cost of sales	24,722	107,112	85,113	18,920	—	235,867
Year ended 31 December 2017						
Power costs	13,291	35,413	42,330	2,722	—	93,756
Non-power costs	4,440	27,415	20,459	6,365	—	58,679
Total site operating expenses	17,731	62,828	62,789	9,087	—	152,435
Site and warehouse depreciation.	7,600	55,681	48,634	11,301	—	123,216
Total cost of sales	25,331	118,509	111,423	20,388	—	275,651
Year ended 31 December 2018						
Power costs	10,445	29,128	39,315	2,998	—	81,886
Non-power costs	3,638	23,491	17,658	5,083	—	49,870
Total site operating expenses	14,083	52,619	56,973	8,081	—	131,756
Site and warehouse depreciation.	7,816	54,788	50,156	11,332	—	124,092
Total cost of sales	21,899	107,407	107,129	19,413	—	255,848
Six months ended 30 June 2018 <i>(unaudited)</i>						
Power costs	5,881	15,522	19,959	1,481	—	42,843
Non-power costs	2,050	12,316	9,182	2,665	—	26,213
Total site operating expenses	7,931	27,838	29,141	4,146	—	69,056
Site and warehouse depreciation.	3,660	26,775	25,643	5,756	—	61,834
Total cost of sales	11,591	54,613	54,784	9,902	—	130,890
Six months ended 30 June 2019						
Power costs	4,129	14,920	20,744	1,570	52	41,415
Non-power costs	2,229	13,465	8,628	2,396	47	26,765
Total site operating expenses	6,358	28,385	29,372	3,966	99	68,180
Site and warehouse depreciation.	3,825	27,354	28,019	5,235	102	64,535
Total cost of sales	10,183	55,739	57,391	9,201	201	132,715

Capital Additions, Depreciation and Amortisation

	Year ended 31 December						Six months ended 30 June			
	2016		2017		2018		2018		2019	
							(unaudited)			
	Capital additions	Depreciation and Amortisation	Capital additions	Depreciation and Amortisation	Capital additions	Depreciation and Amortisation	Capital additions	Depreciation and Amortisation	Capital additions	Depreciation and Amortisation
	(US\$ in thousands)									
Ghana.....	6,905	6,503	13,228	7,955	19,667	8,038	7,104	4,010	6,750	4,693
Tanzania.....	63,043	44,947	66,273	51,592	37,867	52,955	21,593	25,810	14,347	26,572
Democratic Republic of Congo	224,942	40,109	80,887	53,294	57,082	59,408	38,176	28,204	17,056	31,329
Congo Brazzaville	8,343	10,238	10,209	11,651	4,031	11,791	2,549	5,926	3,767	5,752
South Africa	—	—	—	—	—	—	—	—	13,263	375
Total operating segments	303,233	101,797	170,597	124,492	118,647	132,192	69,422	63,950	55,183	68,721
Corporate	30,000	16,997	142	13,210	382	375	1,029	82	93	1,190
Total	333,233	118,794	170,739	137,702	119,029	132,567	70,451	64,032	55,276	69,911

Right-of-use assets

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				(unaudited)	
	Capital additions			(US\$ in thousands)	
Ghana.....	2,373	532	578	538	106
Tanzania	7,980	7,611	1,885	2,153	639
Democratic Republic of Congo.....	15,284	5,212	3,775	1,490	360
Congo Brazzaville	853	466	206	368	37
South Africa.....	—	—	—	—	3,773
Total	26,490	13,821	6,444	4,549	4,915

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				(unaudited)	
	Depreciation			(US\$ in thousands)	
Ghana	723	712	568	357	260
Tanzania	6,450	6,466	4,546	2,807	1,938
Democratic Republic of Congo.....	904	792	508	325	203
Congo Brazzaville	2,584	3,254	3,139	1,573	1,463
South Africa.....	—	—	—	—	13
Total	10,661	11,224	8,761	5,062	3,877

See additional IFRS 16 disclosures in Notes 11b and 20.

4 Reconciliation of aggregate segment Adjusted EBITDA to loss before tax

The segment operating result used by chief operating decision makers is Adjusted EBITDA.

Management defines Adjusted EBITDA as loss for the period, adjusted for tax expenses, 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, recharged depreciation, deal costs for aborted acquisitions, deal costs not capitalised, share-based payments and long-term incentive plan charges, and exceptional items. Exceptional items are material items that are considered exceptional in nature by management by virtue of their size and/or incidence.

The HTL Group believes that Adjusted EBITDA facilitates 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 on periods or companies of changes in effective tax rates or net operating losses) and the age and booked depreciation on assets. The HTL Group excludes certain items from Adjusted EBITDA, such as loss on disposal of property, plant and equipment, and exceptional and adjusting items because it believes they are not indicative of its underlying trading performance.

Adjusted EBITDA is reconciled to loss before tax as follows:

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				(unaudited)	
	(US\$ in thousands)				
Adjusted EBITDA	105,161	145,962	177,603	85,939	98,974
Adjustments applied to give Adjusted EBITDA					
Exceptional items:					
Restructuring costs ⁽¹⁾	(4,318)	(2,298)	—	—	—
Litigation costs ⁽²⁾	—	(917)	(10,180)	(3,950)	—
Tanzanian IPO ⁽³⁾	—	(1,481)	—	—	—
Exceptional project costs ⁽⁴⁾	—	(9,780)	(14,655)	(14,655)	(3,121)
Share-based payments and long-term incentive plans	—	—	—	—	(1,646)
Deal costs for aborted acquisitions ⁽⁵⁾	(1,414)	(3,306)	—	—	—
Deal costs not capitalised ⁽⁶⁾	—	—	(1,493)	—	(2,398)
Loss on disposal of property, plant and equipment	(3,761)	(2,018)	(5,835)	(6)	(5,367)
Other gains and losses (Note 23)	(6,682)	21,797	(16,831)	(24,097)	24,276
Recharged depreciation ⁽⁷⁾	(975)	(1,209)	(805)	(556)	—
Depreciation of property, plant and equipment	(96,829)	(115,924)	(124,194)	(59,651)	(65,169)
Depreciation of right-of-use assets	(10,661)	(11,224)	(8,761)	(5,062)	(3,877)
Amortisation of intangibles	(22,065)	(21,778)	(8,373)	(4,147)	(4,742)
Interest receivable	216	706	951	464	713
Finance costs	(73,268)	(102,757)	(107,005)	(55,516)	(56,351)
Loss before tax	(114,596)	(104,227)	(119,578)	(81,237)	(18,708)

Notes:

- (1) Restructuring costs reflect specific actions taken by management to improve the HTL Group's future profitability and mainly comprise the costs of an operational excellence program where management worked to optimise operational headcount to gain efficiencies and adopt robust internal compliance best practices, and have therefore incurred certain severance and office closure costs in 2016 and 2017. Management considers such costs to be exceptional as they are not representative of the trading performance of the HTL Group's operations.
- (2) Litigation costs relate to legal and settlement costs incurred in connection with a previously terminated equity transaction.
- (3) Advisory and other costs relating to the HTL Group's preparation for the IPO of HTT Infraco, the HTL Group's primary operating subsidiary in Tanzania.
- (4) Exceptional project costs are in relation to the exploration of strategic options for the HTL Group including, but not limited to, a potential London Stock Exchange listing.
- (5) These mainly comprise professional fees and travel costs incurred while investigating potential acquisitions. Such costs are expensed when the potential acquisition does not proceed. Management has excluded such costs from Adjusted EBITDA on the basis that they are not representative of the trading performance of the HTL Group's operations.
- (6) Deal costs relating to the exploration of investment opportunities across Africa. Includes acquisition related costs relating to South Africa in the period ended 30 June 2019. Refer to Note 28 for further detail.
- (7) Prior to the period ended 30 June 2019, the HTL Group incurred costs charged to it through a service contract from Helios Towers Africa LLP. Management considers that the depreciation element of the charge should be removed from Adjusted EBITDA as it is depreciation in nature.

5 Operating (loss) / profit

Operating (loss) / profit is stated after charging the following:

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
				<i>(US\$ in thousands)</i>	
Cost of inventory expensed.....	52,556	62,634	57,195	29,987	28,989
Auditor's remuneration:.....					
– Audit fees	735	1,783	903	465	969
– Non-audit fees	540	1,847	3,631	3,631	661
Depreciation and amortisation.....	129,455	148,926	141,328	68,860	73,788
Cost associated with aborted investments.....	1,414	3,306	—	—	—
Staff costs.....	14,576	13,852	13,578	6,593	10,125

Depreciation and amortisation is presented in cost of sales in the statement of profit and loss, except for amortisation of intangible assets, which is presented in administrative expenses. Non-audit fees in 2018 included non-recurring fees of US\$3.1 million (year ended 31 December 2017: US\$1.2 million) in respect of exceptional project costs (see Note 4).

6 Staff costs

Staff costs consist of the following components:

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
				<i>(US\$ in thousands)</i>	
Wages and salaries.....	14,327	13,586	13,287	6,473	9,783
Other costs	249	266	291	120	342
	14,576	13,852	13,578	6,593	10,125

The average monthly number of employees throughout the years were made up as follows:

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
				<i>(US\$ in thousands)</i>	
Operations.....	219	146	115	115	124
Legal and regulatory.....	34	32	24	24	27
Administration	26	26	30	30	32
Finance.....	91	76	74	73	81
Sales and marketing.....	63	66	63	63	64
	433	346	306	305	328

7 Directors' remuneration

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
				<i>(US\$ in thousands)</i>	
Remuneration	2,072	2,950	2,472	1,236	1,148

The above remuneration information relates to Directors in Helios Towers, Ltd. None of the Directors received a contribution to a pension scheme in the current or prior years.

8 Finance costs

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
				<i>(US\$ in thousands)</i>	
Foreign exchange differences	9,796	3,229	18,029	12,182	7,955
Interest costs	44,645	71,608	73,856	36,884	40,617
Interest costs on lease liabilities	13,812	14,991	15,120	6,450	7,779
Deferred loan cost amortisation	5,015	12,929	—	—	—
	73,268	102,757	107,005	55,516	56,351

9 Tax expense

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
				<i>(US\$ in thousands)</i>	
Income taxes	—	447	1,831	919	2,336
Additional taxes	1,514	2,760	2,538	1,194	1,447
Total tax expenses	1,514	3,207	4,369	2,113	3,783

Though entities in Congo Brazzaville, Tanzania and DRC have continued to be loss making, minimum income tax has been levied based on revenue as stipulated by law in these jurisdictions. Ghana is profit making and subject to income tax. HT Ltd was a Category 2 – Global Business Licence Company (C2-GBLC) during the current and preceding financial periods. C2-GBLC is not subject to any income tax in Mauritius.

The applicable tax rates for HT Ltd's subsidiaries range from 20 per cent. to 40 per cent.

	As at 31 December			As at 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
				<i>(US\$ thousands)</i>	
Deferred tax liabilities					
On acquisition of subsidiary undertakings as at 30 June 2019 (see Note 28)	—	—	—	—	6,348

Deferred tax

A tax rate of 28 per cent. has been used in the Historical Financial Information to measure the deferred tax assets and liabilities. Deferred tax liabilities relates to the recognition of other intangible assets upon the acquisition of HTSA Towers (Pty) Ltd.

10 Intangible assets

	Customer contracts	Customer relationships	Goodwill	Right of first refusal	Non- competite agreement	Computer software and licences	Total
	<i>(US\$ in thousands)</i>						
Cost							
At 1 January 2016	—	—	—	15,000	—	9,214	24,214
Additions during the period	—	—	—	20,000	30,000	2,411	52,411
Effects of foreign currency exchange differences	—	—	—	—	—	(222)	(222)
At 31 December 2016	—	—	—	35,000	30,000	11,403	76,403
Additions during the period	—	—	—	—	—	3,857	3,857
Effects of foreign currency exchange differences	—	—	—	—	—	(95)	(95)
At 31 December 2017	—	—	—	35,000	30,000	15,165	80,165
Additions during the period	—	—	—	—	—	2,953	2,953
Disposals during the period	—	—	—	—	—	(41)	(41)
Effects of foreign currency exchange differences	—	—	—	—	—	(395)	(395)
At 31 December 2018	—	—	—	35,000	30,000	17,682	82,682
Additions during the period	—	—	—	—	—	512	512
On acquisition of subsidiary undertakings	3,407	18,239	9,153	—	1,024	—	31,823
Disposals during the period	—	—	—	—	—	(4)	(4)
Effects of foreign currency exchange differences	—	—	—	—	—	1,480	1,480
At 30 June 2019	3,407	18,239	9,153	35,000	31,024	19,670	116,493
Amortisation							
At 1 January 2016	—	—	—	(15,000)	—	(4,016)	(19,016)
Charge for year	—	—	—	(2,500)	(16,894)	(2,671)	(22,065)
Effects of foreign currency exchange differences	—	—	—	—	—	234	234
At 31 December 2016	—	—	—	(17,500)	(16,894)	(6,453)	(40,847)
Charge for year	—	—	—	(5,000)	(13,106)	(3,672)	(21,778)
Effects of foreign currency exchange differences	—	—	—	—	—	421	421
At 31 December 2017	—	—	—	(22,500)	(30,000)	(9,704)	(62,204)
Charge for period	—	—	—	(5,000)	—	(3,373)	(8,373)
Disposals during the period	—	—	—	—	—	(2)	(2)
Effects of foreign currency exchange differences	—	—	—	—	—	303	303
At 31 December 2018	—	—	—	(27,500)	(30,000)	(12,776)	(70,276)
Charge for period	(38)	(203)	—	(2,500)	(34)	(1,967)	(4,742)
Disposals during the period	—	—	—	—	—	(2)	(2)
Effects of foreign currency exchange differences	—	—	—	—	—	(1,363)	(1,363)
At 30 June 2019	(38)	(203)	—	(30,000)	(30,034)	(16,108)	(76,383)
Net book value							
At 31 December 2016	—	—	—	17,500	13,106	4,950	35,556
At 31 December 2017	—	—	—	12,500	—	5,461	17,961
At 31 December 2018	—	—	—	7,500	—	4,906	12,406
At 30 June 2019	3,369	18,036	9,153	5,000	990	3,562	40,110

In 2016, alongside the purchase of 961 towers from the Airtel group (see Note 11), a right of first refusal “ROFR” agreement was signed with Airtel Group in the DRC giving the HTL Group the right of first refusal over build-to-suit towers that Airtel group wish to commission. A payment of US\$20 million was made for this right and is amortised on a straight-line basis over its exercisable period ending on 1 May 2020.

As part of the same transaction, the HTL Group entered into a non-compete Agreement with Airtel group under which the HTL Group was granted the right that Airtel will not compete with the HTL Group in DRC and/or Congo Brazzaville. The HTL Group issued shares with a fair value of US\$30 million to Airtel group for this right commencing on the date of the agreement and terminating 12 consecutive months after first closing (7 July 2016). The issuance of these shares was a non-cash transaction.

Impairment

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. The HTL Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired. Net book value is compared with recoverable amount to assess impairment. Intangibles, including goodwill on acquisition of subsidiary undertakings includes US\$3.0 million of assets for which consideration was paid in cash for the acquisition of SA Towers Proprietary Limited and Sky Coverage Proprietary Limited, the remaining US\$28.8 million relates to the fair value of intangible assets acquired and goodwill recognised under IFRS 3 (see Note 28 for other details of acquisitions). The HTL Group's CGUs are aligned to its operating segments.

The recoverable amount of each cash generating unit is determined based on a value in use calculation using cash flow projections for the next ten years from financial budgets approved by senior management as this period matches the typical customer contract period for tower management.

As at the period end, a full impairment assessment has not been carried out however management are satisfied that there have not been indicators of impairment following the IFRS 3 acquisition.

11a Property, plant and equipment

	IT equipment	Fixtures and fittings	Motor vehicles	Site assets	Land	Leasehold improvements	Total
<i>(US\$ in thousands)</i>							
Cost							
At 1 January 2016.....	2,027	719	3,451	655,919	1,399	895	664,410
Additions	1,888	272	1,410	272,175	4,409	668	280,822
Disposals	(9)	(156)	—	(5,368)	—	(665)	(6,198)
Effects of foreign currency exchange differences	(24)	(18)	(120)	(11,178)	—	(7)	(11,347)
At 31 December 2016.....	3,882	817	4,741	911,548	5,808	891	927,687
Additions	2,102	120	683	163,751	—	226	166,882
Disposals	(13)	—	(654)	(1,754)	—	—	(2,421)
Reclassifications	—	—	—	754	(754)	—	—
Effects of foreign currency exchange differences	37	15	(68)	(3,616)	211	(2)	(3,423)
At 31 December 2017.....	6,008	952	4,702	1,070,683	5,265	1,115	1,088,725
Additions	5,869	100	298	105,813	3,793	204	116,077
Disposals	—	—	(484)	(17,837)	(117)	—	(18,438)
Effects of foreign currency exchange differences	371	(26)	(145)	(19,272)	(82)	(17)	(19,171)
At 31 December 2018.....	12,248	1,026	4,371	1,139,387	8,859	1,302	1,167,193
Additions	1,802	41	490	44,837	—	6	47,176
On acquisition of subsidiary undertakings....	—	—	—	7,588	—	—	7,588
Disposals	—	—	(249)	(14,425)	—	—	(14,674)
Effects of foreign currency exchange differences	1,457	333	(103)	(12,746)	—	1,749	(9,310)
At 30 June 2019.....	15,507	1,400	4,509	1,164,641	8,859	3,057	1,197,973
Accumulated depreciation							
At 1 January 2016.....	(1,117)	(431)	(2,103)	(177,778)	—	(333)	(181,762)
Charge for the year	(699)	(176)	(714)	(95,047)	—	(193)	(96,829)
Disposals	2	111	—	2,690	—	282	3,085
Effects of foreign currency exchange differences	(98)	16	92	2,946	—	3	2,959
At 31 December 2016.....	(1,912)	(480)	(2,725)	(267,189)	—	(241)	(272,547)
Charge for the year	(1,168)	(206)	(719)	(113,663)	—	(168)	(115,924)
Disposals	13	—	561	816	—	—	1,390
Effects of foreign currency exchange differences	(147)	(11)	80	4,133	—	1	4,056
At 31 December 2017.....	(3,214)	(697)	(2,803)	(375,903)	—	(408)	(383,025)
Charge for the year	(2,572)	(197)	(683)	(120,523)	—	(219)	(124,194)
Disposals	—	—	484	9,557	—	—	10,041
Effects of foreign currency exchange differences	82	32	87	6,420	—	7	6,628
At 31 December 2018.....	(5,704)	(862)	(2,915)	(480,449)	—	(620)	(490,550)
Charge for the period.....	(1,956)	(125)	(448)	(62,237)	—	(403)	(65,169)
Disposals	—	—	96	7,428	—	4	7,528
Effects of foreign currency exchange differences	(771)	(256)	265	5,663	—	(1,181)	3,720
At 30 June 2019.....	(8,431)	(1,243)	(3,002)	(529,595)	—	(2,200)	(544,471)
Net book value at 31 December 2016.....	1,970	337	2,016	644,359	5,808	650	655,140
Net book value at 31 December 2017.....	2,794	255	1,899	694,780	5,265	707	705,700
Net book value at 31 December 2018.....	6,544	164	1,456	658,938	8,859	682	676,643
Net book value at 30 June 2019.....	7,076	157	1,507	635,046	8,859	857	653,502

At 30 June 2019, the HTL Group had US\$56.9 million (31 December 2018: US\$74.5 million; 31 December 2017: US\$111.3 million; 31 December 2016: US\$36.1 million) of expenditure recognised in the carrying amount of site assets that were in the course of construction. On completion of the construction, they will remain within site assets balance.

In July 2016 the HTL Group acquired 967 towers and associated assets from Airtel group for US\$165 million. This has been accounted for as an assets acquisition in accordance with IAS 16.

In January 2019, the HTL Group entered into a shareholder agreement with Vulatel (Pty) Ltd to form a new legal entity named Helios Towers South Africa Holdings (Pty) Ltd (“HTSA”) which is consolidated into the HTL Group. The HTL Group holds 66 per cent. of the share capital of this entity with Vulatel holding the remaining 34 per cent. Subsequent to this, on 29 March 2019, Helios Towers, Ltd. transferred US\$4 million cash into HTSA whilst Vulatel contributed its share in the form of assets including 13 edge data centres valued at US\$2 million, which are included in the site assets above. Management are in the process of assessing the value of any other assets transferred. Property, plant and equipment additions during the period includes US\$7.6 million of site assets for which consideration was paid in cash for the acquisition of SA Towers Proprietary Limited and Sky Coverage Proprietary Limited.

11b Rights-of-use assets

	As at 31 December			As at 30 June
	2016	2017	2018	2019
	(US\$ in thousands)			
Right of use assets by class of underlying assets carrying value				
Land	96,326	100,639	101,616	103,877
Buildings	5,513	4,223	2,169	4,625
Motor vehicles	567	121	1	—
	<u>102,406</u>	<u>104,983</u>	<u>103,786</u>	<u>108,502</u>
Depreciation charge for right of use assets				
Land	7,466	8,080	7,122	3,270
Buildings	2,749	2,698	1,519	607
Motor vehicles	446	446	120	—
	<u>10,661</u>	<u>11,224</u>	<u>8,761</u>	<u>3,877</u>

See additional IFRS 16 disclosures in Notes 3 and 20.

12 Investments

Until 5 March 2019, the HTL Group held an investment of US\$132,000 (2017: US\$132,000, 2016: US\$132,000) which related to an interest in Helios Towers Africa LLP. The HTL Group held 91 per cent. of the voting rights of Helios Towers Africa LLP. The Directors did not consider that the HTL Group had control over the operation of Helios Towers Africa LLP as it is a limited liability partnership and the HTL Group had no access to returns from the investment. Therefore the investment was accounted for as investment at cost. From 5 March 2019, there was a change of control (see note 22), and Helios Towers Africa LLP was fully consolidated in to the HTL Group for the six month period ended 30 June 2019, from 5 March 2019.

Name of subsidiaries	Country of incorporation	Direct	Indirect
		%	
Helios Towers Ghana Limited	Ghana	60	40
HTG Managed Services Limited	Ghana	99.49	0.51
HTA Group, Ltd	Mauritius	—	100
HTA Holdings Ltd	Mauritius	100	—
	Democratic Republic of		
Helios Towers DRC SARL	Congo	—	100
	Democratic Republic of		
HT DRC Infracore SARL	Congo	—	100
Helios Towers Tanzania Limited	Tanzania	—	100

Name of subsidiaries	County of incorporation	Direct	Indirect
		%	
HT Holdings Tanzania, Limited	Mauritius	—	100
HTT Infracore Limited	Tanzania	—	99.99
HT Congo Brazzaville Holdco Limited	Mauritius	—	100
Helios Towers Congo Brazzaville SASU	Congo Brazzaville	—	100
Helios Chad Holdco Limited	Mauritius	—	100
Towers NL Coöperatief U.A	The Netherlands	—	100
HTA (UK) Partner Ltd	England & Wales	100	—
Helios Towers Partners (UK) Limited	England & Wales	—	100
Helios Towers Africa LLP	England & Wales	—	99.9
Helios Towers FZ-LLC	United Arab Emirates	—	100
HTA Equity GP Ltd	Cayman Islands	100	—
McRory Investment B.V	The Netherlands	—	100
McTam International 1 B.V	The Netherlands	—	100
Helios Towers South Africa Holdings (Pty) Limited	South Africa	—	66
Helios Towers South Africa (Pty) Ltd	South Africa	—	66
Helios Towers South Africa Services (Pty) Limited	South Africa	—	62.5
HTSA Towers (Pty) Ltd	South Africa	—	59.1

The registered office addresses of all subsidiaries are included in Note 30.

South Africa entities were acquired in 2019. See Note 28.

During the years ended 31 December 2017 and 31 December 2016, further contributions were made to Helios Towers Tanzania Limited (HTT) for the acquisition of tower assets. In October 2017, the remaining 24.1 per cent. in HTT was acquired. See Note 23.

Helios Towers Ghana Limited, HTA Holdings Ltd, Helios Towers DRC SARL, Helios Towers Tanzania Limited, HT Congo Brazzaville Holdco Limited, Helios Chad Holdco Limited, Towers NL Coöperatief U.A, McRory Investment B.V., McTam International 1 B.V. and HTA (UK) Partner Ltd are intermediate holding companies.

HTA Equity GP, Ltd acts as a general partner. The principal activities of HTG Managed Services Limited, HT DRC Infracore SARL, HTT Infracore Limited, Helios Towers Congo Brazzaville SASU, and HTSA Towers Pty Ltd are the building and maintenance of telecommunications towers to provide space on those towers to wireless telecommunication service providers in Africa. The principal activity of Helios Towers South Africa Pty Ltd is the running of edge data centres.

13 Inventories

	As at ended 31 December			As at 30 June
	2016	2017	2018	2019
	<i>(US\$ in thousands)</i>			
Inventories.....	19,503	9,538	10,265	9,979

Inventories are primarily made up of fuel stocks and raw materials.

The impact of inventories recognised as an expense during the period ended 30 June 2019 in respect of continuing operations was US\$28.9 million (year ended 31 December 2018: US\$57.2 million; 31 December 2017: US\$62.6 million; 31 December 2016: US\$52.6 million). The decrease in the inventory balance in 2017 is due to the timing of transfer from site equipment (inventory) to site assets (property, plant and equipment) as a result of ongoing projects in the latter part of the year.

There is no material difference between the carrying value of inventories and their net realisable value.

14 Trade and other receivables

	As at 31 December			As at 30 June
	2016	2017	2018	2019
	<i>(US\$ in thousands)</i>			
Trade receivables	57,586	72,996	72,030	78,722
Loss allowance ⁽¹⁾	(1,289)	(4,725)	(6,544)	(7,594)
	56,297	68,271	65,486	71,128
Trade receivables from related parties	17,769	9,436	10,035	12,198
Trade receivable from NCIs	26,015	—	—	—
	100,081	77,707	75,521	83,326
Other receivables	15,404	23,027	21,400	36,931
VAT and Withholding Tax receivable	11,444	7,757	5,329	5,363
	126,929	108,491	102,250	125,620

Note:

(1) For the year ended 31 December 2016 and 2017, the loss allowance was accounted for under IAS 39. The impact of the change in accounting policy to IFRS 9 for 1 January 2018 is shown in the statement of changes in equity.

For the years ended 31 December 2016 and 31 December 2017, the HTL Group determined the recoverability of a trade receivable considering any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The Directors considered that the carrying amount of trade and other receivables was approximately equal to their fair value.

From the year ended 31 December 2018, the HTL Group measures the loss allowance for trade receivables and trade receivables from related parties at an amount equal to lifetime expected credit losses (“ECLs”). The expected credit losses 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.

There has been no change in the estimation techniques or significant assumptions made during the Historical Financial Information period. Interest can be charged on past due debtors. The normal credit period of services is 30 days.

Other receivables mainly comprise accrued income, and sundry receivables.

Of the trade receivables balance at 30 June 2019, 55 per cent. (31 December 2018: 55 per cent.; 2017: 67 per cent.; 2016: 66 per cent.) is due from four of the HTL Group’s largest customers. The HTL 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 HTL Group to the counterparty. The average trade receivables collection period is 41 days (2018: 40 days; 2017: 44 days; 2016: 47 days). Terms and conditions attached to receivable balances due by related parties and by NCIs are disclosed in note 22.

The Directors consider the carrying amount of trade receivables approximates to their fair value.

15 Prepayments

	As at 31 December			As at 30 June
	2016	2017	2018	2019
	<i>(US\$ in thousands)</i>			
Prepayments	20,466	23,403	16,225	26,891

Prepayments are primarily comprised of advanced payments to suppliers.

16 Cash and cash equivalents

	As at 31 December			As at 30 June
	2016	2017	2018	2019
	<i>(US\$ in thousands)</i>			
Bank balances	133,737	49,519	57,835	53,275
Short-term deposits	—	70,181	31,152	36,490
	133,737	119,700	88,987	89,765

17 Share capital

	As at 31 December						As at 30 June	
	2016		2017		2018		2019	
Authorised, issued and fully paid	No. of shares	US\$'000	No. of shares	US\$'000	No. of shares	US\$'000	No. of shares	US\$'000
Ordinary share capital class A of US\$1	390,410,138	390,410	390,410,138	390,410	390,410,138	390,410	390,410,138	390,410
Ordinary share capital class C of US\$100	100	10	100	10	100	10	100	10
Ordinary share capital class D of US\$1	100	—	100	—	100	—	100	—
Ordinary share capital class G of US\$1	518,714,176	518,714	518,714,176	518,714	518,714,176	518,714	518,714,176	518,714
Ordinary share capital class H of US\$100	—	—	100	10	100	10	100	10
Ordinary share capital class I of US\$1	—	—	—	—	—	—	100	—
Ordinary share capital class J of US\$1	—	—	—	—	—	—	100	—
Ordinary share capital class Z of US\$100	—	—	100	10	100	10	100	10
	909,124,514	909,134	909,124,714	909,154	909,124,714	909,154	909,124,914	909,154

The movements in share capital during the Historical Financial Information period were as follows:

Authorised, issued and fully paid	Number of shares as at 1 January 2016	Number of shares issued in the year	Number of shares cancelled in the year	Number of shares as at 31 December 2016
Ordinary share capital class A of US\$1	390,410,138	—	—	390,410,138
Ordinary share capital class C of US\$100	100	—	—	100
Ordinary share capital class D of US\$1	100	—	—	100
Ordinary share capital class G of US\$1	359,973,532	158,740,644	—	518,714,176
	750,383,870	158,740,644	—	909,124,514
Authorised, issued and fully paid	Number of shares as at 1 January 2017	Number of shares issued in the year	Number of shares cancelled in the year	Number of shares as at 31 December 2017
Ordinary share capital class A of US\$1	390,410,138	—	—	390,410,138
Ordinary share capital class C of US\$100	100	—	—	100
Ordinary share capital class D of US\$1	100	—	—	100
Ordinary share capital class G of US\$1	518,714,176	—	—	518,714,176
Ordinary share capital class H of US\$100	—	100	—	100
Ordinary share capital class Z of US\$100	—	100	—	100
	909,124,514	200	—	909,124,714

Authorised, issued and fully paid	Number of shares as at 1 January 2018	Number of shares issued in the year	Number of shares cancelled in the year	Number of shares as at 31 December 2018
Ordinary share capital class A of US\$1	390,410,138	—	—	390,410,138
Ordinary share capital class C of US\$100.....	100	—	—	100
Ordinary share capital class D of US\$1	100	—	—	100
Ordinary share capital class G of US\$1	518,714,176	—	—	518,714,176
Ordinary share capital class H of US\$100	100	—	—	100
Ordinary share capital class Z of US\$100.....	100	—	—	100
	909,124,714	—	—	909,124,714

Authorised, issued and fully paid	Number of shares as at 1 January 2019	Number of shares issued in the year	Number of shares cancelled in the year	Number of shares as at 30 June 2019
Ordinary share capital class A of US\$1	390,410,138	—	—	390,410,138
Ordinary share capital class C of US\$100.....	100	—	—	100
Ordinary share capital class D of US\$1	100	—	—	100
Ordinary share capital class G of US\$1	518,714,176	—	—	518,714,176
Ordinary share capital class H of US\$100	100	—	—	100
Ordinary share capital class I of US\$1	—	100	—	100
Ordinary share capital class J of US\$1	—	100	—	100
Ordinary share capital class Z of US\$100.....	100	—	—	100
	909,124,714	200	—	909,124,914

The Class A Shares and Class G Shares shall rank equally with each other and senior to the Class C, Class D, Class H, Class I, Class J and Class Z Shares as to redemption proceeds and any other form of distribution or return of capital. Class A and G Shares have voting rights whilst the others have no voting rights. Class H and Class Z Shares also have dividend rights.

Share-based payments

The HTL Group has established four separate management incentive plans, generally referred to as “MIP I”, “MIP II” and “MIP III” and “MIP V” (each, a “MIP”) which were in place as at 31 December 2018. The MIPs are designed to provide long-term incentives for senior managers and above (including executive directors) to deliver long-term shareholder returns. Participants in the MIPs benefit from the return on certain classes of shares in HT Ltd created for the purposes of the MIPs in the event of an IPO or other form of change of control or shareholder distributions.

Each of the MIPs is structured by way of a Cayman Islands exempted limited partnership which holds the relevant class of shares in HT Ltd. The MIP participants are all limited partners in one or more of the MIP limited partnerships which hold units, and each unit represents an interest in an underlying MIP share held in the partnership. Participant entitlements relating to the units are subject to various leaver and clawback provisions.

Details on each of the MIPs are as below:

- MIP I: MIP I was established in May 2011. Participants of MIP I hold partnership units which entitle them to an undivided interest in the economics of the 100 class C shares held by the MIP I partnership. The class C shares are entitled to participate in the distributions of the class A shares above certain hurdles. All MIP I partnership units are fully vested as at 31 December 2018.
- MIP II: MIP II was established in March 2016. Participants of MIP II hold partnership units which entitle them to an undivided interest in the economics of the 66 class H shares held by the MIP II partnership. The class H shares are entitled to participate in the distributions of the class G shares above certain hurdles. All MIP II partnership units are fully vested as at 31 December 2018.

- MIP III: MIP III was established in January 2018. Participants of MIP III hold H partnership units and Z partnership units which entitle them to an undivided interest in the economics of the 34 class H shares and 100 class Z shares respectively held by the MIP III partnership. 25 per cent. of the MIP III partnership units vested in January 2018, with another 6.25 per cent. vesting every quarter after that.
- MIP V: MIP V was established on 31 May 2019. Participants of MIP V hold I partnership units and J partnership units which entitle them to an undivided interest in the economics of the 100 class I shares and 100 class J shares respectively held by the MIP V partnership. The I partnership units vested on 31 May 2019 while the J partnership units vest at a quarterly rate of 12.5 per cent. or, if an IPO takes place earlier than 1 June 2021, will fully vest on IPO. MIP V also provides for the payment of bonuses on IPO where the performance hurdles are not hit and the issue of further share awards on an annual basis. Separately, certain individuals are intended to receive options over a marginal, currently unallocated, portion of the economics of MIP V in the event of an IPO.

In the years ended 31 December 2016, 2017 and 2018 and the six months ended 30 June 2019, the HTL Group recognised no share-based payment expenses. The IPO or change of control is a non-market vesting condition and therefore on the basis that an IPO or change of control was not expected at each balance sheet date, no expense was recognised.

18 Trade and other payables

	As at 31 December			As at 30 June
	2016	2017	2018	2019
	<i>(US\$ in thousands)</i>			
Trade payables	15,691	11,612	8,352	13,195
Amounts payable to related parties	922	1,617	263	353
Payable to NCI	1,349	—	—	—
Deferred income	60,386	40,482	48,071	41,253
Deferred consideration	13,453	12,946	8,246	8,246
Other payables and accruals	72,056	69,214	64,025	63,511
VAT and Withholding tax payable	—	11,453	20,795	24,541
	<u>163,857</u>	<u>147,324</u>	<u>149,752</u>	<u>151,099</u>

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 26 days (2018: 16 days; 2017: 24 days; 2016: 39 days). Payable days are calculated as trade payables and payables related to related parties and the NCI, divided by cost of sales plus administrative expenses less staff costs and depreciation. No interest is charged on the trade payables. The HTL 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.

Deferred consideration relates to consideration that is payable in the future for the purchase of certain tower assets in DRC and Congo B following the Airtel deal if certain conditions are met to enable transfer of ownership of the assets to Helios Towers, Ltd.

Other payables and 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.

19 Loans

	As at 31 December			As at 30 June
	2016	2017	2018	2019
	<i>(US\$ in thousands)</i>			
US\$ 600 million 9.125% senior notes 2022.....	—	598,354	602,852	605,102
US\$ 100 million term loan facility 2022.....	—	—	25,192	75,258
US\$ 77 million (LIBOR + 6.00%)	74,977	—	—	—
TZS 57.363 billion (TIBOR + 5.00%)	25,582	—	—	—
US\$ 60 million (LIBOR + 6.00%)	58,423	—	—	—
TZS 9.625 billion (TIBOR + 5.00%)	4,292	—	—	—
TZS 22.727 billion (TIBOR + 5.00%)	10,136	—	—	—
US\$ 23.8 million (LIBOR + 5.00%)	23,038	—	—	—
US\$ 15.0 million (LIBOR + 5.00%)	14,520	—	—	—
US\$ 40.0 million (LIBOR + 5.00%)	38,720	—	—	—
US\$ 15.0 million (LIBOR + 5.00%)	14,520	—	—	—
US\$ 70.0 million (LIBOR + 5.00%)	67,760	—	—	—
US\$ 5.0 million (LIBOR + 5.00%)	4,840	—	—	—
US\$ 8.146 million (LIBOR + 5.00%)	7,189	—	—	—
US\$10.0 million (LIBOR + 5.00%).....	8,825	—	—	—
XAF 5.222 billion (LIBOR + 5.00%)	7,423	—	—	—
	360,245	598,354	628,044	680,360
Shareholder loans				
HTT Infracore Limited	32,850	—	—	—
HTG Managed Services Limited.....	2,414	—	—	—
HT DRC Infracore S.A.R.L	5,640	—	—	—
SA Towers Proprietary Limited.....	—	—	—	1,167
	40,904	—	—	1,167
Loans	401,149	598,354	628,044	681,527
Current	60,516	17,254	17,254	18,905
Non-current	340,633	581,100	610,790	662,622
	401,149	598,354	628,044	681,527

On 22 October 2018, HTA Group Ltd, a wholly owned subsidiary of the HT Ltd, signed a US\$100 million term loan facility agreement. At 30 June 2019, US\$75.0 million was drawn, and US\$0.3 million of interest accrued. The term loan is a bullet repayment, senior unsecured facility, with an interest rate of LIBOR plus 4.2 per cent. The term loan is guaranteed by HT Ltd.

On 8 March 2017, HTA Group Limited, a wholly owned subsidiary of HT Ltd, issued US\$600 million of 9.125 per cent. bonds due 2022 which are listed on the Irish Stock Exchange. Interest is payable semi-annually. The bonds are guaranteed on a senior basis by the company, and certain of the HT Ltd subsidiaries. The proceeds of the issuance were used, among other things, to refinance existing indebtedness of the company's subsidiaries (HTT Infracore Limited, HT DRC Infracore S.A.R.L and HT Congo Brazzaville Holding Limited).

Loans are classified as financial liabilities and measured at amortised cost. The shareholder loans carried an interest rate ranging from five per cent. to 15 per cent.

20 Leases

	Year ended 31 December			Six months ended 30 June
	2016	2017	2018	2019
	<i>(US\$ in thousands)</i>			
Short-term lease liabilities				
Land	18,244	18,828	18,802	19,093
Buildings	2,189	1,524	757	1,854
Motor vehicles	501	100	—	—
	20,934	20,452	19,559	20,947
Long-term lease liabilities				
Land	87,644	94,088	97,378	99,939
Buildings	2,403	2,009	1,342	3,070
Motor vehicles	64	—	—	—
	90,111	96,097	98,720	103,009

See additional IFRS 16 disclosures in Notes 3 and 11b.

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.

The total cash paid on leases (principal and interest) in the period ended 30 June 2019 was US\$10.2 million (year ended 31 December 2018: US\$25.5 million; 2017: US\$25.8 million; 2016: US\$21.1 million).

The profile of the outstanding undiscounted contractual payments fall due as follows:

	Within 1 year	2-5 years	5+ years	Total
	<i>(US\$ in thousands)</i>			
31 December 2016.....	20,934	69,042	405,993	495,969
31 December 2017.....	20,452	72,120	443,261	535,833
31 December 2018.....	19,559	71,640	471,123	562,322
30 June 2019	20,975	75,212	466,222	562,409

21 Uncompleted performance obligations

The table below represents uncompleted performance obligations at the end of the reporting period. This is the total revenue which is contractually due to the HTL Group, subject to the performance of the obligation of the HTL Group related to these revenues.

	As at 31 December			As at 30 June
	2016	2017	2018	2019
	<i>(US\$ in thousands)</i>			
Total contracted revenue.....	2,897,598	3,101,429	3,080,871	2,994,770

Contracted revenue

The following table provides the HTL Group's total contracted revenue by country under agreements with the HTL Group's customers as of 30 June 2019 for the six months ending 31 December 2019 and each of the four years ending 31 December from 2020 to 2023, with local currency amounts converted at the applicable average rate for U.S. dollars on 30 June 2019 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 colocations (contractual commitments relating to prospective colocation tenancies with customers), (iii) our customers do not utilise any cancellation allowances set forth in their MLAs and (iv) our customers do not terminate MLAs early for any reason.

The table above shows contracted revenue for all periods, totalling US\$3.0 billion. The following table provides the HTL Group's contracted revenue from 2019 through 2023 on a country-by-country basis:

	Six months ending 31 December	Year ending 31 December			
	2019	2020	2021	2022	2023
	<i>(US\$ in thousands)</i>				
Ghana.....	19,541	37,842	35,844	31,609	30,172
Tanzania.....	81,723	161,037	160,670	157,825	151,132
DRC.....	80,016	162,701	162,649	160,811	159,858
Congo Brazzaville.....	12,004	22,475	17,159	16,858	16,716
South Africa.....	916	1,833	1,833	2,251	2,399
Total.....	194,200	385,888	378,155	369,354	360,277

22 Related party transactions

Balances and transactions between HT Ltd and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this Note.

During the Historical Financial Information period, the HTL Group companies entered into the following commercial transactions with related parties:

	Year ended 31 December						Six months ended 30 June			
	2016		2017		2018		2018		2019	
	Income from leased towers	Purchase of goods	Income from leased towers	Purchase of goods	Income from leased towers	Purchase of goods	Income from leased towers	Purchase of goods	Income from leased towers	Purchase of goods
	<i>(US\$ in thousands)</i>						<i>(unaudited)</i>			
Millicom Holding B.V. and subsidiaries .	60,243	516	60,182	5,194	68,070	250	33,580	389	35,778	8
Ecost Building Management Pty	—	—	—	—	—	—	—	—	—	719
Vulatel (Pty) Ltd										125
SA Towers Proprietary Limited.....										—
Nepic Pty.....	—	—	—	—	—	—	—	—	—	1
Vodacom Group Limited and subsidiaries ⁽¹⁾	71,919	9,701	72,176	2,588	—	—	—	—	—	—

Note:

(1) Until October 2017, Vodacom Tanzania was the NCI holder in Helios Towers Tanzania Ltd and Millicom Holding B.V is a shareholder of Helios Towers, Ltd.

The following amounts were outstanding at the reporting date:

	Year ended 31 December						Six months ended 30 June	
	2016		2017		2018		2019	
	Amount owed by	Amount owed to	Amount owed by	Amount owed to	Amount owed by	Amount owed to	Amount owed by	Amount owed to
<i>(US\$ in thousands)</i>								
Millicom Holding B.V. and subsidiaries	14,145	3,334	7,366	228	7,988	263	12,198	283
Vodacom Group Limited and subsidiaries ⁽¹⁾	26,015	34,201	2,070	—	—	—	—	—
Ecost Building Management Pty	—	—	—	—	—	—	—	69
Vulatel (Pty) Ltd	—	—	—	—	—	—	—	—
SA Towers Proprietary Limited	—	—	—	—	—	—	—	1,167
Nepic Pty	—	—	—	—	—	—	—	1
Helios Towers Africa LLP	3,604	—	—	1,389	2,047	—	—	—
	=====	=====	=====	=====	=====	=====	=====	=====

Note:

(1) Until October 2017, Vodacom Tanzania was the NCI holder in Helios Towers Tanzania Ltd and Millicom Holding B.V is a shareholder of Helios Towers, Ltd.

HTA LLP, a subsidiary of Helios Towers, Ltd., was previously not consolidated on the basis that Helios Towers, Ltd. did not have a right to economic benefit from the entity. On 6 March 2019, two members of HTA LLP exited from the partnership, giving rise to Helios Towers, Ltd. having a right to economic benefit. Therefore, with effect from 6 March 2019, HTA LLP is now consolidated in the Historical Financial Information.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

Amounts receivable from the related parties related to other group companies are short term and carry interest varying from 0 per cent. to 15 per cent. per annum charged on the outstanding trade and other receivable balances. See Note 14.

During the period ended 30 June 2019, an upfront cash bonus of US\$10 million was distributed to certain members of senior management under and in accordance with the terms of MIP V. This award included a retention and clawback period of up to three years or, if earlier, the date of any IPO. During the period, additional MIP units were issued to senior management.

23 Other gains and losses

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				(unaudited)	
				(US\$ in thousands)	
Other gains and (losses)					
Fair value movement of derivative financial instruments.....	(1,293)	(21,797)	16,831	(24,097)	24,276
Fair value movement of NCI	6,682	—	—	—	—
	5,389	(21,797)	16,831	(24,097)	24,276

	Year ended 31 December			Six months ended 30 June
	2016	2017	2018	2019
	(US\$ in thousands)			
NCI buy-out liability				
Balance at start of the year	50,839	57,886	—	—
Options granted in the year.....	365	574	—	—
	51,204	58,460	—	—
Fair value movement in the year	6,682	—	—	—
	57,886	58,460	—	—
Options exercised in the year.....	—	(58,460)	—	—
	57,886	—	—	—

Vodacom Tanzania Ltd, previously a NCI holder in Helios Towers Tanzania Ltd ('HTT'), had a right to exchange its shares in HTT from 19 February 2014 to 31 December 2017 for shares in the HTL Group. The exercise price was based on the fair value of HTT shares at the time the option is exercised, either by independent valuation, or if the HTL Group was being sold through an Initial Public Offering at the value agreed with the buyer, and then exchanged for shares accordingly in Helios Towers, Ltd. The option expired in October 2017 after acquisition of minority shares by HTA Holdings Ltd.

The put option granted to Vodacom Tanzania Ltd resulted in an obligation for the HTL Group to purchase through a share exchange the NCI in the future and therefore represents a contract that contains an obligation for the HTL Group to purchase its own equity instruments. The HTL Group recognised a financial liability for the present value of the redemption amount. At all period ends presented in the Historical Financial Information, the HTL Group recognised an aggregate financial liability of nil (except year ended 31 December 2016: US\$57.9 million) being the present value of the contractual obligation which is deemed to be the market value of the NCI at that date. The movement in 2016 of US\$6.7 million represents the fair value increase in this liability.

In February 2017, Vodacom Tanzania Ltd, HTA Holdings Ltd and Helios Towers Tanzania Ltd entered into an agreement pursuant to which HTA Holdings Ltd acquired a portion of the shareholder loans advanced by Vodacom Tanzania Ltd for US\$30 million in cash. Under the same agreement, HTA Holdings Ltd received an option up to and including 31 March 2018 to acquire Vodacom Tanzania Ltd's shares in Helios Towers Tanzania Ltd for approximately US\$58.5 million in cash and the remaining outstanding shareholder loans and accrued interest thereon advanced by Vodacom Tanzania Ltd for US\$2.7 million in cash. The acquisition of such shares and the outstanding loan amounts was completed in October 2017 after customary closing conditions, including, among other things, relevant government approvals.

24 Financial instruments

Financial instruments held by the HTL Group at fair value had the following effect on profit and loss:

	Year ended 31 December			Six months ended 30 June	
	2016	2017	2018	2018	2019
				<i>(unaudited)</i>	
				<i>(US\$ in thousands)</i>	
Derivative financial instruments					
Change in fair value of derivative financial instruments.....	(1,293)	(21,797)	16,831	(24,097)	24,276
NCI buy-out liability					
Other gains and losses.....	6,682	—	—	—	—

Fair value measurements

The information set below provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Some of the HTL 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, except for loans which are long term and are held at amortised cost (for more information on the Senior Notes, see the Derivative financial instruments section below). The information set below provides information 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 held at fair value, the HTL 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. The fair values of the HTL Group's outstanding interest rate swaps have been estimated by calculating the present value of future cash flows, using appropriate market discount rates, representing Level 2 fair value measurements as defined by IFRS 13. NCI buy-out liability was grouped as Level 3 fair value measurement until its acquisition in October 2017. There are no financial instruments which have been categorised as Level 1. There were no transfers between the levels in the reporting periods. For information on the fair value of contingent consideration, see Note 26. For information on the fair value of the embedded derivative, see Note 24.

Capital risk management

The HTL Group manages its capital to ensure that entities in the HTL 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 HTL Group consists of debt, which includes loans disclosed in note 19, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed on the statement of changes in equity.

Gearing ratio

The HTL Group keeps its capital structure under review. The gearing ratio at the year-end is as follows

	As at 31 December			As at 30 June
	2016	2017	2018	2019
	<i>(US\$ in thousands)</i>			
Debt (net of issue costs).....	512,194	714,903	746,323	805,483
Less: Net cash and cash equivalents.....	(133,737)	(119,700)	(88,987)	(89,765)
Net debt.....	378,457	595,203	657,336	715,718
Equity attributable to owners of HT Ltd.....	397,647	251,598	121,705	100,634
	95.2%	236.6%	540.1%	711.2%

Debt is defined as long and short-term loans and lease liabilities as detailed in Notes 19 and 20.

Equity includes all capital and reserves of the HTL Group attributable to equity holders of HT Ltd.

Externally imposed capital requirement

The HTL Group is not subject to externally imposed capital requirements.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the Historical Financial Information.

Categories of financial instruments

	As at 31 December			As at 30 June
	2016	2017	2018	2019
	<i>(US\$ in thousands)</i>			
Financial assets				
<i>At amortised cost:</i>				
Cash and cash equivalents.....	133,737	119,700	88,987	89,765
Trade and other receivables.....	115,485	100,734	96,921	120,257
<i>Fair value through profit and loss</i>				
Derivative financial assets.....	1,393	23,917	7,086	31,362
	250,615	244,351	192,994	241,384
Financial liabilities				
<i>At amortised cost:</i>				
Trade and other payables.....	103,471	95,389	80,886	85,305
Lease liabilities.....	111,045	116,549	118,279	123,956
Loans.....	401,149	598,354	628,044	681,527
<i>At fair value through profit or loss:</i>				
Contingent consideration (Note 28).....	—	—	—	22,363
NCI buy-out liability.....	57,866	—	—	—
	673,531	810,292	827,209	913,151

At 30 June 2019, the HTL Group had US\$nil (31 December 2018: US\$nil; 31 December 2017: US\$nil; 31 December 2016: US\$5.3 million) cash pledged as collateral for financial liabilities.

Financial risk management objectives and policies

The HTL Group's finance function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the HTL 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 HTL Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the HTL Group's policies approved by the Board, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed by the Board regularly. The HTL Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Key financial risks and exposures are monitored through a monthly report to the Board, together with an annual Board review of corporate treasury matters. The HTL Group and HT Ltd have exposure to sterling (GBP) fluctuations; however, this is not considered material.

Financial risk

The principal financial risks to which the HTL Group is exposed through its activities are risks of changes in foreign currency exchange rates and interest rates. The HTL Group enters into interest rate swaps to manage its exposure to the interest rate risk.

Foreign currency risk management

The HTL Group undertakes transactions denominated in foreign currencies; consequently exposures to exchange rate fluctuations arise. The HTL Group's main currencies exposures were to the Ghanaian Cedi (GHS), Tanzanian Shilling (TZS), Central African Franc (XAF) and South African Rand (ZAR) through its main operating subsidiaries.

During the years ended 31 December 2016, 31 December 2017, and 31 December 2018, and the six months ended 30 June 2019, the HTL Group did not enter into any foreign currency hedging contracts, as management considered foreign exchange risk to be at an acceptable level due to the natural hedge existing in the HTL Group as a result of having both USD, TZS, GHS, XAF and ZAR denominated revenues and costs, and minimal foreign denominated third party debt levels within the business. The carrying amounts of the HTL Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities				Assets			
	Year ended		Six months ended		Year ended		Six months ended	
	2016	2017	2018	2019	2016	2017	2018	2019
	<i>(US\$ in thousands)</i>							
New Ghana Cedi	13,915	16,204	12,732	13,421	18,565	22,540	21,022	21,354
Tanzanian Shilling	55,220	176,874	32,785	30,494	41,464	71,887	63,919	67,400
South African Rand	—	—	—	1,446	—	—	—	4,641
Central African Franc	11,867	14,314	4,165	3,278	7,693	20,598	10,646	11,460
	81,002	207,392	49,682	48,639	67,722	115,025	95,587	104,855

Foreign currency sensitivity analysis

The following table details the HTL Group's sensitivity to a 10 per cent. increase in U.S. dollar against GHS, XAF, ZAR and TZS. 10 per cent. is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible 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 per cent. change in foreign currency rates. A positive number below indicates an increase in

profit and other equity where U.S. dollar weakens 10 per cent. against the GHS, XAF, ZAR or TZS. For a 10 per cent. strengthening of U.S. dollar against the GHS, XAF, ZAR or TZS, there would be a comparable impact on the profit and other equity, and the balances below would be negative.

	Central African Franc impact				New Ghana Cedi impact				Tanzania Shillings impact				South African Rand impact
	2016	2017	2018	2019	2016	2017	2018	2019	2016	2017	2018	2019	2019
	<i>(US\$ in thousands)</i>												
Impact on profit or loss.....	417	(628)	(648)	(818)	(465)	(634)	(829)	(793)	1,376	10,499	(3,113)	(3,691)	(320)

This is mainly attributable to the exposure outstanding on GHS, XAF, ZAR and TZS receivables and payables in the HTL Group at the reporting date. In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk for the HTL Group or HT Ltd as the year-end exposure does not reflect the exposure during the year.

Interest rate swap contracts

Under interest rate swap contracts, the HTL Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the HTL Group to mitigate the risk of changing interest rates on the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the yield curves at the reporting date and the credit risk inherent in the contract, and is disclosed below.

There were no interest rate swap contracts outstanding as at 31 December 2017, 31 December 2018 and 30 June 2019:

	Average contract fixed rate				Amortising notional value				Fair value			
	2016	2017	2018	2019	2016	2017	2018	2019	2016	2017	2018	2019
	(US\$ in thousands)											
Two to five year	1.61	—	—	—	195,500	—	—	—	(1,393)	—	—	—

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the HTL Group. The HTL 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 HTL Group uses publicly available financial information and other information provided by the counterparty (where appropriate) to rate its major customers. As of 30 June 2019, the HTL Group has a concentration risk with regards to four of its largest customers and its related parties and HT Ltd has a concentration risk with regards to the receivable balances with related parties. The HTL 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 historical financial information, which is net of impairment losses, represents the HTL Group's and HT Ltd's exposure to credit risk.

The HTL Group uses the IFRS 9 ECL model to measure loss allowances at an amount equal to their lifetime expected credit loss.

In order to minimise credit risk, the HTL Group has categorised exposures according to their degree of risk of default. The credit rating information is based on a range of qualitative and quantitative factors that are deemed to be indicative of risk of default.

Liquidity risk management

The HTL Group has long-term debt financing through Senior Loan notes of US\$600 million due for repayment in March 2022.

In October 2018, HTA Group Ltd, a wholly owned subsidiary of the HTL Group, signed a US\$100 million term loan agreement. As at 30 June 2019, US\$75 million was drawn.

The HTL Group has a revolving credit facility of US\$60 million for funding working capital requirements. As at 30 June 2019 the facility was undrawn and is available until March 2021. The HTL Group has remained compliant during the six months ended 30 June 2019 with all the covenants contained in the Senior Credit facility.

Ultimate responsibility for liquidity risk management rests with the Board. The HTL Group manages liquidity risk by maintaining adequate reserves and banking facilities and continuously monitoring forecast and actual cash flows including consideration of appropriate sensitivities.

Non-derivative financial liabilities

The following tables detail the HTL 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 HTL Group can be required to pay. The table includes principal cash flows.

	Within 1 year	1-2 years	2-5 years	5+ years	Total
	<i>(US\$ in thousands)</i>				
31 December 2016					
Non-interest bearing	163,857	—	—	—	163,857
Variable interest rate instruments	32,962	60,324	235,526	44,600	373,412
Fixed interest rate instruments	32,852	—	—	8,052	40,904
	<u>229,671</u>	<u>60,324</u>	<u>235,526</u>	<u>52,652</u>	<u>578,173</u>
31 December 2017					
Non-interest bearing	147,324	—	—	—	147,324
Fixed interest rate instruments	—	—	—	598,354	598,354
	<u>147,324</u>	<u>—</u>	<u>—</u>	<u>598,354</u>	<u>745,678</u>
31 December 2018					
Non-interest bearing	149,752	—	—	—	149,752
Fixed interest rate instruments	—	—	610,790	—	610,790
	<u>149,752</u>	<u>—</u>	<u>610,790</u>	<u>—</u>	<u>760,542</u>
30 June 2019					
Non-interest bearing	151,099	—	—	—	151,099
Fixed interest rate instruments	—	—	662,622	—	662,622
	<u>151,099</u>	<u>—</u>	<u>662,622</u>	<u>—</u>	<u>813,721</u>

The interest profile of the HTL Group's variable interest bearing financial liabilities has been disclosed under note 19. The floating portion of the financial liabilities in 2016 were based on the relevant three or six-month USD LIBOR.

The HTL Group manage liquidity risk by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Non-derivative financial assets

The following table details the HTL 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 HTL Group anticipates that the cash flow will occur in a different period. The table below represents receivables plus cash, less VAT and withholding tax receivables.

	Within 1 year	1-2 years	2-5 years	5+ years	Total
	<i>(US\$ in thousands)</i>				
31 December 2016					
Non-interest bearing	249,222	—	—	—	249,222
	249,222	—	—	—	249,222
31 December 2017					
Non-interest bearing	220,434	—	—	—	220,434
	220,434	—	—	—	220,434
31 December 2018					
Non-interest bearing	185,908	—	—	—	185,908
	185,908	—	—	—	185,908
30 June 2019					
Non-interest bearing	190,992	—	—	—	190,992
	190,992	—	—	—	190,992

Derivative financial instruments (assets)/liabilities

The following table details the HTL Group's liquidity analysis for its derivative financial instruments based on contractual maturities. The table has been drawn up based on the undiscounted net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

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 HTL Group the right to redeem the Senior Notes at a date prior to the maturity date (8 March 2022), in certain circumstances and at a premium over the initial notional amount.

The put option provides the holders with the right (and the HTL Group with an obligation) to settle the Senior Notes before their redemption date in the event of a change in control (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 HTL 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 Senior Notes are a Level 1 financial instrument and as at 30 June 2019 had a fair value of US\$630.9 million. 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 (30 June 2019) has been sourced from an independent third party data vendor. The fair value of the host contract is calculated by discounting the Senior Notes's future cash flows (coupons and principle payment) at USD 3-month LIBOR plus Helios Towers's credit spread. The main driver of the increase of the fair

value of the embedded derivative between 31 December 2018 and 30 June 2019 is this specific instrument's credit spread, a relative 1 per cent. increase in this would result in an approximately US\$0.5 million decrease in value.

	Within 1 year	1-2 years	2-5 years	5+ years	Total
	<i>(US\$ in thousands)</i>				
31 December 2016					
Net settled:					
Interest rate swaps	—	—	(1,393)	—	(1,393)
Gross settled:	—	—	—	—	—
NCI buy-out.....	57,886	—	—	—	57,886
	57,886	—	(1,393)	—	56,493
31 December 2017					
Net settled:					
Embedded derivatives.....	—	—	(23,917)	—	(23,917)
	—	—	(23,917)	—	(23,917)
31 December 2018					
Net settled:					
Embedded derivatives.....	—	—	(7,086)	—	(7,086)
	—	—	(7,086)	—	(7,086)
30 June 2019					
Net settled:					
Embedded derivatives.....	—	—	31,362	—	31,362
	—	—	31,362	—	31,362

Interest rate risk management

The HTL Group is exposed to interest rate risk because entities in the HTL Group borrows funds at both fixed and floating interest rate. The risk is managed by the HTL Group by maintaining an appropriate mix between fixed and floating rate loans, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The HTL Group's exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section.

25 Contingencies

In the year ended 31 December 2015, the Democratic Republic of Congo's National Tax Services issued an initial assessment for the financial years ended 31 December 2014 and 31 December 2015, which was revised to US\$2.8 million in February 2019. In the year ended 31 December 2018, Congo Brazzaville Public Treasury Authority commenced an investigation for the financial years ended 31 December 2014 to 31 December 2015 in relation to direct and indirect taxes. During the period ended 30 June 2019, the Ghana Revenue Authority issued an initial assessment on Transfer Pricing for years 2012 to 2017 of approximately US\$10.4 million. The initial assessment is in early stages of review with local tax experts and as such the impact, if any, is unknown at this time.

The Directors have appealed against these assessments and together with their advisors are in discussion with the tax authorities to bring the matter to conclusion based on the facts.

A change of control (as defined by the relevant local tax authority) of certain of the HTL Group's subsidiaries may trigger certain tax liabilities for the HTL Group ("Change of Control Taxes"). The potential outcome (including any future financial obligations) is uncertain as no trigger event has arisen as at the date hereof, therefore no liabilities have been recognised in relation to this as at the date hereof. A number of the HTL Group's operating subsidiaries are currently undergoing or expect to undergo routine tax audits which could give rise to additional tax assessments. Substantial payments of tax could arise for the HTL Group, or tax receivable balances may not be recovered as expected.

26 Loss per share

27 Reconciliation of liabilities arising from financing activities

The movement in total liabilities from financing activities is as follows:

2017	At 1 January 2017	Cash flow	Foreign exchange, interest and other non-cash movements	At 31 December 2017
		<i>(US\$ in thousands)</i>		
Loans.....	(401,149)	(167,938)	(29,267)	(598,354)
Lease liabilities	(111,045)	11,675	(17,179)	(116,549)
Total liabilities from financing activities.....	(512,194)	(156,263)	(46,446)	(714,903)

External debt is the total debt owed to commercial banks and institutional investors and is presented as Loans in the consolidated statement of financial position.

On 30 April 2019, Helios Towers South Africa Holdings (Pty) Ltd simultaneously entered into agreements with SA Towers Proprietary Limited and Sky Coverage Proprietary Limited, to purchase certain employee contracts and business assets comprising towers, tower sites and related assets as well as to transfer certain tenant leases. The HTL Group have 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 this transaction was US\$33.1 million. Due to the proximity to the reporting date, the initial accounting for the acquisition of the subsidiary has only been provisionally determined as at 30 June 2019. Goodwill arising on this business combination has been allocated to the South Africa CGU. This business combination had the following effect on the HTL Group’s assets and liabilities:

	As at 30 June 2019
	<i>(US\$ in thousands)</i>
Consideration paid in cash	10,581
Consideration paid in shares.....	118
Contingent consideration ⁽¹⁾	22,363
Total consideration	33,062

Note:

(1) The provisional contingent consideration balance of US\$22.4 million as of 30 June 2019 is made up of US\$16.5 million long-term, and US\$5.9 million included in the short-term balance.

Acquisition-related contingent consideration

The provisional acquisition-related contingent consideration balance is dependent on the timing of sites under construction being fully completed in accordance with technical specifications and is initially measured and recorded at fair value as an element of consideration paid in connection with an acquisition with subsequent adjustments recognized in other operating expenses in the consolidated statement of profit or loss and other comprehensive income. The fair value of acquisition-related contingent consideration, and any subsequent changes in fair value, is determined by using a discounted probability-weighted approach, which takes into consideration Level 3 unobservable inputs, including assessments of expected future cash flows over the period in which the obligation is expected to be settled, and applies a discount factor that captures the uncertainties associated with the obligation. Changes in the unobservable inputs of Level 3 assets or liabilities could significantly impact the fair value of these assets or liabilities recorded in the consolidated statements of financial position, with the adjustments being recorded in the consolidated statement of profit or loss and other comprehensive income. The calculation of the fair value of the contingent consideration balance is most sensitive to changes in the following assumptions: (1) number of sites coming on-air, which are between 700 and 800, a 1 per cent. increase in this would result in an approximately US\$0.2 million increase in value and (2) discount rate, which is between 13 and 18 per cent., a 1 per cent. increase in this would result in an approximately US\$0.2 million decrease in value. Significant increases or decreases in any of these inputs in isolation would result in a significantly lower or higher fair value measurement.

As of 30 June 2019, the HTL Group estimates that the value of all potential acquisition-related contingent consideration required payments to be between US\$nil and US\$65.0 million. The changes in fair value of the contingent consideration were as follows during the six months ended 30 June, (in thousands):

	Six months ended 30 June 2019
	<i>(US\$ in thousands)</i>
Balance at start of year.....	—
Additions	22,363
Settlements	—
Change in fair value	—
Balance as of 30 June.....	22,363

The HTL Group has assessed the provisional fair value of net assets acquired at US\$23.9 million, in terms of IFRS 3, based on appropriate valuation methodology. For the period from 30 April 2019 to 30 June 2019 this acquisition contributed revenue of US\$0.4 million and a loss of US\$0.4 million. The goodwill is mainly attributable to the workforce and the future lease uprate potential of the sites acquired and is expected to be deductible for tax purposes.

The HTL Group incurred acquisition-related costs of US\$0.7 million related to the above business combination in 2019. These costs have been included in deal costs in the HTL Group's consolidated statement of profit or loss and other comprehensive income. If the above business combination had occurred on 1 January 2019, management estimates that HTL Group consolidated revenue would have been US\$191.5 million and HTL Group consolidated loss before tax would have been US\$19.5 million for the six months ended 30 June 2019.

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

- Property, plant and equipment: Depreciated replacement cost adjusted for physical deterioration as well as functional and economic obsolescence.
- Intangible assets (customer contracts): Multi-period excess earnings method which considers the present value of net cash flows expected to be generated by the customer relationships.

29 Subsequent events

In July 2019 HTT Infraco Limited (HTT) signed an agreement to acquire 196 sites, which are currently managed by HTT, and colocation rights from Viettel Tanzania PLC.

On 19 September 2019, Helios Towers, Ltd. announced its intention to apply for the admission of the ordinary shares of Helios Towers plc to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the main market of the London Stock Exchange plc. In connection with this, a pre-IPO reorganisation of the HTL Group is underway, including the insertion of Helios Towers plc, a public company limited by shares incorporated in England and Wales, as the ultimate parent company via a share-for-share exchange expected to take place on 17 October 2019.

30 Registered offices of subsidiaries

Name	Country of incorporation and registered office
Helios Towers Ghana Limited	No.31 Akosombo Road, Airport Residential Area, Private Mail Bag CT409, Cantonments, Accra, Ghana
HTG Managed Services Limited	No.31 Akosombo Road, Airport Residential Area, Private Mail Bag CT409, Cantonments, Accra, Ghana
HTA Group, Ltd	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
HTA Holdings, Ltd.....	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
Helios Towers DRC SARL.....	1 st Floor, Tower LE130, 130B, Avenue Kwango, Kinshasa, Gombe, Democratic Republic of Congo
HT DRC Infraco SARL	1 st Floor, Tower LE130, 130B, Avenue Kwango, Kinshasa, Gombe, Democratic Republic of Congo
Helios Towers Tanzania Limited.....	Ground Floor, Peninsula House, Plot No.251 Toure Drive, P.O. Box 105297, Oysterbay, Dar Es Salaam, Tanzania
HT Holdings Tanzania, Ltd.....	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
HTT Infraco Limited	Ground Floor, Peninsula House, Plot No.251 Toure Drive, P.O. Box 105297, Oysterbay, Dar Es Salaam, Tanzania
HT Congo Brazzaville Holdco Limited..	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
Helios Towers Congo Brazzaville SASU	100ter, Boulevard Marechal Lyautey, Brazzaville, Republic of Congo
Helios Chad Holdco Limited	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
Towers NL Coöperatief U.A.....	Prins Bernhardplein 200, 1097JB Amsterdam, The Netherlands
HTA (UK) Partner Ltd	5 Merchant Square West, 10 th Floor, London, W21AS, United Kingdom
HT Chad SARLU.....	Quartier Chagoua, Avenue du 10 Octobre, BP 6572, N'djamena, Chad
HTA Equity GP Ltd	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
HT Gabon Holdco Limited	Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius
Helios Towers FZ-LLC	DIC, Unit 102, Floor 1, Building 5, Dubai Internet City, United Arab Emirates
McRory Investment B.V	Oslo 1, 2993LD Barendrecht, The Netherlands
McTam International I B.V	Oslo 1, 2993LD Barendrecht, The Netherlands
Helios Towers South Africa Holdings Pty	Unit D8, El Ridge Office Park, 100 Elizabeth Road, Bartlett, Boksburg, Gauteng, 1459, South Africa
Helios Towers South Africa Pty Ltd.....	Unit D8, El Ridge Office Park, 100 Elizabeth Road, Bartlett, Boksburg, Gauteng, 1459, South Africa
Helios Towers South Africa Services Pty	Unit D8, El Ridge Office Park, 100 Elizabeth Road, Bartlett, Boksburg, Gauteng, 1459, South Africa
HTSA Towers Pty Ltd.....	Unit D8, El Ridge Office Park, 100 Elizabeth Road, Bartlett, Boksburg, Gauteng, 1459, South Africa



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The Board of Directors
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10th Floor
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United Kingdom

Merrill Lynch International
2 King Edward Street
London
EC1A 1HQ
United Kingdom

15 October 2019

Dear Sirs/Madams

Helios Towers plc

We report on the financial information of Helios Towers plc (formerly Hackplimco Plc) (the “Company”) as at 1 August 2019 set out in Part D of Part XV of the prospectus dated 15 October 2019 of the Company (the “Prospectus”). This financial information has been prepared for inclusion in the Prospectus on the basis of the accounting policies set out in note 1 to the financial information. This report is required by Annex 1 item 18.3.1 of Commission delegated regulation (EU) 2019/980 (the “Prospectus Delegated Regulation”) and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

The Directors of the Company are responsible for preparing the financial information in accordance with the International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex 1 item 1.3 of the Prospectus Delegated Regulation, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity’s circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the Prospectus, a true and fair view of the state of affairs of the Company as at 1 August 2019 in accordance with the International Financial Reporting Standards as adopted by the European Union.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) we are responsible for this report as part of the Prospectus and declare that to the best of our knowledge, the information contained in this report is in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex 1 item 1.2 of the Prospectus Delegated Regulation and for no other purpose.

Yours faithfully

Deloitte LLP

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ, United Kingdom. Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients.

Part D: Historical Financial Information for Helios Towers plc
Statement of financial position

	Notes	US\$
As at 1 August 2019		
Current assets		
Other receivables.....	3	1
Total assets.....	3	1
Equity		
Issued capital		
Share capital.....	5	1
Total equity.....	5	1

Notes to the Historical Financial Information for Helios Towers plc

Authorisation of Historical Financial Information for Helios Towers plc and statement of compliance with IFRS

Hackplimco Plc was incorporated as a public limited company on 1 August 2019 in the United Kingdom under the Companies Act primarily to act as the future parent company to Helios Towers, Ltd. The name was changed to Helios Towers plc (the “Company”) on 12 August 2019. The address of the registered office is 10th Floor, 5 Merchant Square West, W2 1AS, London, UK.

The Historical Financial Information for Helios Towers plc has been prepared by the Company under applicable International Financial Reporting Standards adopted by the European Union (“IFRS”).

A summary of the Company’s significant accounting policies under IFRS is presented in note 2. These policies have been consistently applied.

This Historical Financial Information for Helios Towers plc has been approved and authorised on for issuance by the Directors on 1 October 2019.

This Historical Financial Information for Helios Towers plc is presented as at the date of incorporation on 1 August 2019 for which there were no transactions requiring presentation of a statement of profit and loss and other comprehensive income, a statement of changes in equity or a statement of cash flows. Therefore, the statement of financial position and accompanying financial policies and explanatory notes comprise the only Helios Towers plc financial information available at the date of the Prospectus.

1 Accounting policies

Basis of preparation

The Historical Financial Information for Helios Towers plc is presented in United States Dollars (US\$) which is the presentational currency of the Company. The Company’s functional currency is Sterling (GBP £) being the primary economic environment in which the Company operates. Assets and liabilities in the Historical Financial Information for Helios Towers plc are translated at the closing rate at the period end with any resulting exchange differences being recognised in other comprehensive income. As at the period end date no material exchange differences have been recognised on translation into US\$.

The Historical Financial Information for Helios Towers plc has been prepared on a historical cost basis.

Going concern

The Historical Financial Information for Helios Towers plc has been prepared on a going concern basis, which assumes that the Company will continue to meet its liabilities as they fall due.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence based on the fact that the Company has no liabilities and has not generated any between the period end date and date of authorisation. The Company is only currently expected to assume liabilities as a consequence of the acquisition and consolidation of Helios Towers Ltd. on successful completion of the premium listing. The Historical Financial Information has been prepared on a going concern basis as set out therein.

Use of estimates and judgement

The preparation of the Historical Financial Information for Helios Towers plc in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In preparing the Historical Financial Information for Helios Towers plc there are no significant estimates or judgements applicable.

2 Significant accounting policies

The accounting policies set out below have been applied consistently in this Historical Financial Information.

Financial instruments

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds receivable, net of direct issue costs.

Standards and interpretations issued but not yet effective.

At the date of authorisation of the Historical Financial Information, there are no standards or interpretations issued, which are not yet effective that are expected to have a material impact upon the Historical Financial Information.

3 Other receivables

	US\$
Share capital not paid	1
Other receivables.....	1

4 Share capital

	Number of Shares	(US\$)
Ordinary share capital of £1	1	1

The ordinary share carries the right to one vote and the right to receive dividends.

5 Ultimate controlling party

At the date of incorporation the ultimate controlling party is Lath Holdings Ltd., c/o Intercontinental Trust Limited, Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius.

6 Subsequent events

On 19 September 2019, Helios Towers, Ltd. announced its intention to apply for the admission of the ordinary shares of Helios Towers plc to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the main market of the London Stock Exchange plc. In connection with this, a pre-IPO reorganisation of the HTL Group is underway, including the insertion of Helios Towers plc, a public company limited by shares incorporated in England and Wales, as the ultimate parent company via a share-for-share exchange expected to take place on 17 October 2019.

PART XVI

UNAUDITED *PRO FORMA* FINANCIAL INFORMATION

Part A: Accountants' Report on Unaudited *Pro Forma* Financial Information



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Merrill Lynch International
2 King Edward Street
London
EC1A 1HQ
United Kingdom

15 October 2019

Dear Sirs/Madams

Helios Towers plc (the “Company”)

We report on the *pro forma* financial information (the “*Pro forma* financial information”) set out in Part XVI of the prospectus dated 15 October 2019 (the “Prospectus”), which has been prepared on the basis described in Part B of Part XVI of the Prospectus, for illustrative purposes only, to provide information about how (i) the pre-IPO reorganisation (the “Pre-IPO Reorganisation”), pursuant to which the Company will be inserted as the ultimate holding company of Helios Towers, Ltd. and its subsidiaries (the “HTL Group”), and (ii) the offer of shares in the capital of the Company to certain institutional investors in the United Kingdom and elsewhere (the “Global Offer”) might have affected the financial information presented on the basis of the accounting policies to be adopted by the Company in preparing the financial information as at 1 August 2019. This report is required by the Commission delegated regulation (EU) 2019/980 (the “Prospectus Delegated Regulation”) and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company (the “Directors”) to prepare the *Pro forma* financial information in accordance with Annex 20 items 1 and 2 of the Prospectus Delegated Regulation.

It is our responsibility to form an opinion, as to the proper compilation of the *Pro forma* financial information and to report that opinion to you in accordance with Annex 20 item 3 of the Prospectus Delegated Regulation.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the

purposes of complying with Annex 1 item 1.3 of the Prospectus Delegated Regulation, consenting to its inclusion in the Prospectus.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the *Pro forma* financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the *Pro forma* financial information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the *Pro forma* financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards or practices.

Opinion

In our opinion:

- (a) the *Pro forma* financial information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex 1 item 1.2 of the Prospectus Delegated Regulation and for no other purpose.

Yours faithfully

Deloitte LLP

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ, United Kingdom. Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients.

Part B: Unaudited *Pro Forma* Financial Information

Set out below is an unaudited *pro forma* statement of net assets of the Group at 1 August 2019 and an unaudited narrative *pro forma* statement of profit and loss and other comprehensive income of the Group. The unaudited *pro forma* financial information has been prepared on the basis set out in the notes below and in accordance with Annex 20 of the Prospectus Delegated Regulation to illustrate the impact of the Pre-IPO Reorganisation and the Global Offer on the net assets and profit and loss and other comprehensive income of the Group had these taken place at 1 August 2019. The Pre-IPO Reorganisation will be accounted for as a common control transaction.

The unaudited *pro forma* financial information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Group's actual financial position or results of operations. Such information may not, therefore, give a true picture of the Group's financial position or results of operations nor is it indicative of the results that may or may not be expected to be achieved in the future. The unaudited *pro forma* statement of net assets is based on the audited net assets of the Company at 1 August 2019 and of the HTL Group as of 30 June 2019 as shown in Part B of Part XV: "*Historical Financial Information*". The unaudited narrative *pro forma* statement of profit and loss and other comprehensive income is based on the unaudited profit and loss and other comprehensive income of the Company and the audited profit and loss and other comprehensive income of the HTL Group for the six months ended 30 June 2019. No adjustments have been made to take account of trading, expenditure or other movements subsequent to 1 August 2019 in relation to the Company and 30 June 2019 in relation to the HTL Group, being the dates of the last published statements of financial position of the Company and the HTL Group, respectively, and the dates of the last statements of profit and loss and other comprehensive income of the Company and the HTL Group, respectively.

The Directors of Helios Towers plc are responsible for the preparation of the unaudited *pro forma* financial information in accordance with Annex 20 items 1 and 2 of the Prospectus Delegated Regulation. The unaudited *pro forma* information does not constitute financial statements within the meaning of section 434 of the Companies Act. Investors should read the whole of this Prospectus and not rely solely on the summarised financial information contained in this Part XVI: "*Unaudited Pro Forma Financial Information*".

The unaudited *pro forma* financial information has not been prepared, or shall not be construed as having been prepared, in accordance with Regulation S-X under the U.S. Securities Act.

Unaudited *Pro Forma* Statement of Net Assets at 1 August 2019

	Helios Towers plc net assets at 1 August 2019 ⁽¹⁾	Adjustments for the Pre-IPO Reorganisation ⁽²⁾	Adjustments for net proceeds of the Global Offer ⁽³⁾	<i>Pro forma</i> net assets of the Group at 1 August 2019
	(US\$ in thousands)			
Non-current assets				
Intangible assets.....	—	40,110	—	40,110
Property, plant and equipment.....	—	653,502	—	653,502
Right of use assets.....	—	108,502	—	108,502
Investments	—	—	—	—
Derivative financial assets	—	31,362	—	31,362
	—	833,476	—	833,476
Current assets				
Inventories.....	—	9,979	—	9,979
Trade and other receivables.....	0	125,620	—	125,620
Prepayments.....	—	26,891	—	26,891
Cash and cash equivalents.....	—	89,765	101,974	191,739
	0	252,255	101,974	354,229
Current liabilities				
Non-controlling interest buy-out liability.....	—	—	—	—
Trade and other payables.....	—	151,099	—	151,099
Contingent consideration.....	—	5,837	—	5,837
Short-term lease liabilities	—	20,947	—	20,947
Loans.....	—	18,905	—	18,905
	—	196,788	—	196,788
Net current assets.....	0	55,467	101,974	157,441
Total assets less current liabilities	0	888,943	101,974	990,917
Non-current liabilities				
Long-term lease liabilities	—	103,009	—	103,009
Loans.....	—	662,622	—	662,622
Contingent consideration	—	16,526	—	16,526
Deferred tax liabilities	—	6,348	—	6,348
	—	788,505	—	788,505
Net assets	0	100,438	101,974	202,412

Notes:

- (1) The financial information of Helios Towers plc has been extracted without material adjustment from the Historical Financial Information for Helios Towers plc at 1 August 2019, set out in Part XV: “*Historical Financial Information*”. The Historical Financial Information for Helios Towers plc has been audited and there is an accountants’ report in Part C of Part XV: “*Historical Financial Information*” in this Prospectus.
- (2) The Pre-IPO Reorganisation, as described in paragraph 4.1 of Part XIX: “*Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital — Pre-IPO Reorganisation*”, is intended to take place prior to Admission pursuant to which Helios Towers plc will be inserted as the ultimate holding company of the Group. The adjustments only reflect the addition of HTL Group net assets as a result of the Pre-IPO Reorganisation. The financial information of the HTL Group has been extracted without material adjustment from the Historical Financial Information as of 30 June 2019, set out in Part XV: “*Historical Financial Information*”.
- (3) The adjustment represents the effect of the receipt by the Company of the gross proceeds of the Global Offer of US\$125.0 million less estimated expenses of US\$23.0 million.

Unaudited *Pro Forma* Statement of Profit and Loss and Other Comprehensive Income

The following is an unaudited narrative *pro forma* statement of profit and loss and other comprehensive income of the Group, which has been prepared for illustrative purposes only to illustrate the impact of the Pre-IPO Reorganisation and the Global Offer on the profit and loss and other comprehensive income of the Group had these taken place at 1 August 2019. The Pre-IPO Reorganisation will be accounted for as a common control transaction. Helios Towers plc was incorporated on 1 August 2019 at which date there were no transactions requiring the presentation of a statement of profit and loss and other comprehensive income. As a result of the Pre-IPO Reorganisation and the Global Offer, the statement of profit and loss and other comprehensive income of the Group is adjusted to include the statement of profit of loss and other comprehensive income of the HTL Group for the six months ended 30 June 2019, resulting in *pro forma*

profit and loss and other comprehensive income of the Group equal to the statement of profit and loss and other comprehensive income of the HTL Group for the six months ended 30 June 2019 as set out in Part B of Part XV: “*Historical Financial Information*”, plus a proportion of the estimated expenses the Group expects to incur in connection with the Global Offer in the amount of US\$11.0 million. In total, the estimated expenses in connection with the Global Offer are expected to be US\$23.0 million, with the residual amount being charged to equity.

PART XVII

TAXATION

UK Taxation

The following is a summary of certain United Kingdom tax considerations relating to an investment in the Shares. The comments set out below are based on current United Kingdom law as applied in England and Wales and HMRC published practice (which may not be binding on HMRC) as of the date of this Prospectus, and all of which may be subject to change, possibly with retroactive effect. They are intended as a general guide and apply only to Shareholders resident and, in the case of an individual, domiciled for tax purposes in the United Kingdom and to whom “split year” treatment does not apply (except insofar as express reference is made to the treatment of non-United Kingdom residents), who hold Shares in the Company as an investment and who are the absolute beneficial owners thereof. The discussion does not address all possible tax consequences relating to an investment in the Shares. Certain categories of Shareholders, including those carrying on certain financial activities, those subject to specific tax regimes or benefitting from certain reliefs or exemptions, those connected with the Company or the Group and those for whom the Shares are employment related securities may be subject to special rules and this summary does not apply to such Shareholders.

Shareholders or prospective Shareholders who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional advisers immediately.

Taxation of Dividends

The Company will not be required to withhold amounts on account of United Kingdom tax at source when paying a dividend. Liability to tax on dividends will depend on the individual circumstances of a Shareholder.

Individual Shareholders

A United Kingdom resident individual Shareholder will not be subject to income tax on a dividend such individual Shareholder receives from the Company if the total amount of dividend income received by the individual in the tax year (including the dividend from the Company) does not exceed the dividend allowance of £2,000, which will be taxed at a nil rate (the “Dividend Allowance”). For these purposes, “dividend income” includes UK and non-UK source dividends and certain other distributions in respect of Shares.

In determining the income tax rate or rates applicable to a United Kingdom resident individual Shareholder’s taxable income, dividend income is treated as the highest part of such individual Shareholder’s income. Dividend income that falls within the Dividend Allowance will count towards the basic or higher rate limits (as applicable) which may affect the rate of tax due on any dividend income in excess of the Dividend Allowance.

To the extent that a United Kingdom resident individual Shareholder’s dividend income for the tax year exceeds the Dividend Allowance and, when treated as the top slice of such individual Shareholder’s income, falls above such individual Shareholder’s personal allowance but below the basic rate limit, such an individual Shareholder will be subject to tax on that dividend income at the dividend basic rate of 7.5 per cent. To the extent that such dividend income falls above the basic rate limit but below the higher rate limit, such an individual Shareholder will be subject to tax on that dividend income at the dividend upper rate of 32.5 per cent. To the extent that such dividend income falls above the higher rate limit, such an individual Shareholder will be subject to tax on that dividend income at the dividend additional rate of 38.1 per cent. For these purposes, the same thresholds apply for Scottish taxpayer Shareholders as in respect of other Shareholders resident in the United Kingdom. Scottish taxpayer Shareholders may wish to consult their own professional advisers if they are in any doubt as to their tax position in respect of dividends.

An individual UK Shareholder who has been resident for tax purposes in the UK but who ceases to be so resident or becomes treated as resident outside the UK for the purposes of a double tax treaty (Treaty non-resident) for a period of five years or less and who receives or becomes entitled to dividends from the Company during that period of temporary non-residence may, if the Company is treated as a close company for UK tax purposes and certain other conditions are met, be liable for income tax on those dividends on his or her return to the UK.

Corporate Shareholders

Shareholders who are within the charge to corporation tax will be subject to corporation tax on dividends paid by the Company, unless (subject to special rules for such Shareholders that are small companies) the dividends fall within an exempt class and certain other conditions are met. Each Shareholder's position will depend on its own individual circumstances, although it would normally be expected that the dividends paid by the Company would fall within an exempt class.

Non-UK shareholders

A Shareholder resident or otherwise subject to tax outside the United Kingdom (whether an individual or a body corporate) may be subject to foreign taxation on dividend income under local law. Shareholders to whom this may apply should obtain their own tax advice concerning tax liabilities on dividends received from the Company.

Taxation of Capital Gains

Shareholders who are resident in the United Kingdom, or, in the case of individuals, who cease to be resident in the United Kingdom for a period of five years or less, may depending on their circumstances (including the availability of exemptions or reliefs), be liable to United Kingdom taxation on chargeable gains in respect of gains arising from a sale or other disposal of Shares in the Company. UK capital gains tax may be payable at a rate of 10 per cent. (for 2019/2020) to the extent that individuals are subject to income tax at the basic rate and any chargeable gain does not exceed the unused part of their basic rate income tax band. Where an individual is subject to income tax at the basic rate but any chargeable gain exceeds the unused part of their basic rate income tax band, the rate of capital gains tax on the excess is 20 per cent. (for 2019/2020). The rate of capital gains tax for individuals who are higher or additional rate taxpayers is 20 per cent. No indexation allowance is available to individual Shareholders, but they may be entitled to an annual exemption from capital gains tax (this is £12,000 for the tax year 2019/2020). Under the Finance (No. 2) Act 2017, indexation allowance for corporates has been frozen from 1 January 2018.

Certain transfers at an undervalue by the Company or certain members of the Group may result in a reduction in the chargeable gains tax base cost of the Shares for certain Shareholders.

For these purposes, the same thresholds apply for Scottish taxpayer Shareholders as in respect of other Shareholders resident in the United Kingdom. Scottish taxpayer Shareholders may wish to consult their own professional advisers if they are in any doubt as to their tax position in respect of disposals.

Inheritance and Gift Taxes

Shares in the Company listed on the London Stock Exchange and held through CREST will be assets situated in the United Kingdom for the purposes of United Kingdom inheritance tax. A gift of such assets by, or the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to United Kingdom inheritance tax, even if the holder is neither domiciled in the United Kingdom nor deemed to be domiciled there (under certain rules relating to long residence or previous domicile). Generally, United Kingdom inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit.

Special rules also apply to participators in a close company and to trustees of settlements who hold Shares in the Company bringing the participators and trustees within the charge to inheritance tax. Holders of Shares in the Company should consult an appropriate professional adviser if they make a gift of any kind or intend to hold any Shares in the Company through such a company or trust arrangement. They should also seek professional advice in a situation where there is potential for a double charge to United Kingdom inheritance tax and an equivalent tax in another country or if they are in any doubt about their United Kingdom inheritance tax position.

One potential implication of close company status is that transfers of value by the Company, or any of the companies in which it owns (directly or indirectly) shares or certain other rights, may, in certain circumstances and subject to applicable exemptions, be attributed to and so give rise to inheritance tax for individual Shareholders who are domiciled or deemed to be domiciled in the UK and hold 5 per cent. or more of the shares, or for Shareholders whose estate is increased by the transfer.

Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

The statements in this section are intended as a general guide to the current United Kingdom stamp duty and SDRT position. Investors should note that certain categories of person are not liable to stamp duty or SDRT and others may be liable at a higher rate or may, although not primarily liable for tax, be required to notify and account for SDRT under the Stamp Duty Reserve Tax Regulations 1986.

Issue

No stamp duty or SDRT will arise on the issue of Shares in registered form by the Company. In the case of shares issued to a clearance service or depositary receipt system, this is as a result of case law which has been accepted by HMRC. Furthermore, at the Autumn Budget 2017, the government announced that HMRC will continue not to apply the 1.5 per cent. stamp duty and SDRT charge on the issue of shares (and transfers integral to capital raising) into overseas clearance services and depositary receipt issuers following the UK’s exit from the EU. It is reasonable to assume that HMRC will continue not to apply such charges in these circumstances in relation also to UK clearance services and depositary receipt issuers although this is yet to be confirmed.

Subsequent Transfers of Shares Registered on the Principal Share Register

Transfers outside of Depositary Receipt Systems and Clearance Services

An unconditional agreement to transfer Shares in the Company will normally give rise to a charge to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer. SDRT is, in general, payable by the purchaser.

Transfers of Shares in the Company will generally be subject to stamp duty at the rate of 0.5 per cent. of the consideration given for the transfer (rounded up to the next £5). The purchaser normally pays the stamp duty. An exemption from stamp duty is available on an instrument transferring Shares where the amount or value of the consideration is £1,000 or less, and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000.

If a duly stamped transfer completing an agreement to transfer is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional) any SDRT already paid is generally repayable, normally with interest, and any SDRT charge yet to be paid is cancelled.

The sale of Shares registered on the principal share register by the Selling Shareholders under the Global Offer will give rise to a liability to stamp duty and/or SDRT at a rate of 0.5 per cent. of the Offer Price (in the case of stamp duty, rounded up to the nearest multiple of £5). The Selling Shareholders will meet the liability to stamp duty and/or SDRT (save in respect of certain Over-allotment shares, where the Company may meet the liability to stamp duty and/or SDRT).

Transfers within CREST

Paperless transfers of Shares in the Company within the CREST system are generally liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system. The charge is generally borne by the purchaser. Deposits of Shares into CREST will not generally be subject to SDRT or stamp duty, unless the transfer into CREST is itself for consideration, in which case a liability to SDRT (usually at a rate of 0.5 per cent.) will arise.

Transfers to and within Depositary Receipt Systems and Clearance Services

Where Shares in the Company are transferred (a) to, or to a nominee or an agent for, a person whose business is or includes the provision of clearance services or (b) to, or to a nominee or an agent for, a person whose business is or includes issuing depositary receipts, stamp duty or SDRT may be payable at the higher rate of 1.5 per cent. of the amount or value of the consideration given or, in certain circumstances, the value of the Shares.

Except in relation to clearance services that have made an election under section 97A(1) of the Finance Act 1986 (to which the special rules outlined below apply), no stamp duty or SDRT is payable in respect of paperless transfers within clearance services or depositary receipt systems.

There is an exception from the 1.5 per cent. charge on the transfer to, or to a nominee or agent for, a clearance service where the clearance service has made and maintained an election under section 97A(1) of the Finance Act 1986, which has been approved by HMRC. In these circumstances, SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer will arise on any transfer of Shares in the Company into a clearance service and on subsequent agreements to transfer such Shares within a clearance service.

Any liability for stamp duty or SDRT in respect of a transfer into a clearance service or depositary receipt system, or in respect of a transfer within such a service, which does arise will strictly be accountable by the clearance service or depositary receipt system operator or their nominee, as the case may be, but will, in practice, be payable by the participants in the clearance service or depositary receipt system.

Individual Savings Accounts (“ISAs”)

The Shares will be qualifying investments for the stocks and shares component under the current ISA regulations. No taxation will be chargeable on an account investor on any dividends, distributions or gains received in respect of the Shares held through an ISA.

The opportunity to invest in shares through an ISA is restricted to individuals. Individuals wishing to invest in shares through an ISA should contact their professional advisers regarding their eligibility. Individual investors contemplating investing in shares through an ISA should note that there is always a risk that their current rights to hold such shares through an ISA may be prejudiced by future changes to the regulations which govern ISAs.

Any person who is in any doubt as to his or her taxation position or who is liable to taxation in any jurisdiction other than the UK should consult his or her professional advisers.

Certain U.S. Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of Sale Shares by a U.S. Holder (as defined below). This summary deals only with initial purchasers of Sale Shares under the Global Offer that are U.S. Holders and that will hold the Sale Shares as capital assets. This discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Sale Shares by particular investors (including consequences under the alternative minimum tax or Medicare tax on net investment income), and does not address state, local, non-U.S. or other tax laws. This summary also does not address tax considerations applicable to investors that own (directly, indirectly or by attribution) 10 per cent. or more of the stock of the Company, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, traders in securities that elect to mark-to-market, investors that will hold the Sale Shares as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the Sale Shares in connection with a trade or business conducted outside of the United States, U.S. citizens or lawful permanent residents living abroad or investors whose functional currency is not the U.S. dollar).

As used herein, the term “U.S. Holder” means a beneficial owner of Sale Shares that is, for U.S. federal income tax purposes, (i) a citizen or individual resident of the United States, (ii) a corporation created or organised under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Sale Shares will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisers concerning the U.S. federal income tax consequences to them and their partners of the acquisition, ownership and disposition of Sale Shares by the partnership.

This summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING, AND DISPOSING OF THE SALE SHARES, THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Distributions

Subject to the passive foreign investment company (“PFIC”) rules discussed below, distributions paid by the Company out of current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) generally will be taxable to a U.S. Holder as ordinary dividend income, and will not be eligible for the dividends received deduction allowed to corporations. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. Holder’s basis in the Sale Shares and thereafter as capital gain. However, the Company does not maintain calculations of its earnings and profits in accordance with U.S. federal income tax accounting principles. U.S. Holders should therefore assume that any distribution by the Company with respect to Sale Shares will be reported as ordinary dividend income. Dividends paid by the Company generally will be taxable to a non-corporate U.S. Holder at the special reduced rate normally applicable to long-term capital gains, provided the Company qualifies for the benefits of the income tax treaty between the United States and the United Kingdom, and certain other requirements are met. U.S. Holders should consult their own tax advisers with respect to the appropriate U.S. federal income tax treatment of any distribution received from the Company.

Dividends paid in pounds sterling will be included in income in a U.S. dollar amount calculated by reference to the exchange rate in effect on the day the dividends are received by the U.S. Holder, regardless of whether the pounds sterling are converted into U.S. dollars at that time.

Sale or other Disposition

Subject to the PFIC rules discussed below, upon a sale or other disposition of Sale Shares, a U.S. Holder generally will recognise capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the amount realised on the sale or other disposition and the U.S. Holder’s tax basis in the Sale Shares, in each case as determined in U.S. dollars. This capital gain or loss will be long-term capital gain or loss if the U.S. Holder’s holding period in the Sale Shares exceeds one year. Any gain or loss generally will be U.S. source. The deductibility of capital losses is subject to limitations. U.S. Holders should consult their own tax advisers about how to account for proceeds received on the sale or other disposition of Sale Shares that are not paid in U.S. dollars.

Passive Foreign Investment Company Considerations

A non-U.S. corporation will be a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable “look-through rules,” either (i) at least 75 per cent. of its gross income is “passive income” or (ii) at least 50 per cent. of the quarterly average value of its assets is attributable to assets which produce passive income or are held for the production of passive income. For purposes of the PFIC rules, “passive income” generally includes, amongst other things, dividends, interest, certain rents, certain foreign currency gains, and the excess of gains over losses from certain commodities transactions.

The Company does not expect to be a PFIC for its current taxable year or in the foreseeable future, but the Company’s possible status as a PFIC must be determined annually and therefore may be subject to change. If the Company is a PFIC for any taxable year during which a U.S. Holder holds Sale Shares, U.S. Holders of Sale Shares would be required to (i) pay a special U.S. addition to tax on gains on sale and certain distributions and (ii) pay tax on any gain from the sale of Sale Shares at ordinary income (rather than capital gains) rates in addition to paying the special addition to tax on this gain. Additionally, dividends paid by the Company would not be eligible for the reduced rate of tax described above under “*Distributions*”. Certain elections may be available that would result in alternative treatments (such as mark-to-market treatment) of the shares. Prospective purchasers should consult their tax advisers regarding the potential application of the PFIC regime.

Information Reporting and Backup Withholding

Payments of dividends and other proceeds with respect to Sale Shares by a U.S. paying agent or other U.S. intermediary will be reported to the Internal Revenue Service and to the U.S. Holder as may be required under applicable regulations. Backup withholding may apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to comply with applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisers about these rules and any other reporting obligations that may apply to the ownership or disposition of Sale Shares, including requirements related to the holding of certain “specified foreign financial assets”.

PART XVIII

THE GLOBAL OFFER

1 Summary of the Global Offer

The Global Offer comprises an offer of New Shares for subscription by the Company and an offer of Sale Shares for sale by the Selling Shareholders.

Pursuant to the Global Offer, the Company is allotting and issuing 86,386,373 New Shares and the Selling Shareholders are selling 131,004,931 Sale Shares for a total of 217,391,304 Offer Shares. In addition, up to a further 32,608,696 Over-allotment Shares are being made available by the Over-allotment Shareholders pursuant to the Over-allotment Option described below. The maximum number of Offer Shares (subject to the Over-allotment Option) represents approximately 21.7 per cent. of the issued share capital of the Company.

The Global Offer is being made: (i) to certain institutional and professional investors in the United Kingdom and elsewhere outside the United States in reliance on Regulation S; and (ii) to persons reasonably believed to be QIBs in the United States in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

In South Africa, the Global Offer will only be made by the Selling Shareholders by way of separate private placements to South African Qualifying Investors, and to whom the Global Offer will specifically be addressed, and only by whom the Global Offer will be capable of acceptance, and this Prospectus is only being made available to such South African Qualifying Investors.

Under the Global Offer, all of the Offer Shares will be sold, payable in full, at the Offer Price. Certain restrictions that apply to the distribution of this Prospectus and the Sale Shares being sold under the Global Offer in jurisdictions outside the United Kingdom are described in paragraph 13 of this Part XVIII: “*The Global Offer — Selling and Transfer Restrictions*”.

The Global Offer is fully underwritten by the Underwriters, in accordance with the terms of the Underwriting Agreement, and is subject to satisfaction of the conditions set out in the Underwriting Agreement, including Admission occurring and becoming effective by no later than 8.00 a.m. on 18 October 2019 or such later time and/or date as the Selling Shareholders, the Company and the Joint Global Co-ordinators may agree, and to the Underwriting Agreement not having been terminated in accordance with its terms.

When admitted to trading on the London Stock Exchange, the Shares will be registered with ISIN GB00BJVQC708, SEDOL number BJVQC70 and it is expected that the Shares will trade under the symbol “HTWS”. The rights attaching to the Shares will be uniform in all respects and they will form a single class for all purposes.

Immediately following Admission, it is expected that not less than 25 per cent. of the Company’s issued ordinary share capital will be held in public hands (within the meaning of Listing Rule 6.14).

The terms of the Global Offer are subject to change, and any terms to be varied shall be agreed between the Company, the Institutional Selling Shareholders and the Joint Global Co-ordinators (on behalf of the Underwriters).

2 Reasons for the Global Offer

The Directors believe the Global Offer and Admission will position the Company for its next stage of development by:

- (a) supporting the Group’s growth plans;
- (b) enhancing the Group’s public profile;
- (c) giving the Company access to a wider range of capital-raising options which may be of use in the future;
- (d) assisting in the incentivisation and retention of key management and employees; and
- (e) creating a liquid market in the Shares for Shareholders.

The Global Offer will also provide the Selling Shareholders with an opportunity for a partial realisation of their shareholding in the Company.

The Company will receive net proceeds (after deducting estimated underwriting commissions from the sale of the New Shares in the Global Offer (including the maximum amount of any discretionary commissions) and other fees and expenses of the Global Offer (including VAT) payable by the Company) of approximately £81.0 million. The Company intends to use all of the net proceeds from the issue of the New Shares to provide the Group with enhanced flexibility to take advantage of future opportunities in line with the Company's growth strategy, either in current markets or new geographies, and for general corporate purposes.

The Selling Shareholders will together receive net proceeds (after deducting estimated underwriting commissions from the sale of the Sale Shares in the Global Offer (including the maximum amount of any discretionary commissions) and applicable taxes) of approximately £145.4 million, excluding any proceeds receivable by the Over-allotment Shareholders pursuant to any exercise of the Over-allotment Option. The Escrow Amount (less any amounts contributed to the Escrow Account in cash) will be paid into the Escrow Account and the Selling Shareholders will receive the balance.

3 Allocations

The latest time and date for indications of interest in acquiring Offer Shares under the Global Offer was 5.00 p.m. on 14 October 2019, but that time may be extended at the discretion of the Selling Shareholders, the Company and the Joint Global Co-ordinators.

The allocation of Offer Shares among prospective investors will be determined by the Company and the Selling Shareholders, in consultation with the Joint Global Co-ordinators. A number of factors will be considered by the Company and the Selling Shareholders in determining the basis of allocation, including the level and nature of demand for Offer Shares in the Global Offer and the objective of encouraging an orderly and liquid after-market in the Offer Shares. If there is excess demand for Offer Shares, allocations may be scaled down and applicants may be allocated Offer Shares having an aggregate value which is less than the sum applied for. All Offer Shares sold pursuant to the Global Offer will be sold, payable in full, at the Offer Price. No commissions, fees, expenses or taxes will be charged to investors by the Selling Shareholders under the Global Offer. Liability for United Kingdom stamp duty and SDRT is described in Part XVI: "*Taxation*".

Prospective investors in the Global Offer will be advised verbally or by electronic mail of their allocation as soon as practicable following pricing and allocation. Upon acceptance of any allocation, prospective investors in the Global Offer will be committed to acquire the number of Offer Shares allocated to them at the Offer Price and, to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate, or otherwise withdraw from, such commitment.

The rights attaching to the Offer Shares will be uniform in all respects with all other Shares and the Offer Shares will form a single class for all purposes with the other Shares. The Offer Shares to be allocated under the Global Offer have been underwritten, subject to certain conditions, by the Underwriters, as described in paragraph 11 of this Part XVIII: "*The Global Offer — Underwriting arrangements*" and in paragraph 13.1 of Part XIX: "*Additional Information — Material Contracts — Underwriting Agreement*".

Upon accepting any allocation, prospective investors will be contractually committed to acquire the number of Offer Shares allocated to them at the Offer Price and, to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate, or otherwise withdraw from, such commitment. Dealing may not begin before notification is made.

Each investor will be required to pay the Offer Price for the Offer Shares sold to such investor in such manner as shall be directed by the Joint Global Co-ordinators.

Completion of the Global Offer will be subject to the satisfaction of conditions contained in the Underwriting Agreement, including Admission occurring and the Underwriting Agreement not having been terminated. The Global Offer cannot be terminated after Admission.

4 Representations and Warranties

Each investor and, in the case of sub-paragraph (g) below, any person confirming his agreement to purchase Shares on behalf of an investor or authorising the Underwriters to notify an investor's name to the Registrar in connection with the Global Offer, is deemed to represent, warrant and acknowledge to each of the Underwriters, the Registrar, the Selling Shareholders and the Company that:

- (a) if the investor is a natural person, such investor is not under the age of majority in the jurisdiction where they are located (18 years of age in the United Kingdom) on the date of such investor's application to purchase Shares under the Global Offer and will not be any such person on the date any such application is accepted;
- (b) in agreeing to purchase Shares under the Global Offer, the investor is relying on this Prospectus and, if applicable, any supplementary prospectus, and not on any other information or representation concerning the Company, the Shares or the Global Offer. Such investor agrees that none of the Company, the Selling Shareholders, the Underwriters, the Registrar, nor any of their respective officers or directors will have any liability for any such other information or representation. The investor irrevocably and unconditionally waives any rights it may have in respect of any other information or representation. This paragraph shall not exclude any liability for fraudulent misrepresentation;
- (c) the content of this Prospectus is exclusively the responsibility of the Company and its Directors and none of the Selling Shareholders, the Underwriters, the Registrar nor any person acting on behalf of any of them nor any of their respective employees, directors, officers, agents or affiliates is responsible for or shall have any liability for any information, representation or statement contained in this Prospectus or any information published by or on behalf of the Company, and none of the Selling Shareholders, the Underwriters, the Registrar nor any person acting on behalf of any of them nor any of their respective employees, directors, officers, agents or affiliates will be liable for any decision by an investor to participate in the Global Offer based on any information, representation or statement contained in this Prospectus, any supplementary prospectus or otherwise. The investor irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
- (d) the investor has not relied on the Underwriters or any person affiliated with the Underwriters in connection with any investigation of the accuracy of any information contained in this Prospectus, any supplementary prospectus or their investment decision; it has relied only on the information contained in this Prospectus and any supplementary prospectus;
- (e) it is a person to whom it is lawful for the offer of Shares to be made under the terms of the jurisdiction in which that investor is located;
- (f) it is entitled to purchase Shares under the laws of all relevant jurisdictions which apply to it; it has fully observed such laws and obtained all governmental and other consents which may be required under such laws and complied with all necessary formalities; it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction, save for the stamp duty/stamp duty reserve tax that the Selling Shareholders have agreed to be liable for; and it has not taken any action or omitted to take any action which will or may result in any of the Selling Shareholders, the Company, the Underwriters, the Registrar or any of their respective affiliates, directors, officers, agents, employees or advisers acting in breach of the legal and regulatory requirements of any jurisdiction in connection with the Global Offer or, if applicable, its acceptance of or participation in the Global Offer;
- (g) in the case of a person who confirms to the Underwriters on behalf of an investor an agreement to purchase for Offer Shares and/or who authorises the Underwriters to notify the investor's name to the Registrar, that person represents and warrants that it has authority to do so on behalf of the investor;
- (h) the investor is not, and is not applying as nominee or agent for, a person which is, or may be, mentioned in any of sections 67, 70, 93 and 96 of the UK Finance Act 1986 (depository receipts and clearance services);
- (i) it will pay to the Underwriters (or as they may direct) any amounts due from it in accordance with this Prospectus on the due time and date set out herein; and

- (j) the Company, the Selling Shareholders, the Underwriters and the Registrar will rely upon the truth and accuracy of the foregoing representations, warranties and undertakings.

5 Dealing Arrangements on the London Stock Exchange

The Global Offer is subject to the satisfaction of certain conditions contained in the Underwriting Agreement, which are typical for an agreement of this nature. Certain conditions are related to events which are outside the control of the Company, the Directors and the Underwriters. Further details of the Underwriting Agreement are described in paragraph 13.1 of Part XIX: “*Additional Information — Material Contracts — Underwriting Agreement*”.

Application will be made to the FCA for the Shares to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for such Shares to be admitted to trading on its main market for listed securities.

It is expected that Admission will take place and unconditional dealings in the Shares will commence on the London Stock Exchange at 8.00 a.m. on 18 October 2019. Settlement of dealings from that date will be on a two-day rolling basis. Prior to Admission, it is expected that dealings in the Shares will commence on a conditional basis on the London Stock Exchange at 8.00 a.m. on 15 October 2019. The earliest date for settlement of such dealings will be at 8.00 a.m. on 18 October 2019. **All dealings in the Shares between the commencement of conditional dealings and the commencement of unconditional dealings will be on a “when issued” basis. If the Global Offer does not become unconditional in all respects, any such dealings will be of no effect and any such dealings will be at the sole risk of the parties concerned. These dates and times may be changed without further notice.**

When admitted to trading, the Shares will be registered with ISIN GB00BJVQC708 and SEDOL number BJVQC70 and will trade under the symbol “HTWS”.

It is intended that Offer Shares allocated to investors who wish to hold shares in uncertificated form will take place through CREST on Admission. It is intended that, where applicable, definitive share certificates in respect of the Global Offer will be despatched by the Registrar. Temporary documents of title will not be issued. Dealings in advance of crediting of the relevant CREST stock account shall be at the risk of the person concerned.

In connection with the Global Offer, any of the Underwriters and any of their respective affiliates acting as an investor for its or his or her own account may retain, purchase, sell, offer to sell or otherwise deal for its or his or her own account(s) in the Offer Shares, any other securities of the Company or related investments in connection with the Global Offer or otherwise. Accordingly, references in this Prospectus to the Offer Shares being offered or otherwise dealt with should be read as including any offer to, or dealing by, the Underwriters and any of their respective affiliates acting as an investor for its or his or her own account(s). Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

6 Over-Allotment and Stabilisation

In connection with the Global Offer, Merrill Lynch International, as Stabilising Manager, or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Shares or effect other stabilisation transactions with a view to supporting the market price of the Shares at a higher level than that which might otherwise prevail in the open market. The Stabilising Manager is not required to enter into such transactions and such stabilisation transactions may be effected on any securities market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of conditional dealings in the Shares on the London Stock Exchange and ending no later than 30 calendar days thereafter. There is no assurance that stabilising transactions will be undertaken. Such transactions, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilise the market price of the Shares above the Offer Price. Except as required by law or regulation, neither the Stabilising Manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Global Offer.

In connection with the Global Offer, the Stabilising Manager may, for stabilisation purposes, over-allot Shares up to a maximum of 15 per cent. of the total number of Offer Shares comprised in the Global Offer. For the purposes of allowing the Stabilising Manager to cover short positions resulting from any such over-allotments and/or from sales of Shares effected by it during the stabilising period, the Over-allotment Shareholders have granted to it the Over-allotment Option, pursuant to which the Stabilising Manager may purchase or procure purchasers for up to 32,608,696 additional Shares (representing up to 15 per cent. of the total number of Offer Shares comprised in the Global Offer) at the Offer Price. The Over-allotment Option is exercisable in whole or in part, upon notice by the Stabilising Manager, at any time on or before the 30th calendar day after the commencement of conditional dealings of the Shares on the London Stock Exchange. Any Over-allotment Shares made available pursuant to the Over-allotment Option will rank *pari passu* in all respects with the Shares, including for all dividends and other distributions declared, made or paid on the Shares, will be purchased on the same terms and conditions as the Shares being sold in the Global Offer and will form a single class for all purposes with the other Shares.

7 Stock Lending Agreement

In connection with the Over-allotment Option, the Stabilising Manager will enter into the Stock Lending Agreement with Lath Holdings Ltd. pursuant to which the Stabilising Manager, on Admission, will be able to borrow up to 32,608,696 Shares for the purposes, amongst other things, of allowing the Stabilising Manager to settle, at Admission, over-allotments of Shares, if any, made in connection with the Global Offer. If the Stabilising Manager borrows any Shares pursuant to the Stock Lending Agreement, it will be required to return equivalent securities to Lath Holdings Ltd. in accordance with the terms of the Stock Lending Agreement.

8 CREST

CREST is a paperless settlement system in the United Kingdom enabling securities to be evidenced otherwise than by a certificate and to be transferred otherwise than by a written instrument. With effect from Admission, the Articles will permit the holding of Shares under the CREST system and the Company has applied for the Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Shares following Admission may take place within the CREST system, if any Shareholder so wishes.

CREST is a voluntary system and holders of Shares who wish to receive and retain share certificates will be able to do so. An investor applying for Offer Shares in the Global Offer may, however, elect to receive Offer Shares in uncertificated form if that investor is a system-member (as defined in the Uncertificated Securities Regulations) in relation to CREST.

9 Underwriting Arrangements

The Underwriters have entered into commitments under the Underwriting Agreement pursuant to which they have agreed, on the terms and subject to certain conditions contained in the Underwriting Agreement (which are customary in agreements of this nature), to use their reasonable endeavours to procure purchasers for the Offer Shares or, failing which, to purchase or subscribe for such Offer Shares themselves in their agreed proportions at the Offer Price. Further details of the terms of the Underwriting Agreement are set out in paragraph 13.1 of Part XIX: “*Additional Information — Material Contracts — Underwriting Agreement*”.

10 Lock-Up Arrangements

Pursuant to the Underwriting Agreement, each of the Company and the Institutional Selling Shareholders has agreed that, subject to certain exceptions, during the period of 180 days from the date of Admission, it will not, without the prior written consent of the Joint Global Co-ordinators, issue, offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, any Shares (or any interest therein or in respect thereof) or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing.

Pursuant to the Underwriting Agreement, each of the Directors (other than Richard Byrne) has agreed that, subject to certain exceptions, during the period of 365 days from the date of Admission, he/she will not, without the prior consent of the Joint Global Co-ordinators, offer, sell or contract to sell, or

otherwise dispose of, directly or indirectly, any Shares (or any interest therein or in respect thereof) or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing. Richard Byrne has agreed a lock-up on the same terms for a period of 180 days.

Pursuant to the Deeds of Election and related arrangements, each of the Management Shareholders has agreed, subject to certain exceptions, that during the period of 180 days (in respect of the Management Shareholders who are not employed or engaged by the Company (or another Group entity) at the time of Admission) or 365 days (in respect of the Management Shareholders who are employed or engaged by the Company (or another Group entity) at the time of Admission) from the date of Admission, he/she will not, without the prior written consent of the Joint Global Co-ordinators, issue, offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, any Offer Shares (or any interest therein or in respect thereof) or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing.

11 Selling and Transfer Restrictions

The distribution of this Prospectus and the offer of Offer Shares in certain jurisdictions may be restricted by law, and therefore, persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions, including those set out in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Offer Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

Apart from in the United Kingdom, no action has been taken or will be taken in any jurisdiction that would permit a public offering or sale of the Offer Shares, or possession or distribution of this Prospectus (or any other offering or publicity material relating to Shares) in any country or jurisdiction where action for that purpose is required or doing so may be restricted by law.

None of the Offer Shares may be offered for subscription, sale or purchase or be delivered, and this Prospectus and any other offering material in relation to the Offer Shares may not be circulated, in any jurisdiction where to do so would breach any securities laws or regulations of any such jurisdiction or give rise to an obligation to obtain any consent, approval or permission or to make any application, filing or registration.

Persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions on the distribution of this Prospectus and any offering of the Offer Shares. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Prospectus does not constitute an offer to purchase any of the Offer Shares to any person in any jurisdiction to whom it is unlawful to make such offer of solicitation in such jurisdiction.

European Economic Area

In relation to each Member State of the European Economic Area, an offer to the public of any Offer Shares may not be made in that Member State, except that the Offer Shares may be offered to the public in that Member State at any time under the following exemptions under the Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Co-ordinators for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Offer Shares shall result in a requirement for the Company or the Underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person who initially acquires Offer Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Underwriters and the Company that it is a “qualified investor” within the meaning of the Prospectus Regulation.

For the purposes of this provision, the expression “an offer of Shares to the public” in relation to any Offer Shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the Global Offer and the Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Offer Shares.

In the case of any Offer Shares being offered to a financial intermediary as that term is used in Article 5 of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Offer Shares acquired by it in the Global Offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Offer Shares to the public in a Member State prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the competent authority in that or, where appropriate, approved in another Member State and notified to the competent authority in the Member State, all in accordance with the Prospectus Regulation, other than their offer or resale to Qualified Investors or in circumstances in which the prior consent of the Underwriters has been obtained to each such proposed offer or resale.

The Company, the Selling Shareholders, the Underwriters and their affiliates and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified the Underwriters of such fact in writing may, with the consent of the Underwriters, be permitted to purchase Offer Shares in the Global Offer.

United States

Each purchaser of Offer Shares in the United States will be deemed to have represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an investment decision and that:

- (a) it is (i) a QIB, (ii) acquiring the Offer Shares for its own account or for the account of one or more QIBs with respect to whom it has the authority to make, and does make, the representations and warranties set forth in this paragraph, (iii) acquiring the Offer Shares for investment purposes, and not with a view to further distribution of such Offer Shares and (iv) aware, and each beneficial owner of the Offer Shares has been advised, that the sale of the Offer Shares to it is being made in reliance on Rule 144A or in reliance on another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
- (b) it understands and agrees that the Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state, territory or other jurisdiction of the United States and may not be offered, resold, pledged or otherwise transferred, except (i)(1) to a person whom the purchaser and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (2) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S, (3) pursuant to an exemption from the registration requirements of the U.S. Securities Act provided by Rule 144 thereunder (if available) or (4) pursuant to an effective registration statement under the U.S. Securities Act and (ii) in accordance with all applicable securities laws of any state, territory or other jurisdiction of the United States;
- (c) it acknowledges that the Offer Shares (whether in physical, certificated form or in uncertificated form held in CREST) are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act, that the Offer Shares are being offered and sold in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act and that no representation is made as to the availability of the exemption provided by Rule 144 for resales of Offer Shares;
- (d) it understands that in the event Offer Shares are held in certificated form, such certificated Offer Shares will bear a legend substantially to the following effect:

“THE SECURITY EVIDENCED HEREBY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE “U.S. SECURITIES ACT”), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT: (A) IN A TRANSACTION IN ACCORDANCE WITH RULE 144A UNDER THE U.S. SECURITIES ACT TO A PERSON

THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER; (B) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT; (C) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144 (IF AVAILABLE); OR (D) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT FOR REALES OF THIS SECURITY. EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER AND EACH PURCHASER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. EACH HOLDER, BY ITS ACCEPTANCE OF THIS SECURITY, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS”;

- (e) notwithstanding anything to the contrary in the foregoing, it understands that Offer Shares may not be deposited into an unrestricted depository receipt facility in respect of Shares established or maintained by a depository bank unless and until such time as such Offer Shares are no longer “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act;
- (f) any resale made other than in compliance with the above-stated restrictions shall not be recognised by the Company;
- (g) it agrees that it will give to each person to whom it transfers Offer Shares notice of any restrictions on transfer of such Shares; and
- (h) it acknowledges that the Company, the Selling Shareholders, the Underwriters and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements deemed to have been made by virtue of its purchase of Offer Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any Offer Shares as a fiduciary or agent for one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Regulation S Transfer Restrictions

Each purchaser of Offer Shares outside the United States in accordance with Regulation S will be deemed to have represented, agreed and acknowledged that it has received a copy of this Prospectus and such other information as it deems necessary to make an investment decision and that:

- (a) it is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations;
- (b) it acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States;
- (c) it and the person, if any, for whose account or benefit the purchaser is acquiring the Offer Shares is subscribing or purchasing the Offer Shares in an offshore transaction meeting the requirements of Regulation S; and
- (d) the Company, the Selling Shareholders, the Underwriters and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements deemed to have been made by virtue of its purchase of Offer Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any Offer Shares as a fiduciary or agent for one or more

accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

United Kingdom

This Prospectus comprises a prospectus relating to the Company prepared in accordance with the Prospectus Regulation Rules and approved by the FCA under section 87A of FSMA. This Prospectus has been filed with, and approved by, the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

This Prospectus is being distributed only to, and is directed at, persons in the United Kingdom who are “qualified investors” (as defined in the Prospectus Regulation) who are also: (i) persons having professional experience in matters relating to investments falling within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion Order) 2005, as amended (the “Order”); or (ii) persons who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2)(a)-(d) of the Order; or (iii) persons to whom it may otherwise be lawful to distribute it (all such persons together being referred to as “relevant persons”).

South Africa

In South Africa, the Global Offer will only be made by the Selling Shareholders by way of separate private placements to (i) selected persons falling within one of the specified categories listed in section 96(1)(a) of the South African Companies Act and (ii) selected persons, acting as principal, acquiring Shares for a total acquisition cost of R1,000,000 or more, as contemplated in section 96(1)(b) of the South African Companies Act (collectively, “South African Qualifying Investors”), and to whom the Global Offer will specifically be addressed, and only by whom the Global Offer will be capable of acceptance, and this Prospectus is only being made available to such South African Qualifying Investors. The information contained herein in respect of each class of South African Qualifying Investors is combined in this Prospectus for the sake of convenience only. Accordingly: (i) the information contained in this Prospectus does not constitute, nor form part of, any offer or invitation to sell or issue, or an advertisement or any solicitation of any offer or invitation to purchase any Offer Shares or any other securities and is not an offer to the public as contemplated in the South African Companies Act; (ii) this Prospectus does not, nor does it intend to, constitute a “registered prospectus” or an “advertisement”, as contemplated by the South African Companies Act; and (iii) no prospectus has been filed with the CIPC in respect of the Global Offer. As a result, this Prospectus does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC, or any other South African authority.

No South African residents may subscribe for, or purchase, any of the Offer Shares, or beneficially own or hold any of the Offer Shares, unless such subscription, purchase, or beneficial holding or ownership is permitted under the South African exchange control regulations or the rulings promulgated thereunder or specific approval has been obtained by the investor from the Financial Surveillance Department of the SARB, and by participating in the Global Offer investors are deemed to have warranted that they have the requisite exchange control approvals in place for participating in the Global Offer and acquiring Offer Shares.

The information contained in this Prospectus constitutes factual information as contemplated in section 1(3)(a) of the FAIS Act and should not be construed as an express or implied recommendation, guidance or proposal that any particular transaction in respect of the Offer Shares is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this Prospectus should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa.

Australia

This Prospectus does not constitute a prospectus or other disclosure document under Part 6D.2 of the Corporations Act 2001 of the Commonwealth of Australia (the “Corporations Act”) and will not be lodged with the Australian Securities and Investment Commission. The Offer Shares will be offered to persons in Australia only to the extent that such offers of shares for issue or sale do not need disclosure to investors under Part 6D.2 of the Corporations Act. Any offer of Offer Shares received in

Australia is void to the extent that it needs disclosure to investors under the Corporations Act. In particular, offers for the issue or sale of Offer Shares will only be made in Australia in reliance on various exemptions from such disclosure to investors provided by section 708 of the Corporations Act. Any person to whom Offer Shares are issued or sold pursuant to an exemption provided by section 708 of the Corporations Act must not within 12 months after the issue or sale of those Offer Shares offer those Offer Shares for sale in Australia unless that offer is itself made in reliance on an exemption from disclosure provided by that section.

Canada

The Offer Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Offer Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal adviser.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the Underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Dubai International Financial Centre

This Prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority ("DFSA"). This Prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Prospectus nor taken steps to verify the information set forth herein and has no responsibility for the Prospectus. The Offer Shares to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Offer Shares offered should conduct their own due diligence on the Offer Shares. If you do not understand the contents of this Prospectus you should consult an authorised financial adviser.

Japan

The Offer Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "Financial Instruments and Exchange Act"). Accordingly, no Offer Shares will be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Switzerland

The Offer Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Offer Shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the Global Offer, the Company, or the Offer Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Offer Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (“FINMA”), and the offer of Offer Shares has not been and will not be authorised under the Swiss Federal Act on Collective Investment Schemes (“CISA”). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Offer Shares.

PART XIX

ADDITIONAL INFORMATION

1 Responsibility

The Company and the Directors, whose names and principal functions are set out in Part XI: “*Directors, Senior Management and Corporate Governance*”, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

2 Incorporation

- 2.1 The Company was incorporated and registered in England and Wales on 1 August 2019 as a public company limited by shares under the Companies Act with the name Helios Towers plc and with the registered number 12134855 and Legal Entity Identifier 213800DGC7GS4XCHCU30.
- 2.2 The Company’s registered office is at Helios Towers plc, 10th Floor, 5 Merchant Square West, London W2 1AS. The Company’s telephone number is +44 20 7871 3670.
- 2.3 The Group’s website is www.heliostowers.com. Information contained on the Group’s website or the contents of any website accessible from hyperlinks on the Group’s website are not incorporated into and do not form part of this Prospectus.
- 2.4 The principal laws and legislation under which the Company operates and the Shares have been created are the Companies Act and the regulations issued thereunder.
- 2.5 The business of the Company, and its principal activity, is to act as the ultimate holding company of the Group.

3 Share Capital

The share capital history of the Company is as follows:

- 3.1 On incorporation on 1 August 2019, the issued share capital of the Company was £1 consisting of one ordinary share of £1.00 nominal value, which was issued to Hackwood Secretaries Limited.
- 3.2 On 3 September 2019, Lath Holdings Ltd. purchased the one ordinary share in the Company from Hackwood Secretaries Limited and subscribed for 49,999 non-voting redeemable preference shares with a nominal value of £1.00 each, in the Company at nominal value.
- 3.3 On 14 October 2019, by a resolution of members passed at a general meeting of the Shareholder, it was resolved that the Directors be generally authorised, in accordance with section 551 of the Companies Act, to exercise all powers of the Company to allot shares in the Company up to an aggregate nominal amount of £1,000,000,000, as if section 561 of that Act did not apply to the allotment, such allotment being for the purpose of:
 - the allotment of Shares to the Existing Shareholders in exchange for all of the shares of Helios Towers, Ltd. in accordance with the Pre-IPO Reorganisation;
 - the allotment of Shares to the Trust, or as it may direct (as more fully described in paragraph 10.1.5 of this Part XIX: “*Additional Information Employee Share Plans — Employee Benefit Trust*”) in order to satisfy options and future settlement of awards under the HT LTIP and the options over Shares relating to the HT MIPs; and
 - the allotment of New Ordinary Shares at the Offer Price to subscribers in the Global Offer,

such authority to expire on Admission.

3.4 On 14 October 2019, by a resolution of members passed at a general meeting of the shareholder of the Company, it was resolved that, subject to Admission:

3.4.1 the Directors be generally authorised, in accordance with section 551 of the Companies Act, to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company, such authority being limited to:

- (a) the allotment of shares in the Company or the grant of rights to subscribe for, or convert any security into, shares in the Company up to an aggregate nominal amount of £3,333,333.33 (representing 33.3 per cent. of the nominal issued share capital of the Company immediately following the Post-IPO Reduction of Capital); and
- (b) comprising equity securities (as defined in section 560 of the Companies Act) up to a maximum nominal amount of £6,666,666.66 (representing 66.6 per cent. of the nominal issued share capital of the Company immediately following the Post-IPO Reduction of Capital) (including within such limit any shares allotted or rights granted under paragraph (a) above) in connection with an offer by way of a rights issue:
 - (I) to holders of shares in proportion (as nearly as may be practicable) to their existing holdings; and
 - (II) to holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,

such authority to expire at the end of the next annual general meeting of the Company or on 30 June 2020, whichever is the earlier, but in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require shares to be allotted or rights to subscribe for or to convert any securities into Shares to be granted after the authority ends;

3.4.2 the Directors be generally authorised to allot equity securities (as defined in section 560(1) of the Companies Act) wholly for cash pursuant to the authority referred to in paragraph 3.5.1 above under section 551 of the Companies Act and to allot equity securities (as defined in section 560(3) of the Companies Act), in either case as if section 561 of that Act did not apply to the allotment, each authority being limited to:

- (a) the allotment of equity securities in connection with an offer or issue in favour of:
 - (I) holders of shares on the register in proportion (as nearly as practicable) to their existing holdings;
 - (II) holders of equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities; and
- (b) the allotment of equity securities pursuant to the authority granted under paragraph 3.5.1 above and/or by virtue of section 560(3) of the Companies Act (in each case otherwise than pursuant to sub-paragraph (a) above) up to a maximum nominal amount of £500,000 (representing 5 per cent. of the nominal issued share capital of the Company immediately following the Post-IPO Reduction of Capital),

such authority to expire at the end of the next annual general meeting of the Company or on 30 June 2020, whichever is the earlier, but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power ends;

3.4.3 the Directors be generally authorised (in addition to any authority granted pursuant to paragraph 3.5.2) to allot equity securities (as defined in section 560(1) of the Companies Act) wholly for cash pursuant to the authority referred to in paragraph 3.5.1 above under section 551 of the Companies Act and to allot equity securities (as defined in section 560(3) of the Companies Act), in either case as if section 561 of that Act did not apply to the allotment, such authority to be limited to:

- (a) the allotment of equity securities up to a maximum nominal amount of £500,000 (representing 5 per cent. of the nominal issued share capital of the Company following the Post-IPO Reduction of Capital); and
 - (b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the end of the next annual general meeting of the Company or on 30 June 2020, whichever is the earlier, but so that the Company may make offers and enter into agreements during this period which would, or might, require equity securities to be allotted after the power ends;
 - 3.4.4 the Company be unconditionally and generally authorised for the purposes of section 701 of the Companies Act to make market purchases (as defined in Section 693 of the Companies Act), subject to the following conditions:
 - (a) the number of Shares authorised to be purchased may not be more than 100,000,000 (representing approximately 10 per cent. of the Company's issued ordinary share capital immediately following Admission);
 - (b) the minimum price which may be paid for a Share is the nominal value of a Share; and
 - (c) the maximum price which may be paid for a Share shall be the higher of: (a) an amount equal to 105 per cent. of the average middle market quotations of a Share derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day which a share is contracted to be purchased; and (b) an amount equal to the higher of the price of the last independent trade of a Share and the highest current independent bid for a Share as derived from the London Stock Exchange Trading System,

such authority to expire on the earlier of the date of the annual general meeting of the Company or, if earlier, on 30 June 2020, if earlier, (except in relation to the purchase of shares the contract of which was concluded before the expiry of such authority and which might be exceeded wholly or partly after such expiry) unless such authority is renewed prior to such time;
 - 3.4.5 the share capital of the Company be reduced by cancelling paid up share capital to the extent of 99 pence on each ordinary share of the Company and reducing the nominal value of each such ordinary share from £1.00 to 1 pence;
 - 3.4.6 new Articles of Association, as described in paragraph 5 of this Part XIX: “*Additional Information — Memorandum and Articles of Association*” be adopted by the Company, in substitution for, and to the exclusion of, the existing articles of association of the Company; and
 - 3.4.7 pursuant to the Companies (Shareholders’ Rights) Regulations 2009 SI 2009/1632, a general meeting other than an annual general meeting may be called on not less than 14 clear days’ notice.
- 3.5** It is intended that the 49,999 non-voting redeemable preference shares of £1 each in the capital of the Company held by Lath Holdings Ltd. will be redeemed by the Company at nominal value on Admission.
- 3.6** Immediately following Admission, the issued ordinary share capital of the Company is expected to be £1,000,000,000 consisting of 1,000,000,000 ordinary shares of £1.00 each and, if the Post-IPO Capital Reduction becomes effective, the issued ordinary share capital of the Company immediately following the Post-IPO Capital Reduction is expected to be £10,000,000 consisting of 1,000,000,000 ordinary shares of 1 pence each.

4 Pre-IPO Reorganisation and Post-IPO Reduction of Capital

4.1 Pre-IPO Reorganisation

4.1.1 Prior to Admission, it is intended that a reorganisation of the Group (the “Pre-IPO Reorganisation”) will take place pursuant to which the Company will be inserted as the ultimate holding company of the Group. The key steps in the Pre-IPO Reorganisation are as follows:

- (a) the holders of the equity securities in Helios Towers, Ltd. will enter into a share for share exchange with the Company, pursuant to which the Company will acquire the entire issued share capital of Helios Towers, Ltd. in consideration for the issue to such shareholders of Shares (the “Share Exchange”);
- (b) as part of the Share Exchange, the management incentive plans put in place by Helios Towers, Ltd. (the “HT MIPs”) will be unwound and Shares or, in respect of a small proportion of entitlements under the HT MIPs, options over Shares, will be issued or granted (as applicable) to the limited partners of the HT MIPs including certain Directors and Senior Managers in accordance with a typical waterfall arrangement for private-equity backed companies where the number of Shares issued depends on the valuation of the Company in the Global Offer. Shares issued under these arrangements which are not sold in the Global Offer will be held subject to sale restrictions as more fully described in paragraph 10.1.1 of this Part XIX: “*Additional Information — Employee Share Plans — Legacy Arrangements*”. Any Shares relating to options granted in respect of the HT MIPs will be issued to the trustee of the Trust (or as it directs) prior to Admission; and
- (c) the Company will issue 6,195,489 Shares to the trustee of the Trust (or as it directs) in order to satisfy future settlement of awards under the HT LTIP (as described in paragraph 10.1.1 of this Part XIX: “*Employee Share Plans — Introduction — Legacy Arrangements*”). In addition, a proportion of the nil-cost options granted under the HT LTIP will vest and become exercisable on Admission and participants will be able to exercise the relevant proportion of such options and receive Shares.

The total number of Shares to be issued by the Company in connection with the Share Exchange, the HT MIPs and the HT LTIPs as described above is 34,675,809 Shares of nominal value £1.00 each.

4.2 Post-IPO Reduction of Capital

4.2.1 Following Admission, the Company will undertake a reduction of capital, to be approved by the Court pursuant to section 645 of the Companies Act, in order to create additional distributable reserves to assist the Company to implement its dividend policy following Admission (the “Post-IPO Reduction of Capital”). It is intended that this capital reduction will (i) cancel the share premium account of the Company; and (ii) reduce the nominal value of the Shares to 1 pence each. The terms of the proposed capital reduction have been approved by the Directors and by members’ special resolution passed on 14 October 2019.

4.2.2 If implemented, the Post-IPO Reduction of Capital will create distributable reserves for the Company of approximately £990 million (based on there being 1,000,000,000 ordinary shares in issue at the date on which the Post-IPO Reduction of Capital becomes effective). The distributable reserves created, being in aggregate the amount by which the “nominal” or “par” value of the Shares is reduced pursuant to the Post-IPO Reduction of Capital, will provide the Company with flexibility to pay dividends in the future if appropriate or absorb any impairments in the value of its assets, should this occur. The Post-IPO Reduction of Capital is not expected to have any impact on the market value of the Shares.

5 Memorandum and Articles of Association

Articles of Association

The Company’s objects are not restricted by its Articles. Accordingly, pursuant to section 31 of the Companies Act, the Company’s objects are unrestricted.

The Articles, which are to be adopted with effect from Admission, contain, amongst others, provisions to the following effect:

5.1 Shares

5.1.1 Respective Rights of Different Classes of Shares

Without prejudice to any rights attached to any existing shares, the Company may issue shares with such rights or restrictions as determined by either the Company by ordinary resolution or, if the Company passes a resolution to so authorise them, the Directors. The Company may also issue shares which are, or are liable to be, redeemed at the option of the Company or the holder and the Directors may determine the terms, conditions and manner of redemption of any such shares.

5.1.2 Voting Rights

At a general meeting, subject to any special rights or restrictions attached to any class of shares:

- (a) on a show of hands, every member present in person and every duly appointed proxy present shall have one vote;
- (b) on a show of hands, a proxy has one vote for and one vote against the resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution, and the proxy has been instructed:
 - (I) by one or more of those members to vote for the resolution and by one or more other of those members to vote against it; or
 - (II) by one or more of those members to vote either for or against the resolution and by one or more other of those members to use his discretion as to how to vote; and
- (c) on a poll, every member present in person or by proxy has one vote for every share held by him.

A proxy shall not be entitled to vote on a show of hands or on a poll where the member appointing the proxy would not have been entitled to vote on the resolution had he been present in person.

Unless the Directors resolve otherwise, no member shall be entitled to vote either personally or by proxy or to exercise any other right in relation to general meetings if any call or other sum due from him to the Company in respect of that share remains unpaid.

5.1.3 Transfer of Shares

- (a) Transfers of certificated shares may be effected in writing in any usual or common form or in any other form acceptable to the Directors, and signed by or on behalf of the transferor and, except in the case of fully paid shares, by or on behalf of the transferee. The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect of those shares. Transfers of uncertificated shares may be effected by means of a relevant system (i.e. CREST) unless the CREST Regulations provide otherwise.
- (b) The Directors may decline to register any transfer of a certificated share, unless
 - (i) the instrument of transfer is in respect of only one class of share, (ii) the instrument of transfer is lodged at the transfer office, duly stamped if required, accompanied by the relevant share certificate(s) or other evidence reasonably required by the Directors to show the transferor's right to make the transfer or, if the instrument of transfer is executed by some other person on the transferor's behalf, the authority of that person to do so, and (iii) the certificated share is fully paid up.
- (c) The Directors may refuse to register an allotment or transfer of shares in favour of more than four persons jointly.

5.1.4 Branch Register

The Company, or the Directors on behalf of the Company, may cause to be kept and maintained in any territory other than the UK, a branch register, in accordance with applicable law. The Directors may make and vary such regulations as they think fit regarding the branch register, including any regulations regarding the transfer of shares from such branch register to the primary register, the transfer of shares from the primary register to such branch register or the inspection of the branch register.

5.1.5 Restrictions Where Notice Not Complied With

If any person appearing to be interested in shares (within the meaning of Part 22 of the Companies Act) has been duly served with a notice under section 793 of the Companies Act (which confers upon public companies the power to require information as to interests in its voting shares) and is in default for a period of 14 days in supplying to the Company the information required by that notice:

- (a) the holder of those shares shall not be entitled to attend or vote (in person or by proxy) at any shareholders' meeting, unless the Directors otherwise determine; and
- (b) the Directors may in their absolute discretion, where those shares represent 0.25 per cent. or more of the issued shares of a relevant class, by notice in writing to the holder direct that:
 - (i) any dividend or part of a dividend (including shares to be issued in lieu of a dividend) or other money which would otherwise be payable on the shares will be retained by the Company without any liability for interest; and/or
 - (ii) (with various exceptions set out in the Articles) transfers of the shares will not be registered.

5.1.6 Forfeiture and Lien

- (a) If a member fails to pay in full any sum which is due in respect of a share on or before the due date for payment, then, following notice in writing by the Directors requiring payment of the unpaid amount with any accrued interest and any expenses incurred, such share may be forfeited by a resolution of the Directors to that effect (including all dividends declared in respect of the forfeited share and not actually paid before the forfeiture).
- (b) A member whose shares have been forfeited will cease to be a member in respect of the shares, but will remain liable to pay the Company all monies which at the date of forfeiture were payable together with interest. The Directors may in their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal, or waive payment in whole or part.
- (c) The Company shall have a lien on every share (not being a fully paid-up share) that is not fully paid for all monies called or payable at a fixed time in respect of such share. The Company's lien over a share takes priority over the rights of any third-party and extends to any dividends or other sums payable by the Company in respect of that share. The Directors may waive any lien which has arisen and may resolve that any share shall for such period as the Directors' decide be exempt from such a lien, either wholly or partially.
- (d) A share forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of to any person (including the person who was, before such forfeiture or surrender, the holder of that share or entitled to it) on such terms and in such manner as the Directors think fit. The Company may deliver an enforcement notice in respect of any share if a sum in respect of which a lien exists is due and has not been paid. The Company may sell any share in respect of which an enforcement notice, delivered in accordance with the Articles, has been given if such notice has not been complied with. The proceeds of sale shall first be applied towards payment of the amount in respect of

the lien to the extent that amount was due on the date of the enforcement notice, and then on surrender of the share certificate for cancellation, to the person entitled to the shares immediately prior to the sale.

5.2 General Meetings

5.2.1 Quorum

No business other than the appointment of a chair shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. Two members present in person or by proxy shall be a quorum.

5.2.2 Conditions of Admission

- (a) The Directors may require attendees to submit to searches or put in place such arrangements or restrictions as they think fit to ensure the safety and security of attendees at a general meeting. Any member, proxy or other person who fails to comply with such arrangements or restrictions may be refused entry to, or removed from, the general meeting.
- (b) The Directors may decide that a general meeting shall be held at two or more locations to facilitate the organisation and administration of such meeting. A member present in person or by proxy at the designated “satellite” meeting place may be counted in the quorum and may exercise all rights that they would have been able to exercise if they had been present at the principal meeting place. The Directors may make and change from time to time such arrangements as they shall in their absolute discretion consider appropriate to:
 - (i) ensure that all members and proxies for members wishing to attend the meeting can do so;
 - (ii) ensure that all persons attending the meeting are able to participate in the business of the meeting and to see and hear anyone else addressing the meeting;
 - (iii) ensure the safety of persons attending the meeting and the orderly conduct of the meeting; and
 - (iv) restrict the numbers of members and proxies at any one location to such number as can safely and conveniently be accommodated there.

Directors

5.2.3 General Powers

The Directors shall manage the business and affairs of the Company and may exercise all powers of the Company other than those that are required by the Companies Act or by the Articles to be exercised by the Company at the general meeting.

5.2.4 Number of Directors

The Directors shall not be less than two in number, save that the Company may, by ordinary resolution, from time to time vary the minimum number and/or maximum number of Directors.

5.2.5 Share Qualification

A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a member of the Company shall nevertheless be entitled to attend and speak at general meetings.

5.2.6 Directors’ Fees

- (a) Directors’ fees are determined by the Directors from time to time except that they may not exceed five million per annum in aggregate or such higher amount as may from time to time be determined by ordinary resolution of the shareholders.

- (b) Any Director who holds any executive office (including the office of Chair or Deputy Chair), or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the Directors may determine.

5.2.7 Executive Directors

The Directors may from time to time appoint one or more of their number to be the holder of any executive office and may confer upon any Director holding an executive office any of the powers exercisable by them as Directors upon such terms and conditions, and with such restrictions, as they think fit. They may from time to time revoke, withdraw, alter or vary all or any of such delegated powers.

5.2.8 Directors' Retirement

- (a) Each Director shall retire at the annual general meeting held in the third calendar year following the year in which the Director was elected or last re-elected by the Company. In addition, each Director (other than any director holding executive office) shall retire at each annual general meeting following the ninth anniversary of the date on which the Director was elected by the Company. A Director who retires at any annual general meeting shall be eligible for election or re-election unless the Directors resolve otherwise not later than the date of the notice of such annual general meeting.
- (b) When a Director retires at an annual general meeting in accordance with the Articles, the Company may, by ordinary resolution at the meeting, fill the office being vacated by re-electing the retiring Director. In the absence of such a resolution, the retiring Director shall nevertheless be deemed to have been re-elected, except in the cases identified by the Articles.

5.2.9 Removal of a Director by Resolution of Company

The Company may, by ordinary resolution of which special notice is given, remove any Director before the expiration of his period of office in accordance with the Companies Act, and elect another person in place of a Director so removed from office. Such removal may take place notwithstanding any provision of the Articles or of any agreement between the Company and such Director, but is without prejudice to any claim the Director may have for damages for breach of any such agreement.

5.2.10 Proceedings of the Board

- (a) Subject to the provisions of the Articles, the Directors may meet for the despatch of business and adjourn and otherwise regulate its proceedings as they think fit.
- (b) The quorum necessary for the transaction of business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors.
- (c) The Directors may elect from their number a Chair and a Deputy Chair (or two or more Deputy Chairs) and decide the period for which each is to hold office.
- (d) Questions arising at any meeting of the Directors shall be determined by a majority of votes. In the case of an equality of votes, the Chair of the meeting shall have a second or casting vote.

5.2.11 Directors' Interests

- (a) For the purposes of section 175 of the Companies Act, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- (b) Any such authorisation will be effective only if:
 - (i) the matter in question was proposed in writing for consideration at a meeting of the Directors, in accordance with the Board's normal procedures or in such other manner as the Directors may resolve;
 - (ii) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
 - (iii) the matter was agreed to without such interested Directors voting or would have been agreed to if their votes had not been counted.
- (c) The Directors may extend any such authorisation to any actual or potential conflict of interest which may arise out of the matter so authorised and may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions they resolve. The Directors may also terminate any such authorisation at any time.

5.2.12 Restrictions on Voting

- (a) Except as provided below, a Director may not vote on any resolution in respect of any contract, arrangement or any other proposal in which he, or a person connected to him, is interested. Any vote of a Director in respect of a matter where he is not entitled to vote shall be disregarded.
- (b) Subject to the provisions of the Companies Act, a Director is entitled to vote and be counted in the quorum in respect of any resolution concerning any contract, transaction or arrangement, or any other proposal (*inter alia*):
 - (i) in which he has an interest, of which he is not aware, or which cannot be reasonably regarded as likely to give rise to a conflict of interest;
 - (ii) in which he has an interest only by virtue of interests in the Company's shares, debentures or other securities or otherwise in or through the Company;
 - (iii) which involves the giving of any security, guarantee or indemnity to the Director or any other person in respect of obligations incurred by him and guaranteed by the Company (or vice versa);
 - (iv) concerning an offer of securities by the Company or any of its subsidiary undertakings in which he is or may be entitled to participate as a holder of securities or as an underwriter or sub-underwriter;
 - (v) concerning any other body corporate, provided that he and any connected persons do not own or have a beneficial interest in 1 per cent. or more of any class of share capital of such body corporate, or of the voting rights available to the members of such body corporate;
 - (vi) relating to an arrangement for the benefit of employees or former employees of the Company or any subsidiary undertaking which does not award him any privilege or benefit not generally awarded to the employees or former employees to whom such arrangement relates;
 - (vii) concerning the purchase or maintenance of insurance for any liability for the benefit of Directors;
 - (viii) concerning the giving of indemnities in favour of the Directors; or

- (ix) concerning the funding of expenditure by any Director or Directors (A) on defending criminal, civil or regulatory proceedings or actions against him or them, (B) in connection with an application to the court for relief, (C) on defending him or them in any regulator investigations, or (D) incurred doing anything to enable him to avoid incurring such expenditure.

5.2.13 Confidential Information

If a Director, otherwise than by virtue of his position as Director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required to disclose such information to the Company or otherwise use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director, provided that such an actual or potential conflict of interest arises from a permitted or authorised interest under the Articles. This is without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing the information, in circumstances where disclosure may otherwise be required under the Articles.

5.2.14 Borrowing Powers

The Directors may exercise all the powers of the Company to borrow money, mortgage or charge all or any part or parts of its undertaking, property and uncalled capital, and issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the Company or of any third-party.

5.2.15 Powers of the Directors

- (a) The Directors may delegate any of their powers or discretions, including those involving the payment of remuneration or the conferring of any other benefit to the Directors, to such person or committee and in such manner as they think fit. Any such person or committee shall, unless the Directors otherwise resolve, have the power to sub-delegate any of the powers or discretions delegated to them. The Directors may make regulations in relation to the proceedings of committees or sub-committees.
- (b) The Directors may establish any local boards or appoint managers or agents to manage any of the affairs of the Company, either in the United Kingdom or elsewhere, and may:
 - (i) appoint persons to be members or agents or managers of such local board and fix their remuneration;
 - (ii) delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with the power to sub-delegate;
 - (iii) remove any person so appointed, and may annul or vary any such delegation; and
 - (iv) authorise the members of any local boards, or any of them, to fill any vacancies on such boards, and to act notwithstanding vacancies.
- (c) The Directors may appoint any person or fluctuating body of persons to be the attorney of the Company for such purposes and with such powers, authorities and discretions and for such periods and subject to such conditions as they may think fit.
- (d) Any Director may at any time appoint any person (including another Director) to be his alternate director and may at any time terminate such appointment.

5.2.16 Directors' Liabilities

- (a) So far as may be permitted by the Companies Act, every Director, former Director or secretary of the Company or of an Associated Company (as defined in section 256 of the Companies Act) of the Company may be indemnified by the Company out of its own funds against any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust by him or any other liability

incurred by him in the execution of his duties, the exercise of his powers or otherwise in connection with his duties, powers or offices, except in the cases specified by the Articles.

- (b) The Directors may also purchase and maintain insurance for or for the benefit of:
 - (i) any person who is or was a director or Secretary of a Relevant Company (as defined in the Articles); or
 - (ii) any person who is or was of any time a trustee of any pension fund or employees' share scheme in which employees of any Relevant Company are interested,including insurance against any liability (including all related costs, charges, losses and expenses) incurred by or attaching to him in relation to his duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme.
- (c) So far as may be permitted by the Companies Act, the Company may provide a Relevant Officer (as defined in the Articles) with defence costs in relation to any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or an Associated Company of the Company, or in relation to an application for relief under section 205(5) of the Companies Act. The Company may do anything to enable such Relevant Officer to avoid incurring such expenditure.

5.3 Dividends

- (a) The Company may, by ordinary resolution, declare final dividends to be paid to its Shareholders. However, no dividend shall be declared unless it has been recommended by the Directors and does not exceed the amount recommended by the Directors.
- (b) If the Directors believe that the profits of the Company justify such payment, they may pay dividends on any class of share where the dividend is payable on fixed dates. They may also pay interim dividends on shares of any class in amounts and on dates and periods as they think fit. Provided the Directors act in good faith, they shall not incur any liability to the holders of any shares for any loss they may suffer by the payment of dividends on any other class of shares having rights ranking equally with or behind those shares.
- (c) Unless the share rights otherwise provide, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid, and apportioned and paid proportionately according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid.
- (d) Any unclaimed dividends may be invested or otherwise applied for the benefit of the Company until they are claimed. Any dividend unclaimed for 12 years from the date on which it was declared or became due for payment shall be forfeited and shall revert to the Company.
- (e) The Directors may, if authorised by ordinary resolution, offer to ordinary shareholders the right to elect to receive, in lieu of a dividend, an allotment of new Shares credited as fully paid.

5.4 Failure to Supply an Address

A shareholder who is on the Company's principal share register and has no registered address within the United Kingdom, or a shareholder who is on a branch register but has no registered address within the jurisdiction of such branch register, and has not supplied to the Company an address within the United Kingdom or the jurisdiction of the branch register (as appropriate) for the service of notices will not be entitled to receive notices from the Company.

6 Directors and Senior Management

- 6.1** The Directors and members of Senior Management, their functions within the Group and brief biographies are set out in Part XI: "*Directors, Senior Management and Corporate Governance*".

6.2 The companies and partnerships of which the Directors and members of Senior Management are, or have been, within the past five years, members of the administrative, management or supervisory bodies or partners (excluding the Company and its subsidiaries and also excluding the subsidiaries of the companies listed below) are as follows:

	Current directorships/partnerships	Former directorships/partnerships
Name of Director		
Sir Samuel Jonah.....	Mobus Property Developments Hollard Insurance Ghana Limited Iron Mineral Beneficiation Services (Pty) Ltd African Gold Group, Inc Global Advisory Council of Bank of America Merrill Lynch Grit Real Estate Income Group Limited	Vodafone Group plc
Kash Pandya.....	None	Ainscough Crane Hire Ltd BOA Holding GmbH Swire Oilfield Services (Holdings) Limited LSP Holding (UK) Ltd.
Tom Greenwood.....	None	None
Alison Baker.....	KAZ Minerals PLC Rockhopper Exploration plc Alison Baker Associates Limited	FutureWhyse Limited PriceWaterhouseCoopers LLP Centamin plc
Richard Byrne.....	Leyline Renewable Capital LLC	TowerCo III Holdings LLC TowerCo 2013 LLC TowerCo IV LLC ExteNet Systems Inc. WIA (Wireless Industry Association, USA)
Magnus Mandersson.....	Karnov Group AB Next Biometrics Group ASA Tampnet ASA Albert Immo Holding S.a.r.l. PMM Advisors S.A. Interogo Foundation	Doro AB RedBee Media Group Ltd Telefonaktiebolaget LM Ericsson
David Wassong.....	WRS Topco Limited JHW Bidco Limited QSP euNetworks Holdings, LLC TowerCo IV MR LLC GSRP LLC & GSRP Holdings LLC Atlantica Investment Holdings Limited Newlight GP LLC Strategic Capital Investment Partners, LP	TowerCo IV Holdings LLC TowerCo 2013 Holdings LLC TowerCo III Holdings LLC Quattro Parent LLC Extenet Holdings, Inc. Parrish Art Museum Columbia Grammar and Preparatory School Roberta Roller Rabbit
Temitope Lawani.....	Accord Holdco Ltd Ajah Distribution Company Limited Assemble Holdco Ltd Axxela Limited Boundary Holdco Ltd Dogstar Holdings Limited Emerging Markets Private Equity Association First City Monument Bank Plc Gas Matrix Limited Gas Network Services Limited Gasgrid Nigeria Limited Gaslink Benin S.A. Gaslink Ghana Limited Gaslink Network Services Limited Gaslink Nigeria Limited Gaslink Togo S.A. Gerund Ltd Glover Gas & Power BV Harvard Law School Dean's Advisory Board HCP Equity Ltd HCP GP Ltd Helios Anchor Maritime Ltd Helios Credit Genpar Ltd Helios Credit Holdings Helios Dusk Limited Helios Equity II Ltd Helios Equity III Ltd Helios Holding Partners Limited	Bayport Management Limited Interswitch Limited

	Current directorships/partnerships	Former directorships/partnerships
	Helios Holdings Genpar Ltd Helios Holdings Limited Helios Investment Advisors Ltd Helios Investment Partners LLP Helios Salt Ltd Helios Urano Holdco Ltd Highlands Liquefied Natural Gas Limited HIP GP II Ltd HIP Towers (FAF) Ltd HIP3 O&G Equity Ltd HTA Equity GP Ltd Leap Funding Limited Lekki Gardens Power Limited Lima Cayco Ltd Mail for Africa (Mauritius) Ltd Massachusetts Institute of Technology Off-Grid Electric OVH Energy – Oando Licensee Samba Cayco Ltd The END Fund Transit Gas Nigeria Limited Vivo Energy Holding B.V. Vivo Energy Holding PLC	
Name of Senior Manager		
Alexander Leigh	None	None
Helen Ebert.....	None	Exterion Group Holdings Limited Exterion Holdings I (UK) Limited Exterion Holdings II (UK) Limited Doubleplay I Limited
Colin Gaston.....	None	Aggreko UK Limited
Nicholas Summers.....	None	None
Roy Cursley.....	None	Twentynine Investment Limited
Philippe Loridon.....	Toprich Consultants Limited	None
Leon-Paul Manyà	None	None
Okitanyenda.....		
Jeffrey Schumacher.....	Tel Infracore Staffing Vulcan Lifestyle Homes LLC SFM Participation II, LP	None
Patrick (“Rico”) Marx	Ecot Building Management (PTY) Ltd Nepic (PTY) Ltd Calandra Trading (PTY) Ltd X-Approach Brokers 10 CC Rampage Investments (PTY) Ltd Sky Coverage (PTY) Ltd SA Towers (PTY) Ltd Nepic Projects (PTY) Ltd Biltz Fibre (PTY) Ltd Blits Operations (PTY) Ltd Flash Properties (PTY) Ltd Stand Out Guys (PTY) Ltd	None
Belgacem Chriti.....	None	Telkom Kenya, Ltd.
Fritz Dzeklo.....	None	None
Ramsey Koola	Yegotech & Consult Ltd Yego Technology Solutions CC	None

- 6.3** Save as set out above, none of the Directors, any member of the Senior Management or the Company Secretary has any business interests, or performs any activities, outside the Group which are significant with respect to the Group.
- 6.4** There are no family relationships between any Directors, between any members of Senior Management or between any Directors and members of Senior Management.
- 6.5** As of the date of this Prospectus, none of the Directors or any member of Senior Management has, at any time within the last five years:
- 6.5.1 had any prior convictions in relation to fraudulent offences;
- 6.5.2 been declared bankrupt or been the subject of any individual voluntary arrangement;

- 6.5.3 been associated with any bankruptcies, receiverships, liquidations or companies put into administration when acting in the capacity of a member of the administrative, management or supervisory body or of a senior manager, save that:
 - (a) David Wassong was previously a manager on the board of managers of Quattro Parent LLC, a Delaware limited liability company and in 2018, On Telecomunicações Limitada, an indirect wholly owned subsidiary company of Quattro Parent LLC, filed for voluntary bankruptcy;
 - (b) Roy Cursley was previously a director of Twentynine Investment Limited. In 2019, Twentynine Investment Limited was voluntarily liquidated.
- 6.5.4 been subject to any official public incrimination and/or sanction by any statutory or regulatory authority (including designated professional bodies);
- 6.5.5 been disqualified by a court from acting in the management or conduct of the affairs of any company;
- 6.5.6 been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any company;
- 6.5.7 been a partner or senior manager in a partnership which, while he was a partner or within 12 months of his ceasing to be a partner, was put into compulsory liquidation or administration or which entered into any partnership voluntary arrangement;
- 6.5.8 owned any assets which have been subject to a receivership or been a partner in a partnership subject to a receivership where he was a partner at a time or within the 12 months preceding such event; or
- 6.5.9 been an executive director or senior manager of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation or administration or which entered into any company voluntary arrangement or any composition or arrangement with its creditors generally or any class of creditors, at any time during which he was an executive director or senior manager of that company or within 12 months of his ceasing to be an executive director or senior manager.
- 6.6 The total amount set aside or accrued by the Company or its subsidiaries to provide pension, retirement or similar benefits for the Directors and Senior Managers for the year ended 31 December 2018 was US\$0.
- 6.7 The total remuneration paid (including benefits in kind) to the Directors and Senior Managers for the year ended 31 December 2018 was US\$10.1 million. Additionally an upfront cash bonus in an aggregate amount of US\$10 million was distributed under and in accordance with the terms of one of the HT MIPs to certain of the Directors and Senior Managers, including Kash Pandya, Tom Greenwood, Jeffrey Schumacher, Alexander Leigh, Helen Ebert, Philippe Lordon, Colin Gaston, Roy Cursley and Nicholas Summers on 31 May 2019, and to Leon-Paul Many Okitanyenda on 11 June 2019. Such bonus is subject to clawback in certain circumstances for a set period following the allocation of units under that MIP but is not, in any case, subject to clawback following the date of any IPO.
- 6.8 Save as set out in paragraph 10.1.1 of this Part XIX: "*Additional Information — Employee Share Plans — Introduction — Legacy Arrangements*" and paragraph 13.1 of this Part XIX: "*Additional Information — Material Contracts — Underwriting Agreement*" there are no restrictions agreed by any Director or Senior Manager on the disposal within a certain time of their holdings in the Company's securities.

7 Directors' Service Agreements, Letters of Appointment and Other Matters

7.1 Executive Directors

Kash Pandya – Group Chief Executive

Mr. Pandya will be employed as Chief Executive Officer of the Group pursuant to the terms of a service agreement with Helios Towers FZ-LLC dated 6 March 2019, as amended, such amendments to be conditional upon, and effective from Admission. Under the terms of the agreement, Mr. Pandya will be paid an annual salary of £519,000 (which will be paid in AED but is subject to an annual true-up to this sterling amount). He will also be paid an annual Director's fee of £60,000 by the Company pursuant to an appointment letter with the Company

dated 12 September 2019, which will be deemed to be part of his salary when calculating employment benefits. Mr. Pandya's appointment as a Director may be terminated by the Company by giving 12 months' notice. If Mr. Pandya resigns from his employment with the Group, his appointment as a Director will terminate on the same date as his employment terminates unless agreed otherwise. Mr. Pandya is eligible to participate in an annual bonus plan and the Company's long-term incentive plan. In addition, Mr. Pandya is entitled to life insurance of four times annual salary and worldwide medical insurance (excluding the USA) for himself and his family. Mr. Pandya's remuneration will include a pension contribution of 9 per cent. of his annual salary. While Mr Pandya is based in Dubai, this will be delivered as an end of service gratuity under the law of the Emirate of Dubai. Mr. Pandya is subject to non-solicitation and non-competition covenants following termination of employment. Mr. Pandya's employment is terminable by either party on not less than 3 months' written notice (but see below) and a payment may be made in lieu of notice comprising salary only. Mr Pandya and Helios Towers, Ltd. have entered into a side letter pursuant to which Mr Pandya will give, and Helios Towers, Ltd. will give, 9 months' prior warning of Mr Pandya's or Helios Towers FZ-LLC's intention respectively to give notice under the employment agreement. The side letter gives an effective notice period of 12 months from Mr Pandya and the Group. His employer may place Mr. Pandya on garden leave during the notice period. The service agreement is governed by the law of the Emirate of Dubai.

For 2019, the Company intends Mr. Pandya's total bonus opportunity will be up to 175 per cent. of salary for maximum achievement of financial and non-financial performance measures based on Company and individual performance. The Company's intention regarding long-term incentive arrangements are described in paragraph 10 of this Part XIX: "*Additional Information — Employee Share Plans*" below.

Tom Greenwood – Group Chief Financial Officer

Mr. Greenwood will be employed as Chief Finance Officer of the Group pursuant to the terms of a service agreement with Helios Towers FZ-LLC dated 6 March 2019, as amended, such amendments to be conditional upon, and effective from Admission. Under the terms of the agreement, Mr. Greenwood will be paid an annual salary of £295,000 (which will be paid in AED but is subject to an annual true-up to this sterling amount). He will also be paid an annual Director's fee of £60,000 by the Company pursuant to an appointment letter with the Company dated 12 September 2019, which will be deemed to be part of his salary when calculating employment benefits. Mr. Greenwood's appointment as a Director may be terminated by the Company by giving 12 months' notice. If Mr. Greenwood resigns from his employment with the Group, his appointment as a Director will terminate on the same date as his employment terminates unless agreed otherwise. Mr. Greenwood is eligible to participate in an annual bonus plan and the Company's long-term incentive plan. In addition, Mr. Greenwood is entitled to life insurance of four times annual salary and worldwide medical insurance (excluding the USA) for himself and his family. Mr. Greenwood's remuneration will include a pension contribution of 9 per cent. of his annual salary. While Mr Greenwood is based in Dubai, this will be delivered as an end of service gratuity under the law of the Emirate of Dubai. Mr. Greenwood is subject to non-solicitation and non-competition covenants following termination of employment. Mr. Greenwood's employment is terminable by either party on not less than 3 months' written notice (but see below) and a payment may be made in lieu of notice comprising basic salary only. Mr Greenwood and Helios Towers, Ltd. have entered into a side letter pursuant to which Mr Greenwood will give, and Helios Towers, Ltd. will give, 9 months' prior warning of Mr Greenwood's or Helios Towers FZ-LLC's intention respectively to give notice under the employment agreement. The side letter gives an effective notice period of 12 months from Mr Greenwood and the Group. His employer may place Mr. Greenwood on garden leave during the notice period. The service agreement is governed by the law of the Emirate of Dubai.

For 2019, the Company intends Mr. Greenwood's total bonus opportunity will be up to 150 per cent. of salary for maximum achievement of financial and non-financial performance measures based on Company and individual performance. The Company's intention regarding long-term incentive arrangements are described in paragraph 10 of this Part XIX: "*Additional Information — Employee Share Plans*" below.

7.2 Non-Executive Directors

Sir Samuel Jonah – Chair

Sir Samuel is a Non-Executive Director and Chair of the Company pursuant to the terms of a letter of appointment with the Company dated 12 September 2019. He will receive an annual fee of £240,000. This appointment is terminable by either party on three months' notice and will terminate automatically if Sir Samuel is removed from office by a resolution of the Shareholders of the Company or is not re-elected to office.

Richard Byrne – Independent Non-Executive Director

Mr. Byrne is a Non-Executive Director of the Company pursuant to the terms of a letter of appointment with the Company dated 12 September 2019. He will receive an annual fee of £60,000 and an additional fee of £17,000 per annum in respect of his role as Chair of the Remuneration Committee. This appointment is terminable by either party on three months' notice and will terminate automatically if Mr. Byrne is removed from office by a resolution of the Shareholders of the Company or is not re-elected to office.

Alison Baker – Independent Non-Executive Director

Ms. Baker is a Non-Executive Director of the Company pursuant to the terms of a letter of appointment with the Company dated 12 September 2019. She will receive an annual fee of £60,000 and an additional fee of £17,000 per annum in respect of her role as Chair of the Audit Committee. This appointment is terminable by either party on three months' notice and will terminate automatically if Ms. Baker is removed from office by a resolution of the Shareholders of the Company or is not re-elected to office.

Magnus Mandersson – Senior Independent Non-Executive Director

Mr. Mandersson is a Non-Executive Director of the Company pursuant to the terms of a letter of appointment with the Company dated 12 September 2019. He will receive an annual fee of £60,000 and an additional fee of £17,000 per annum as Senior Independent Director. This appointment is terminable by either party on three months' notice and will terminate automatically if Mr. Mandersson is removed from office by a resolution of the Shareholders of the Company or is not re-elected to office.

David Wassong – Non-Executive Director

Mr. Wassong is a Non-Executive Director of the Company pursuant to the terms of a letter of appointment with the Company dated 12 September 2019. He will not receive any annual fee in relation to his appointment. This appointment is terminable by either party on three-months' notice and will terminate automatically if Mr. Wassong is removed from office by a resolution of the Shareholders of the Company or is not re-elected to office.

Temitope Lawani – Non-Executive Director

Mr. Lawani is a Non-Executive Director of the Company pursuant to the terms of a letter of appointment with the Company dated 12 September 2019. He will not receive any annual fee in relation to his appointment. This appointment is terminable by either party on three months' notice and will terminate automatically if Mr. Lawani is removed from office by a resolution of the Shareholders of the Company or is not re-elected to office.

7.3 Remuneration

It is expected that the remuneration arrangements for the Directors will be reviewed by the Remuneration Committee following Admission, but that until such time, the remuneration arrangements described above and in paragraph 10 of this Part XIX: "Additional Information" will continue to apply. In accordance with the regulations set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, shareholder approval will be sought at the first annual general meeting of the Company following Admission (to be held in 2020) for the Directors' remuneration policy.

8 Interests of the Directors and Senior Management

8.1 The table below sets out the interests of the Directors and Senior Management in the share capital of the Company (all of which, unless otherwise stated, are beneficial and include the interest of persons connected with them) immediately prior to Admission and immediately following Admission.

	Immediately prior to Admission ⁽¹⁾⁽²⁾		Immediately following Admission ⁽²⁾	
	Number of Shares	Percentage of issued share capital	Number of Shares	Percentage of issued share capital
Name of Director				
Sir Samuel Jonah	—	—	—	—
Kash Pandya	10,056,216	1.10	8,083,160	0.81
Tom Greenwood	6,160,127	0.67	4,951,494	0.50
Richard Byrne	720,219	0.08	720,219	0.07
Alison Baker	—	—	—	—
Magnus Mandersson	—	—	—	—
David Wassong	—	—	—	—
Temitope Lawani ⁽³⁾	—	—	—	—
Name of Senior Manager				
Alexander Leigh	2,788,378	0.31	2,241,291	0.22
Helen Ebert	459,137	0.05	323,660	0.03
Colin Gaston	1,095,085	0.12	771,959	0.08
Nicholas Summers	869,794	0.10	613,144	0.06
Roy Cursley	1,590,382	0.17	1,278,345	0.13
Philippe Lordon	1,944,572	0.21	1,563,042	0.16
Leon-Paul Many Okitanyenda	1,097,937	0.12	835,635	0.08
Jeffrey Schumacher	1,588,443	0.17	1,132,583	0.11
Patrick (“Rico”) Marx	—	—	—	—
Belgacem Chriti	12,263	0.00	—	—
Fritz Dzeklo	16,668	0.00	—	—
Ramsey Koola	20,439	0.00	—	—

Notes:

- (1) The interests in Shares immediately prior to Admission have been stated on the basis that the Pre-IPO Reorganisation described in paragraph 4.1 of this Part XIX: “*Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital — Pre-IPO Reorganisation*” has been completed in full and include any exercisable options to acquire Shares at nil-cost.
- (2) This table does not take into account any share awards to be made pursuant to the Company’s employee share plan, the EIP (further details of which are set out in paragraph 10.1.4 of this Part XIX: “*Additional Information*”).
- (3) Mr. Lawani has an indirect shareholding in Lath Holdings Ltd. and accordingly, has an indirect interest in the Shares of the Company owned by Lath Holdings Ltd. At Admission, Mr. Lawani will indirectly own less than 0.5 per cent. of the shares in Lath Holdings Ltd.

8.2 All of the Shares held by the Directors and Senior Managers (other than 435,041 Shares held by Richard Byrne) were issued to them on the unwind of the HT MIPs or to satisfy the exercise of the HT LTIP and/or the options over Shares relating to the HT MIPs as set out in paragraph 4.1 of this Part XIX: “*Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital — Pre-IPO Reorganisation*”. The interests have been stated above on the basis that the Pre-IPO Reorganisation has been completed in full. These Shares are held subject to the sale restrictions and on the basis described in paragraph 10.1.1 of this Part XIX: “*Additional Information — Employee Share Plans — Introduction — Legacy Arrangements*”.

- 8.3** In addition to the interests in Shares of the Directors and Senior Management described above, the following Directors and Senior Managers are expected to have immediately following Admission interests in nil-cost options to acquire Shares, as set out below:

	Number of Shares	
	Exercisable options	Unexercisable options
Name of Director		
Richard Byrne	2,871	59,196
Name of Senior Manager		
Helen Ebert	—	99,927
Colin Gaston	—	238,336
Nicholas Summers	—	189,303
Leon-Paul Many Okitanyenda	—	238,957
Jeffrey Schumacher	—	345,711
Belgacem Chriti	—	50,241
Fritz Dzeklo.	—	87,506
Ramsey Koola.....	—	83,735

Notes:

- (1) The interests in options to acquire Shares at nil-cost have been stated on the basis that the Pre-IPO Reorganisation described in paragraph 4.1 of this Part XIX: “*Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital — Pre-IPO Reorganisation*” has been completed in full.
- (2) Options set out in the table above were granted pursuant to the HT LTIP described in paragraph 10.1.1 of this Part XIX: “*Additional Information — Employee Share Plans — Introduction — Legacy Arrangements*” and the options over Shares relating to the HT MIPs described in paragraph 4.1.1 of this Part XIX: “*Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital — Pre-IPO Reorganisation*”.
- (3) References in the table above to exercisable and unexercisable options relate to the status of such options as at Admission, in accordance with paragraph 10.1 of this Part XIX: “*Additional Information — Employee Share Plans — Introduction*”.
- (4) It is expected that the Company will issue 6,195,489 Shares to the trustee of the Trust (or as it directs) in order to satisfy future settlement of awards under the HT LTIP immediately prior to Admission as described in paragraph 4.1 of this Part XIX: “*Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital — Pre-IPO Reorganisation*”.

- 8.4** The interests of the Directors and Senior Management together (including nil-cost options to acquire Shares granted under the HT LTIP and/or the options over Shares relating to the HT MIPs) are expected to represent 3.26 per cent. of the issued share capital of the Company immediately prior to Admission and are expected to represent approximately 2.39 per cent. of the issued share capital of the Company immediately following Admission.

- 8.5** Save for the loans set out below, which were provided to cover certain taxes arising from an amendment to the terms of one of the HT MIPs and which are expected to be repaid in full from the proceeds of the sale of Offer Shares by the relevant borrower in the Global Offer on Admission, as of 30 September 2019 (being the latest practicable date prior to the date of this Prospectus), there were no outstanding loans granted by any member of the Group to any Director or member of Senior Management, nor by any Director or member of Senior Management to any member of the Group, nor was any guarantee which had been provided by any member of the Group for the benefit of any Director or member of Senior Management, or by any Director or member of Senior Management for the benefit of any member of the Group, outstanding:

	Lender	Loan Amount
		(U.S.\$'000)
Name of Director:		
Richard Byrne.....	Helios Towers, Ltd.	19.1
Name of Senior Manager:		
Helen Ebert.....	Helios Towers Africa LLP	35.9
Colin Gaston.....	Helios Towers Africa LLP	85.7
Nicholas Summers.....	Helios Towers Africa LLP	68.1
Jeffrey Schumacher.....	Helios Towers, Ltd.	106.5

- 8.6** As of the date of this Prospectus, Patrick (“Rico”) Marx is a shareholder of SA Towers (which holds 10.5 per cent. of shares in HTSA Towers (Pty) Ltd). The remaining 89.5 per cent. of the shares in HTSA Towers (Pty) Ltd. are held by Helios Towers South Africa Holdings (Pty) Ltd. Accordingly, Patrick has an indirect interest in the shares of HTSA Towers (Pty) Ltd. (an indirect subsidiary of the Company). At Admission, Patrick will indirectly own less than 2.28 per cent. of the shares in HTSA Towers (Pty) Ltd. (an indirect subsidiary of the Company).

- 8.7** Save as set out in this paragraph 8 and in Part XV: “*Historical Financial Information*”, none of the Directors has any interests in the share or loan capital of the Company or any of its subsidiaries.

8.8 Save as set out in this paragraph 8 “*Interests of the Directors and Senior Management*” and in paragraph 13.2 of this Part XIX: “*Additional Information — Material Contracts — Shareholders’ Agreement*”, which lists the Directors appointed by the Shareholders, no Director has or has had any interest in any transaction which is or was unusual in its nature or conditions or is or was significant to the business of the Group and was effected by the Company in the current or immediately preceding financial year or was effected during an earlier financial year and remains in any respect outstanding or unperformed.

9 Interests of Significant Shareholders

9.1 Other than any interest that may arise under the Underwriting Agreement, insofar as it is known to the Company as of the date of this Prospectus, the following persons will immediately prior to Admission or immediately following Admission be interested in 3 per cent. or more of the Company’s issued ordinary share capital.

Shareholder	Immediately prior to Admission ⁽¹⁾		Immediately following Admission ⁽²⁾	
	Number of Shares	Percentage of issued share capital	Number of Shares	Percentage of issued share capital
Millicom Holding B.V. ⁽³⁾	200,682,834	21.97%	170,708,489	17.07%
Quantum Strategic Partners, Ltd. ⁽⁴⁾	191,560,750	20.97%	164,527,889	16.45%
Lath Holdings Ltd. ⁽⁵⁾	144,403,819	15.81%	124,025,697	12.40%
ACM Africa Holdings, L.P. ⁽⁶⁾	102,046,381	11.17%	87,645,697	8.76%
RIT Capital Partners plc ⁽⁷⁾	63,116,582	6.91%	54,209,633	5.42%
IFC African, Latin American and Caribbean Fund, L.P. ⁽⁸⁾ ..	53,708,620	5.88%	48,019,605	4.80%
International Finance Corporation ⁽⁹⁾	42,071,753	4.60%	36,134,630	3.61%
Network i2i Limited ⁽¹⁰⁾	28,644,598	3.14%	24,366,190	2.44%
Certain funds and accounts advised by T. Rowe Price International Ltd and T. Rowe Price Associates, Inc. ⁽¹¹⁾	—	—	53,000,000	5.3%

Notes:

(1) The interests in Shares immediately prior to Admission have been stated on the basis that the Pre-IPO Reorganisation described in paragraph 4.1 of this Part XIX: “*Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital — Pre-IPO Reorganisation*” has been completed in full.

(2) Assumes no exercise of the Over-allotment Option.

(3) Millicom Holding B.V. is part of an international telecommunications and media group operating in Africa and Latin America.

(4) Quantum Strategic Partners, Ltd. (“QSP”) is a private investment vehicle. QSP’s investment in the Company is managed by Newlight Partners LP.

(5) Lath Holdings Ltd. is a private investment vehicle managed by Helios Investment Partners, LLC.

(6) ACM Africa Holdings, L.P. is a private investment vehicle managed by Albright Capital Management LLC.

(7) RIT Capital Partners plc is an investment trust established in 1961, chaired by Lord Rothschild. RIT invests across a range of assets, including public and private equity.

(8) IFC African, Latin American and Caribbean Fund, L.P. is a private investment vehicle managed by IFC and a member of The World Bank Group.

(9) International Finance Corporation is a member of The World Bank Group.

(10) Network i2i Limited is a wholly owned subsidiary of Bharti Airtel Limited.

(11) T. Rowe Price International Ltd is an investment adviser registered under the U.S. Investment Advisers Act of 1940 and is a wholly owned subsidiary of T. Rowe Price Associates, Inc., which itself is a wholly owned subsidiary of T. Rowe Price Group, Inc., a publicly traded holding company. T. Rowe Price International Ltd provides investment management services to institutional investors and commingled products.

9.2 Save as set out above, the Company is not aware of any holdings of voting rights (within the meaning of Chapter 5 of the Disclosure Guidance and Transparency Rules) which will represent 3 per cent. or more of the total voting rights in respect of the issued share capital of the Company following Admission.

9.3 There are no differences between the voting rights enjoyed by the Shareholders as set out in this paragraph 9.3 and those enjoyed by any other holder of Shares in the Company.

10 Employee Share Plans

10.1 Introduction

The Group believes that share ownership should form a central part of the culture and incentives structure for senior executives of the business.

10.1.1 Legacy arrangements

Certain Directors and certain Senior Managers (as set out in paragraph 8.1 of this Part XIX: “*Additional Information — Interests of the Directors and Senior Management*”), together with other employees and former employees of the Group and

partners of Helios Towers Management LLP, participate in the HT MIPs, all of which will have been unwound prior to Admission. Through these arrangements and following the Pre-IPO Reorganisation, the relevant Directors, Senior Managers, employees and former employees will acquire Shares. These Directors and Senior Managers have agreed that:

- (a) to the extent they are entitled to sell Shares in the Global Offer in accordance with the underlying documents relating to their entitlements on an IPO (as described in paragraph 10.1.2 of this Part XIX: “*Employee Share Plans — Introduction — Entitlements to participate in the Global Offer*”), but they choose not to, their Shares will be subject to disposal restrictions for 365 days (180 days in the case of certain former employees); and
- (b) the balance of their Shares (as at Admission and save for 435,041 Shares of Richard Byrne which were not acquired through these arrangements) will be subject to sale restrictions for up to three years as described in paragraph 10.1.3 of this Part XIX: “*Employee Share Plans — Introduction — Restrictions following the Global Offer*”. During the restriction period, if a Director or Senior Manager ceases employment with the Group, in certain limited circumstances they may be required to sell some or all of their Shares for nil consideration.

In addition, certain Directors, former Directors, Senior Managers and employees of the Group have been granted nil-cost options in respect of Shares up to an aggregate value of US\$10 million based on the Offer Price and a U.S. dollar to pounds sterling conversion rate of US\$1:£0.7948 (the “HT LTIP”). These options are due to become exercisable over a three-year period commencing on Admission in line with, and in proportion to, the lifting of the sale restrictions applicable to the Shares issued in respect of the HT MIPs as described in paragraph 10.1.2 and 10.1.3 of this Part XIX: “*Employee Share Plans — Introduction*”. In the event an optionholder becomes a “Bad Leaver” (as defined in the exempted limited partnership agreement relating to HT Equity V LP, one of the HT MIPs), any of their options which have not yet become exercisable will lapse.

It is expected that the Company will issue 6,557,668 Shares to the trustee of the Trust (or as it directs) immediately prior to Admission in order to satisfy future settlement of awards under the HT LTIP and nil-cost options under the HT MIPs as described in paragraph 4.1 of this Part XIX: “*Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital — Pre-IPO Reorganisation*”.

10.1.2 Entitlement to participate in the Global Offer

While participants in the HT MIPs and HT LTIP will not be contributing to the Escrow Account in the same manner as the Escrow Shareholders (as described in paragraph 13.3.3 of this Part XIX “*Material Contracts — Escrow Documents*”), the number of Shares they receive in the Pre-IPO Reorganisation (or as applicable the Shares over which they hold any options) will be reduced by such number of Shares as have a value equal to the amount which the respective participant (as applicable) would have contributed to the Escrow Account on a *pro rata* basis with the Escrow Shareholders (the proportion of the total Shares to which each participant of the HT MIPs and HT LTIP is entitled represented by such reduction being the “Surrendered Proportion”).

Each participant in the HT MIPs and HT LTIP who will receive Shares in connection with the Pre-IPO Reorganisation will be entitled to sell in the Global Offer up to his or her proportionate share (based on the proportion that the number of Shares and options over Shares he or she will receive in connection with the HT MIPs and HT LTIP bears to the total number of Shares and options over Shares to be issued in connection with the HT MIPs and HT LTIP) of a number of Shares which would, if sold at the Offer Price, generate sale proceeds (net of any underwriting commissions, stamp duty and/or stamp duty reserve tax) of the pound sterling equivalent of US\$9.5 million (calculated using a U.S. dollar to pounds sterling conversion rate of US\$1:£0.7948) (“Net Sale Proceeds”). In addition, to the extent he or she has entered into a loan with Helios Towers Africa LLP or Helios Towers, Ltd. relating to the tax payable on the issue of their interest in HT Equity V, L.P. (as described in paragraph 8.5 of this Part XIX:

“Additional Information — Interests of the Directors and Senior Management”) (a “Loan”), he or she will be entitled to sell such additional number of Shares as will generate Net Sale Proceeds sufficient to repay any amounts outstanding under the Loan. The Shares that a participant is entitled to sell in the Global Offer shall be such person’s “IPO Entitlement Shares”.

As set out in paragraph 10.1.1 of this Part XIX: “Additional Information — Employee Share Plans — Legacy Arrangements”, any IPO Entitlement Shares which are not sold as part of the Global Offer will be subject to disposal restrictions for 365 days (or 180 days in respect of non-employees).

Each participant of the HT MIPs and HT LTIP who will receive options in connection with the Pre-IPO Reorganisation will be entitled to exercise, prior to Admission, his or her options in respect of up to a number of Shares equal to his or her IPO Entitlement Shares (the “IPO Exercisable Portion”). To the extent that such participants (i) exercise any part of their IPO Exercisable Portion and do not sell the relevant Shares in the Global Offer, or (ii) do not exercise the IPO Exercisable Portion on Admission and exercise any part of the IPO Exercisable Portion between Admission and the first anniversary of the Admission, any Shares they receive as a consequence of any such exercise will be subject to disposal restrictions until the first anniversary of Admission.

10.1.3 Restrictions following the Global Offer

Following the grant of entitlements as described in paragraph 10.1.2 of this Part XIX: “Employee Share Plans — Introduction — Entitlements to participate in the Global Offer”, the remaining entitlements of each participant in the HT MIPs and HT LTIP who will receive Shares or options over Shares in connection with the Pre-IPO Reorganisation and is employed or engaged by the Company (or another Group entity) will be subject to forfeiture in the event that such participant becomes a “Bad Leaver” (as defined in the exempted limited partnership agreement relating to HT Equity V LP, one of the HT MIPs). While such entitlements are subject to forfeiture, such participants will not be able to sell or otherwise dispose of any such Shares (or any interest in such Shares) or, in the case of any options over Shares, be able to exercise any part of such option.

On and after the first anniversary of Admission, each participant’s remaining entitlements (whether Shares and/or options over Shares) will cease to be subject to forfeiture in accordance with the following schedule:

Date	Proportion of the Shares, and unexercisable part of any option over Shares, held by each participant which will cease to be subject to forfeiture	Cumulative proportion released⁽¹⁾
On the first anniversary of Admission	The greater of 50% and the proportion of the Shares held by the Institutional Selling Shareholders immediately following the IPO which have (in aggregate) been sold since that date.	50%
On the date falling 18 months after Admission	The greater of 40% and the proportion of the Shares held by the Institutional Selling Shareholders on the first anniversary of Admission which have (in aggregate) been sold since that date.	70%
On the second anniversary of Admission	The greater of 50% and the proportion of the Shares held by the Institutional Selling Shareholders on the date falling 18 months after Admission which have (in aggregate) been sold since that date.	85%
On the third anniversary of Admission	The remainder shall be released.	100%

Note:

(1) The proportion may be higher if the Existing Shareholders sell more than the proportion in the middle column.

10.1.4 After Admission

The Company has adopted a discretionary share plan called the Helios Towers plc Employee Incentive Plan 2019 (the “EIP”). The Company expects to first offer Share awards under the EIP to the Executive Directors and other selected senior executives of the Company within 42 days of Admission, on or about the time the Company announces its results for the three months ending 30 September 2019, in the form of long-term incentive plan awards (“LTIP Awards”), and annually thereafter. In future years,

the EIP will also be used each year to defer a portion of bonus earned by the Executive Directors in respect of financial years (or part thereof) after Admission. For more information, see paragraph 10.3 of this Part XIX: “*Additional Information — Employee share plans*” below.

10.1.5 Employee benefit trust

Awards under the EIP may be satisfied by new Shares, Shares purchased in the market or by the transfer of treasury Shares. The Company has established an employee benefit trust (the “Trust”) which can be used for the purpose of providing benefits to employees, including engaging with the Company as necessary to satisfy awards under the EIP the HT LTIP, and the HT MIPs options through the provision of Shares. The Trust can either subscribe for these Shares or, to the extent that funds are provided by Group companies, purchase Shares in the open market. In line with best practice for employee benefit trusts, any Shares for which the Trust subscribes will be counted towards the applicable dilution limits and at no time will the Trust hold Shares representing more than five per cent. of the Company’s then issued share capital.

10.2 Principal Features of the EIP

10.2.1 Remuneration Committee

The Remuneration Committee will be responsible for determining the basis on which the Executive Directors and other selected senior executives participate in the EIP from time to time.

10.2.2 Structure of awards

Awards can take the form of:

- (a) a conditional allocation of, or conditional right to, Shares which will be receivable at the end of a specified period;
- (b) an option which becomes exercisable at the end of a specified period. An option may be nil-cost or require payment of an exercise price; or
- (c) an up-front allocation of Shares, which are at risk of forfeiture until the end of a specified period (“Restricted Share Award” or “RSA”).

The Remuneration Committee can decide to satisfy an award (other than an RSA) by a sum equivalent to the cash equivalent of the number of Shares under the award, or by a combination of cash and Shares.

The vesting of awards may be subject to the achievement of performance conditions set at the time of grant. Awards can be satisfied by new issue, treasury or market purchase Shares subject to the share dilution limits explained below.

Awards are not transferable (other than on death or in exceptional circumstances) and are not pensionable.

10.2.3 Eligibility

Awards may be made under the EIP to Executive Directors and employees of the Company and its subsidiaries and designated associated companies. It is currently intended that awards will only be made to Executive Directors and senior executives of the Company.

10.2.4 Individual limits

The market value of the Shares over which awards are granted to an employee in any financial year will not exceed two times his basic salary except in exceptional circumstances, or where, for the Executive Directors, shareholders have approved other limits under a directors’ remuneration policy.

Individual limits do not apply where the EIP is used to grant deferred bonus awards.

10.2.5 Dilution limits

Shares can be issued under the EIP. In any 10-year period commencing after Admission, not more than 10 per cent. of the issued ordinary share capital of the Company may be issued or committed to be issued under employee share plans operated by the Company. In addition, in any 10-year period commencing after Admission, not more than five per cent. of the issued ordinary share capital of the Company may be issued or committed to be issued under discretionary share plans adopted by the Company (such as the EIP).

Shares issued to satisfy awards made before, on or within six weeks of Admission will not count towards these limits.

10.2.6 Timing of operation

It is anticipated that awards will be granted under the EIP to Executive Directors and other selected senior executives of the Company within 42 days of Admission, on or about the time the Company announces its results for the three months ending 30 September 2019. For more information on this grant, see paragraph 10.3 of this Part XIX: “*Additional Information — Employee share plans*” below. Going forward, grants under the EIP will normally only be made within six weeks of the announcement of the Company’s results, a general meeting of the Company or in exceptional circumstances. No awards can be made under the EIP after the tenth anniversary of its adoption by the Company.

10.2.7 Leaving employment

Unvested awards will normally lapse when the participant ceases to be employed. However, if employment ends because of serious injury or disability (evidenced to the Company’s satisfaction), retirement with the agreement of the participant’s employer, 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 Remuneration Committee, the award will continue.

Unless the Remuneration Committee decides otherwise, awards will vest on the original vesting date, subject to the satisfaction of any applicable performance conditions over the performance period. For awards other than deferred bonus awards, there will normally be a *pro rata* reduction in the number of Shares vesting to take account of the proportion of the vesting period during which the participant was not in employment. Alternatively, on a sale or transfer of the employing company or business, participants may be required to exchange their awards for equivalent awards in the acquiring company.

In the event of death, unvested awards will vest at the date of death subject to any applicable performance testing and time pro rating unless the Remuneration Committee determines otherwise.

10.2.8 Holding period

Awards received by Executive Directors will be subject to a two-year post-vesting holding period in line with the UK Corporate Governance Code and UK market practice. The Remuneration Committee may waive the holding period in the event of certain corporate events.

10.2.9 Change of control, demerger, or other reorganisation

If there is a change of control (such as a takeover or scheme of arrangement), demerger or other corporate reorganisation of the Company, participants may be allowed (or on a reorganisation, may be required) to exchange their awards (in whole or in part) for equivalent awards in the acquiring company. Alternatively, awards may vest immediately and any applicable performance conditions will be applied.

If there is a demerger, distribution, reverse takeover, merger, special dividend or other similar event then the Remuneration Committee, in its discretion, may allow awards to vest.

An award granted in the form of an option will be exercisable from the date of vesting for such period as the Remuneration Committee determines (not exceeding one year) and will lapse at the end of that period.

10.2.10 Variation of share capital

In the event of a variation in the share capital of the Company, a demerger, a special dividend, or any other corporate event which might affect the current or future value of any award, the Remuneration Committee may adjust awards under the EIP as they consider appropriate. Participants holding Shares under RSAs will have the same rights as other shareholders in relation to the corporate event, however any shares, securities or rights allotted will normally be held subject to the EIP.

10.2.11 Amendments

The rules of the EIP may be altered by the Remuneration Committee. However, prior shareholder approval will be required to amend certain provisions if the amendments are to the advantage of participants. These provisions relate to: eligibility; individual and plan limits; the basis for determining entitlements to, and terms of Shares or cash provided; the power to make adjustments in the event of a variation in the Company's share capital; and the amendment powers. Shareholder approval is not required to make minor amendments to the rules to benefit the administration of the EIP, to take account of a change in or to comply with legislation, or which will obtain or maintain favourable tax, exchange control or regulatory treatment for any participating company or any participant.

Separate employee share plans or schedules to the EIP may be adopted for participants based outside of the United Kingdom.

10.2.12 Other provisions

Excluding RSAs, participants will not have dividend or voting rights in respect of Shares under awards or options until such Shares have been issued or transferred to them. The Remuneration Committee has flexibility to decide that on the vesting of awards (or in the case of options, exercise), participants may receive a payment in cash or Shares equal to the value of dividends which would have been payable on the vested Shares during the vesting period.

Unless the Remuneration Committee determines otherwise, participants will have all the rights of a shareholder in relation to Shares subject to RSAs, including dividend and voting rights. Participants will not be entitled to receive any dividend equivalent in respect of RSAs.

Shares issued under the EIP will rank equally in all respect with Shares in issue on the date of allotment, except in respect of rights by reference to a record date prior to the date of allotment.

Awards will vest at the end of the specified vesting period at the discretion of the Remuneration Committee and may be subject to a further holding period. The Remuneration Committee can decide to prevent the vesting of all or part of an award and/or, in some cases, may clawback vested awards in certain circumstances including those relating to material misstatement of accounts, material loss which should have been prevented by adequate risk management, errors in calculating the award and a participant's misconduct or material error.

10.3 Grants following Admission

It is anticipated that awards will be made to the Executive Directors and other selected senior executives of the Company within 42 days of Admission, on or about the time the Company announces its results for the three months ending 30 September 2019, to ensure that the Executive Directors and other senior executives of the Company are retained and incentivised in the initial years post-Admission. The total value of this grant is not expected to exceed approximately £5 million (inclusive of awards to Executive Directors). This grant represents the long-term incentive aspect of the individual's overall remuneration package ("2020 LTIP

Award”), which has been designed to incentivise the delivery of longer term business plans and sustainable long-term returns for shareholders. The market value of Shares subject to such a 2020 LTIP Award will be 200 per cent. of base salary for the CEO and 150 per cent. of base salary for the CFO.

It is anticipated that 2020 LTIP Awards will vest in early 2023 subject to a performance condition to be measured over a three-year performance period. The performance condition will be (i) relative total shareholder return, (ii) Adjusted EBITDA per share and (iii) return on invested capital.

It is anticipated that dividend equivalent entitlements will attach to the 2020 LTIP Awards. Discretion to operate malus and clawback, as described in paragraph 10.2.11 of this Part XIX: “*Additional Information — Employee Share Plans*” above, will apply.

The Company intends to grant further LTIP Awards on a basis similar to the above in 2021. The Company’s major shareholders will be consulted about the future structure of LTIP Awards in advance of the Company’s Directors’ remuneration policy being presented to shareholders in 2020.

10.4 Deferred Bonus Awards under the EIP

The Company intends to require the Executive Directors to defer 50 per cent. of any gross bonus above target levels payable to them in respect of the 2020 financial year. The deferral will be structured as a grant (to be made early 2021) of RSAs under the EIP which vest, normally subject to continued employment only, three years after the date of grant. No further performance conditions or dividend equivalent entitlements will attach to deferred bonus awards. Dividends will be payable during the vesting period. Discretion to operate malus and clawback, as described in paragraph 10.2.11 of this Part XIX: “*Additional Information — Employee Share Plans*” above, will apply.

The Company’s major shareholders will be consulted about the future structure of bonus and deferred bonus awards in advance of the Company’s Directors’ remuneration policy being presented to shareholders in 2020.

11 Pensions

Other than contributions for those Directors and members of Senior Management who have enrolled in the auto-enrolment pension scheme and end of service gratuity arrangements in respect of certain of the Directors, no amounts have been set aside by the Group to provide pension, retirement or similar benefits for the Directors or members of Senior Management.

The Group does not operate a defined benefit scheme.

12 Subsidiaries, Joint Ventures and Associates

Following the Pre-IPO Reorganisation, the Company will be the principal holding company of the Group.

The principal associates, subsidiaries and subsidiary undertakings of the Company will be as follows:

Name	Country of incorporation and registered office	Percentage of ownership interest
Helios Towers, Ltd.	Mauritius	100%
Helios Towers Ghana Limited.....	Ghana	100%
HTG Managed Services Limited.....	Ghana	100%
HTA Group, Ltd.	Mauritius	100%
HTA Holdings, Ltd.....	Mauritius	100%
Helios Towers DRC SARL.....	Democratic Republic of Congo	100%
HT DRC Infracore SARL.....	Democratic Republic of Congo	100%
Helios Towers Tanzania Limited.....	Tanzania	100%
HT Holdings Tanzania, Ltd.....	Mauritius	100%
HTT Infracore Limited.....	Tanzania	99.99%
HT Congo Brazzaville Holdco Limited.....	Mauritius	100%
Helios Towers Congo Brazzaville SASU.....	Congo Brazzaville	100%
Helios Chad Holdco Limited.....	Mauritius	100%
Towers NL Coöperatief U.A.....	The Netherlands	100%
HTA (UK) Partner Ltd.....	England & Wales	100%

Name	Country of incorporation and registered office	Percentage of ownership interest
Helios Towers Partners (UK) Limited	England & Wales	100%
Helios Towers Africa LLP.....	England & Wales	100%
Helios Towers FZ-LLC	United Arab Emirates	100%
HTA Equity GP Ltd	Cayman Islands	100%
McRory Investment B.V.....	The Netherlands	100%
McTam International 1 B.V.....	The Netherlands	100%
Helios Towers South Africa Holdings (Pty) Ltd ⁽¹⁾ ...	South Africa	66%
HTSA Towers (Pty) Ltd ⁽²⁾	South Africa	59.1%
Helios Towers South Africa Services (Pty) Ltd ⁽¹⁾	South Africa	66%
Helios Towers South Africa (Pty) Ltd ⁽¹⁾	South Africa	66%

Notes:

(1) Following the Pre-IPO Reorganisation, the Company will own 66 per cent. of the issued shares of Helios Towers South Africa Holdings (Pty) Ltd, a company incorporated in South Africa that is a joint venture with Vulatel. Helios Towers South Africa Holdings (Pty) Ltd also owns 100 per cent. of Helios Towers South Africa Services (Pty) Ltd and Helios Towers South Africa (Pty) Ltd.

(2) Helios Towers South Africa Holdings (Pty) Ltd owns 89.5 per cent. shareholding in HTSA Towers (Pty) Ltd, the remaining 10.5 per cent. of which is owned by SA Towers.

13 Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or another member of the Group within the two years immediately preceding the date of this Prospectus, and are or may be material:

13.1 Underwriting Agreement

The Company, the Directors, the Institutional Selling Shareholders and the Underwriters entered into the Underwriting Agreement on 15 October 2019. Pursuant to the Underwriting Agreement:

- 13.1.1 each of the Institutional Selling Shareholders and the Company (acting as agent for and on behalf of each of the Management Selling Shareholders pursuant to the Deeds of Election) has agreed, subject to certain conditions, to sell, at the Offer Price, the Offer Shares to be sold by them in connection with the Global Offer and the Underwriters have severally agreed, subject to certain conditions, to use reasonable endeavours to procure purchasers for, and failing which to purchase themselves, such Offer Shares (in such proportions as set out in the Underwriting Agreement) pursuant to the Global Offer;
- 13.1.2 each of the Institutional Selling Shareholders and the Company (acting as agent for and on behalf of each of the Management Selling Shareholders pursuant to the Deeds of Election) has agreed to pay the Underwriters:
 - (a) a base commission equal to 2 per cent. of the Offer Price multiplied by the number of Offer Shares sold by such person pursuant to the Global Offer; and
 - (b) a discretionary commission (at the Company's and the Institutional Selling Shareholders (including for this purpose Richard Byrne)'s absolute discretion) of up to an amount equal to 1 per cent. of the Offer Price multiplied by the number of Offer Shares sold by such person pursuant to the Global Offer.
- 13.1.3 the obligations of the Underwriters to procure purchasers for or, failing which, themselves to purchase Offer Shares (as the case may be) on the terms of the Underwriting Agreement are subject to certain conditions. These conditions include the absence of any breach of representation or warranty under the Underwriting Agreement, there being no material adverse change since the date of the Underwriting Agreement and Admission occurring not later than 8.00 a.m. on 18 October 2019 (or such later time or date as the Joint Global Co-ordinators (on behalf of themselves and on behalf of other Underwriters) may agree with the Company (being not later than 1 November 2019)). In addition, the Joint Global Co-ordinators (on behalf of themselves and on behalf of the other Underwriters), jointly and in good faith after consultation with the Company and the Institutional Shareholders, have the right to terminate the Underwriting Agreement, exercisable in certain customary circumstances prior to Admission;
- 13.1.4 Merrill Lynch International, as Stabilising Manager, has been granted the Over-allotment Option by the Over-allotment Shareholders pursuant to which the Stabilising Manager may purchase, or procure purchasers for, up to 15 per cent. of the total number of Offer

Shares comprised in the Global Offer at the Offer Price for the purposes of covering short positions arising from over-allocations, if any, in connection with the Global Offer, and/or any sales of Offer Shares made during the stabilisation period. Save as required by law or regulation, neither the Stabilising Manager, nor any of its agents, intends to disclose the extent of any over-allotments and/or stabilisation transactions under the Global Offer. The number of Over-allotment Shares to be transferred pursuant to the Over-allotment Option, if any, will be determined not later than 14 November 2019. Settlement of any purchase of Over-allotment Shares will take place shortly after such determination (or, if acquired on Admission, at Admission). If any Over-allotment Shares are acquired pursuant to the Over-allotment Option, the Stabilising Manager (on behalf of the Underwriters) will be committed to pay to the Over-allotment Shareholders, or procure that payment is made to it of, an amount equal to the Offer Price multiplied by the number of Over-allotment Shares purchased from the Over-allotment Shareholders, less commissions and expenses;

- 13.1.5 the Selling Shareholders have agreed to pay any stamp duty and/or stamp duty reserve tax arising on the sale of the Offer Shares;
- 13.1.6 the Company has agreed to pay the costs, charges, fees and expenses of the Global Offer (together with any related value added tax);
- 13.1.7 each of the Company, the Directors and the Institutional Selling Shareholders has given certain representations, warranties and undertakings to the Underwriters and the Company has given an indemnity to the Underwriters in a form that is typical for an agreement of this nature;
- 13.1.8 the parties to the Underwriting Agreement have given certain covenants to each other regarding compliance with laws and regulations affecting the making of the Global Offer in relevant jurisdictions;
- 13.1.9 each of the Company and the Institutional Selling Shareholders has agreed, subject to certain exceptions, during the period of 180 days from the date of Admission, that it will not, without the prior written consent of the Joint Global Co-ordinators, issue, offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, any Offer Shares (or any interest therein or in respect thereof) or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing;
- 13.1.10 each of the Directors (other than Richard Byrne) has agreed, subject to certain exceptions, during the period of 365 days from the date of Admission, that he/she will not, without the prior consent of the Joint Global Co-ordinators, offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, any Offer Shares (or any interest therein or in respect thereof) or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing. Richard Byrne has agreed a lock-up on the same terms for a period of 180 days; and
- 13.1.11 pursuant to the Deeds of Election and related arrangements, each of the Management Shareholders has agreed, subject to certain exceptions, that during the period of 365 days (in respect of the Management Shareholders who are employed or engaged by the Company (or another Group entity) at the time of Admission) or 180 days (in respect of the Management Shareholders who are not employed or engaged by the Company (or another Group entity) at the time of Admission) from the date of Admission, he/she will not, without the prior written consent of the Joint Global Coordinators and the Company, issue, offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, any Offer Shares (or any interest therein or in respect thereof) or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing.

13.2 Shareholders' Agreement

- 13.2.1 On 15 October 2019, the Principal Shareholders and the Company entered into the Shareholders' Agreement which will, conditional upon Admission, grant certain governance rights to the Principal Shareholders and set out a mechanism for future sales of Shares by the Selling Shareholders.

- 13.2.2 In accordance with the terms of the Shareholders' Agreement, each of Quantum Strategic Partners, Ltd., Lath Holdings Ltd. and Millicom Holding B.V. will have the right to appoint a Director to the Board (a "Shareholder Representative") for such time as it and its associates are entitled to exercise or control the exercise of 10 per cent. or more of the voting rights in the Company, provided that:
- (a) for such time as Quantum Strategic Partners, Ltd. ("QSP") and its associates are entitled to appoint a Shareholder Representative and David Wassong is a Director, Mr. Wassong shall act as QSP's Shareholder Representative; and
 - (b) for such time as Lath Holdings Ltd. ("HIP") and its associates are entitled to appoint a Shareholder Representative and Temitope Lawani is a Director, Mr. Lawani shall act as HIP's Shareholder Representative.
- 13.2.3 At the date of this Prospectus, David Wassong and Temitope Lawani shall act as Shareholder Representatives for QSP and HIP, respectively. At the date of this Prospectus, Millicom Holding B.V. had not exercised its right to appoint a Director to the Board.
- 13.2.4 The Shareholders' Agreement also contains orderly market arrangements relating to sales of Shares by the Principal Shareholders following Admission, pursuant to which:
- (a) any Principal Shareholder that wishes to sell its Shares (other than in the case of accepting or agreeing to accept a third-party offer for all of the Shares in the Company) must first notify the other Principal Shareholders, consult with them in relation to the proposed sale and allow them the opportunity to participate in such sale on the same terms and on a *pro rata* basis to their respective shareholdings in the Company at the time of the sale;
 - (b) the Principal Shareholders may not: (i) conduct more than one public book-build offering in any period commencing on the date of publication of the Company's annual financial results, interim financial results or quarterly financial results, as the case may be, and ending on the day prior to the date of publication of the Company's next set of financial results (whether annual, interim or quarterly) (a "Sale Period"); (ii) without the prior consent of the Company, sell more than 15 per cent. in aggregate of the share capital of the Company in any such public bookbuild offering; (iii) without the prior consent of the Company, in the 12 month period following Admission, sell more than 20 per cent. in aggregate of the share capital of the Company in any Sale Period; or (iv) without the prior consent of the Company, sell more than 20 per cent. in aggregate of the share capital of the Company in transactions other than public bookbuild offerings in the 12 month period following Admission; and
 - (c) the Principal Shareholders may not sell Shares during any period between the end of a financial period of the Company and the publication by the Company of its results for such financial period.
- 13.2.5 The Shareholders' Agreement will terminate and cease to have effect if the Shares cease to be listed on the premium listing segment of the Official List and traded on the London Stock Exchange or, in respect of any individual Principal Shareholder, if such Principal Shareholder and its associates cease to exercise or to control the exercise of three per cent. or more of the voting rights in the Company.

13.3 Escrow Documents

- 13.3.1 The Escrow Shareholders have agreed for the Escrow Amount to be retained from the net proceeds of the sale of the Sale Shares in the Global Offer which are payable to them, or otherwise to contribute such amount in cash, pending determination of the final amounts of certain Shareholder Global Offer Costs. The Shareholder Global Offer Costs include: (i) the potential Change of Control Taxes (see Part II: "*Risk Factors — Risks Related to the Group and its Business — Certain countries in which the Group operates treat an indirect change of control of the local Group company as triggering tax liabilities for that local Group company. The Escrow Shareholders have put in place arrangements for an amount to be held under an escrow arrangement which is expected to be sufficient to cover these liabilities. However, uncertainties regarding the valuation*

of the subsidiaries which may be liable to pay those tax liabilities at the point in time at which a change of control occurs and the administration of the applicable tax rules may result in the funds committed by the Escrow Shareholders to cover these liabilities not being sufficient, in which case any additional amounts payable will be borne by the Group without recourse to the Escrow Shareholders”); (ii) certain fees and expenses payable by the Selling Shareholders in connection with the Global Offer; and (iii) costs and charges associated with the administration of the escrow arrangements ((ii) and (iii) being the “Shareholder Global Offer Costs”). The Escrow Amount also includes a buffer amount in case amounts in excess of the Group’s estimate are determined to be payable.

- 13.3.2 To give effect to these arrangements Helios Towers, Ltd., the Escrow Shareholders and Bank of America, National Association (the “Escrow Agent”) entered into the Escrow Agreement and Helios Towers, Ltd. and the Escrow Shareholders entered into a side deed to the Escrow Agreement (the “Shareholders’ Escrow Deed” and, together with the Escrow Agreement, the “Escrow Documents”) setting out the circumstances in which funds can be released from the Escrow Account, in each case on 15 October 2019.
- 13.3.3 Pursuant to the Escrow Documents, each Escrow Shareholder has agreed: (i) to sell such number of Sale Shares in the Global Offer as will raise net proceeds equal to its *pro rata* contribution to the Escrow Amount (based on its shareholding in the Company immediately prior to Admission) and has instructed the Settlement Bank to transfer such amount directly into an escrow account operated by the Escrow Agent (the “Escrow Account”); or (ii) to pay such amount in cash into the Escrow Account. The “Escrow Amount” is an aggregate amount of approximately US\$130 million.
- 13.3.4 Under the Escrow Documents, Helios Towers, Ltd. is authorised, in its sole and absolute discretion, to issue a notice to the Escrow Agent to transfer funds from the Escrow Account upon any Change of Control Taxes becoming due and payable. Where the Company issues such a transfer notice it shall, upon receipt from the Escrow Agent of the amount specified in such transfer notice, direct such amount to the relevant local Group company which is liable for such Change of Control Taxes and that local Group company shall in turn apply the amount received to settle such Change of Control Taxes.
- 13.3.5 The Escrow Shareholders may request Helios Towers, Ltd. (and Helios Towers, Ltd. shall be obliged) to issue a notice to the Escrow Agent to transfer funds from the Escrow Account upon any of the other Shareholder Global Offer Costs, as specified in the Shareholders’ Escrow Deed, becoming due and payable. Such transfer notice shall specify the Shareholder Global Offer Costs which are so due and payable.
- 13.3.6 The Escrow Documents entitle Helios Towers, Ltd., at its sole discretion, to authorise early release to the Escrow Shareholders of some or all of the Escrow Amount from time to time where, based on advice received from its tax advisers, it considers that the Escrow Amount significantly exceeds any potential remaining liabilities as contemplated in the Escrow Documents.

The Escrow Shareholders may on an annual basis require Helios Towers, Ltd. to appoint an independent tax adviser to determine whether the Escrow Amount exceeds the estimated value of the potential remaining Change of Control Taxes and, where there is judged to be a significant excess, to release a portion of such excess to the Escrow Shareholders. In addition, the Escrow Shareholders may require Helios Towers Ltd. to instruct the release of funds to Escrow Shareholders in certain circumstances where there has been a change of law so that Change of Control Taxes are no longer payable by a member of the Group or the Company is reasonably satisfied that the Change of Control Taxes have been settled by a third party (which could include an Escrow Shareholder).
- 13.3.7 Helios Towers, Ltd. has agreed to indemnify the Escrow Shareholders in respect of any liabilities they may incur which arise in respect of the gross negligence, fraud, bad faith or wilful misconduct of Helios Towers, Ltd.
- 13.3.8 Upon the earlier of the (i) Directors being satisfied that all material Shareholder Global Offer Costs have been settled and (ii) the applicable statute of limitations periods for tax authorities to bring claims in the relevant countries having expired and any ongoing appeal by Helios Towers, Ltd. or any member of the Group in respect of Change of

Control Taxes being settled, the balance in the Escrow Account at that time (if any) shall be released to the Escrow Shareholders in accordance with their *pro rata* contribution and the Escrow Documents shall terminate.

- 13.3.9 Pursuant to the terms of the Shareholders' Escrow Deed, any rebates received from the tax authorities shall be transferred back into the Escrow Account or, if the Escrow Account has been terminated in accordance with its terms, to the Escrow Shareholders, in each case subject to any deductions/withholding taxes and net of costs of payment.

13.4 The Senior Notes

On 8 March 2017, HTA Group, Ltd, an indirect wholly owned subsidiary of Helios Towers, Ltd, issued US\$600 million 9.125 per cent. guaranteed senior notes that mature on 8 March 2022 (the "Senior Notes"). Subject to applicable law, interest on the Senior Notes accrues at the rate of 9.125 per cent. per year and is paid semi-annually in cash in arrears on 8 March and 8 September. The payment of all amounts due in respect of the Senior Notes was unconditionally and irrevocably guaranteed by Helios Towers, Ltd, HTA Holdings, Ltd., HT Congo Brazzaville Holdco Limited, Helios Towers DRC SARL, Helios Towers Tanzania Limited, Helios Towers Congo Brazzaville SASU, HT DRC Infracore SARL, HT Infracore Limited, Towers NL Coöperatief U.A., McTam International 1 B.V., Helios Towers Ghana Limited, HTG Managed Services Limited and McRory Investment B.V. (together, the "Guarantors"), on a joint and several basis. On 16 February 2018, HT Holdings Tanzania, Ltd, HTA Group, Ltd and Citibank, N.A., London Branch, as trustee, executed a supplemental indenture pursuant to which HT Holdings Tanzania, Ltd guaranteed all of HTA Group, Ltd's obligations under the Senior Notes and the indenture. The Senior Notes and the guarantees constitute general senior obligations, ranking equally in right of payment with all of HTA Group, Ltd's and the Guarantors' existing and future senior obligations, and are effectively subordinated to all of HTA Group, Ltd's and the Guarantors' existing and future secured debt to the extent of the assets securing such secured debt.

The Senior Notes contain customary covenants and restrictions, including, amongst others, restrictions on incurring debt and issuing preferred stock, paying dividends or making other distributions, merging, consolidating or making certain asset sales. In the case of an event of default arising from certain events of bankruptcy or insolvency with respect to HTA Group, Ltd or Helios Towers, Ltd or any subsidiary Guarantor that is a significant subsidiary or any group of Guarantors that, taken together, would constitute a significant subsidiary, all outstanding Senior Notes will become due and payable immediately without further action or notice or other act on the part of the trustee or any holders of Senior Notes. If any other event of default occurs and is continuing, the trustee or the holders of at least 25 per cent. in aggregate principal amount of the then outstanding Senior Notes by written notice to HTA Group, Ltd (and to the trustee if such notice is given by the holders) may and the trustee, upon the written request of such holders, shall declare all amounts in respect of the Senior Notes to be due and payable immediately.

13.5 Pari Passu RCF

On 14 February 2017, HTA Group, Ltd entered into a stand-by revolving credit facility with Merrill Lynch International, The Standard Bank of South Africa Limited and Standard Chartered Bank (the "Pari Passu RCF"), the proceeds of which are to be used for general corporate and working capital purposes. The Pari Passu RCF has an initial borrowing availability of up to US\$60 million, which can be increased to an aggregate amount of US\$75 million subject to certain approvals, and a term of four years. The annual interest rate on loans is calculated based on LIBOR plus a margin of 4 per cent. per year plus a utilisation fee of up to 0.5 per cent. depending on the amount utilised. HTA Group, Ltd is obligated to pay a commitment fee equal to 35 per cent. per year of the then applicable margin on the undrawn and uncanceled amount of the Pari Passu RCF.

The Pari Passu RCF contains customary change of control events, covenants and restrictions and events of default. The Pari Passu RCF also contains certain financial covenants, including minimum fixed charge covenant ratios and maximum net leverage ratios. The occurrence of an event of default could result in the acceleration of payment obligations and other consequences under the Pari Passu RCF.

As of 30 June 2019, the Pari Passu RCF was undrawn. The Pari Passu RCF is guaranteed by Helios Towers, Ltd and each of the Guarantors of the Senior Notes. On 16 February 2018, HT Holdings Tanzania, Ltd agreed to become an additional guarantor of the Pari Passu RCF.

13.6 Standard Bank Term Facility Agreement

On 22 October 2018, HTA Group, Ltd and the Company entered into a term facility agreement with The Standard Bank of South Africa Limited as lead arranger, agent and security agent (the “Standard Bank Term Facility”), the proceeds of which are to be used for financing or refinancing capital expenditures, acquisition costs and related fees and expenses, and the general corporate and working capital needs of the Group. The Standard Bank Term Facility has a total commitment of up to US\$100 million, which may be increased to US\$125 million, and a term of 39 months. The annual interest rate on loans is calculated based on LIBOR plus a margin of 4.2 per cent. per year. The Company is obligated to pay a commitment fee equal to 35 per cent. per year of 4.2 per cent. on the unutilised commitment for a period of 36 months after 22 October 2018.

The Standard Bank Term Facility contains customary change of control events, covenants and restrictions and events of default. The Standard Bank Term Facility also contains certain financial covenants, including consolidated leverage ratios and interest cover ratios. The occurrence of an event of default could result in the acceleration of payment obligations and other consequences under the Standard Bank Term Facility.

As of 30 June 2019, US\$75.0 million was drawn under the Standard Bank Term Facility. The Standard Bank Term Facility is guaranteed by each of the Guarantors of the Senior Notes and HT Holdings Tanzania Limited.

13.7 Tanzanian Intercompany Loan Pledges

The Senior Notes and the Pari Passu RCF benefit from the pledge of all loans lent from Helios Towers, Ltd or the Guarantors outside of Tanzania to restricted subsidiaries domiciled in Tanzania (“Tanzanian Intercompany Loans”) on or after 8 March 2017 that are funded with proceeds of the Senior Notes or the Pari Passu RCF.

HTA Group, Ltd’s rights under and related to the Tanzanian Intercompany Loans pledged as collateral secure the HTA Group, Ltd’s obligations under the Senior Notes, the corresponding indenture and the Pari Passu RCF on a first priority basis. This pledge was granted to support the ability of the holders of the Senior Notes and the lenders under the Pari Passu RCF to pay out of Tanzania certain amounts in the event of an enforcement action against the Tanzanian guarantors.

Restricted subsidiaries domiciled in Tanzania are not permitted to repay the principal of any Tanzanian Intercompany Loan pledged as collateral, except (i) where the outstanding aggregate principal amount due under the Tanzanian Intercompany Loans pledged as collateral is not reduced below US\$200 million; (ii) in connection with any purchase, repayment or redemption of the Senior Notes or permanent repayment or prepayment of the Pari Passu RCF (resulting in a cancellation of amounts due), in which case the US\$200 million amount will be reduced to the outstanding principal amount then due under the Tanzanian Intercompany Loans pledged as collateral following such purchase, repayment, prepayment or redemption; provided that any such partial purchase, repayment, prepayment or redemption of the Senior Notes or Pari Passu RCF from repayment of Tanzanian Intercompany Loans shall require the Tanzanian subsidiaries to first repay any and all Tanzanian Intercompany Loans that have not been pledged as collateral prior to repaying any Tanzanian Intercompany Loans that have been pledged as collateral; or (iii) in connection with the sale of a restricted subsidiary domiciled in Tanzania or all or substantially all of the assets of such restricted subsidiary.

As of 30 June 2019, the Group had US\$220.9 million of Tanzanian Intercompany Loans pledged as collateral.

13.8 Pre-IPO Reorganisation Agreement

Prior to Admission the Company will enter into a share-for-share exchange agreement with the holders of the equity securities in Helios Towers, Ltd. (including the Institutional Selling Shareholders), pursuant to which the Company will acquire the entire issued share capital of Helios Towers, Ltd. in consideration for the issue to such holders of Shares.

14 Selling Shareholders

The identity of the Selling Shareholders, their business address and the maximum number of Shares each will sell in the Global Offer is as follows:

14.1 Institutional Selling Shareholders

Selling Shareholder	Business Address	Number of Sale Shares	Maximum Number of Over-allotment Shares
Millicom Holding B.V. ⁽¹⁾	Oslo 1, 2993 LD Barendrecht, The Netherlands	29,974,345	9,193,617
Quantum Strategic Partners, Ltd. ⁽²⁾	c/o Newlight Partners LP, 390 Park Avenue, New York, NY 10022	27,032,861	7,110,445
Lath Holdings Ltd. ⁽³⁾	c/o Helios Investment Partners LLP, 12 Charles Street, London SW1Y 4QU, United Kingdom	20,378,122	5,360,051
ACM Africa Holdings, L.P. ⁽⁴⁾	c/o Walkers Corporate Services Limited, Walker House, 87 Mary Street, George Town, Grand Cayman, KY1-9005, Cayman Islands	14,400,684	3,787,806
RIT Capital Partners plc ⁽⁵⁾	27 St James's Place, London SW1A 1NR, United Kingdom	8,906,949	2,342,792
IFC African, Latin American and Caribbean Fund, L.P. ⁽⁶⁾	IFC Asset Management Company, LLC, 2121 Pennsylvania Avenue, N.W., Washington, D.C. 20433, United States	5,689,015	—
International Finance Corporation ⁽⁷⁾ ...	IFC Asset Management Company, LLC, 2121 Pennsylvania Avenue, N.W., Washington, D.C. 20433, United States	5,937,123	1,561,640
FAMF Investments (BVI) Limited ⁽⁸⁾ ...	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	477,496	125,596
The Bat Hanadiv Foundation No. 3 ⁽⁹⁾ .	c/o Meritus Trust Company Limited, 19 Par-La-Ville Road, First Floor, Hamilton, HM11, Bermuda	3,146,676	827,669
YCP HTA, L.P. ⁽¹⁰⁾	c/o The Corporation Trust Company, 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801	3,751,757	986,823
Network i2i Limited ⁽¹¹⁾	Les Cascades Building, Edith Cavell Street, Port Louis, Mauritius	4,278,408	1,312,257

Notes:

- (1) Millicom Holding B.V. is part of an international telecommunications and media group operating in Africa and Latin America.
- (2) Quantum Strategic Partners, Ltd. ("QSP") is a private investment vehicle, and QSP's investment in the Company is managed by Newlight Partners LP.
- (3) Lath Holdings Ltd. is a private investment vehicle managed by Helios Investment Partners, LLC.
- (4) ACM Africa Holdings, L.P. is a private investment vehicle managed by Albright Capital Management LLC.
- (5) RIT Capital Partners plc is an investment trust established in 1961, chaired by Lord Rothschild. RIT invests across a range of assets, including public and private equity.
- (6) IFC African, Latin American and Caribbean Fund, L.P. is a private investment vehicle managed by IFC and is a member of The World Bank Group.
- (7) International Finance Corporation is a member of The World Bank Group.
- (8) FAMF Investments (BVI) Limited ("FAMF") is a wholly owned subsidiary of the First Arrow Managed Fund. Came Global Fund Managers – Ireland has been appointed as Alternative Investment Fund Manager to FAMF and has delegated the management of FAMF's investments to Windmill Hill Asset Management ("WHAM").
- (9) The Bat Hanadiv Foundation No. 3 ("Bat Hanadiv") is a charitable foundation incorporated in Bermuda. Its investments are managed by WHAM, in which Bat Hanadiv is a shareholder.
- (10) YCP HTA, L.P. is a private equity fund with its principal place of business in New York.
- (11) Network i2i Limited is a wholly owned subsidiary of Bharti Airtel Limited.

14.2 Management Selling Shareholders

Management Selling Shareholder	Business Address	Number of Sale Shares	Maximum Number of Over-allotment Shares
Kash Pandya	DIC Unit, 102, 1st Floor, Building 05, Dubai, United Arab Emirates	1,973,056	—
Tom Greenwood	DIC Unit, 102, 1st Floor, Building 05, Dubai, United Arab Emirates	1,208,633	—
Name of Senior Manager			
Alexander Leigh	DIC Unit, 102, 1st Floor, Building 05, Dubai, United Arab Emirates	547,087	—
Helen Ebert	10th Floor, 5 Merchant Square West, London, W2 1AS	135,477	—
Colin Gaston	10th Floor, 5 Merchant Square West, London, W2 1AS	323,126	—
Nicholas Summers	10th Floor, 5 Merchant Square West, London, W2 1AS	256,650	—
Roy Cursley	DIC Unit, 102, 1st Floor, Building 05, Dubai, United Arab Emirates	312,037	—
Philippe Loridon	DIC Unit, 102, 1st Floor, Building 05, Dubai, United Arab Emirates	381,530	—
Leon-Paul Many Okitanyenda	1st Floor, Tower LE 130, 130B, Avenue Kwango, Kinshasa, Gombe, DRC	262,302	—
Jeffrey Schumacher	Unit D8, El Ridge Office Park, 100 Elizabeth Road, Bartlett, Gauteng, South Africa	455,860	—
Belgacem Chriti	1st Floor TPI Building, Boulevard Denis Sassou-Nguesso, opposite the SCLOG, Mpila, Congo Brazzaville	12,263	—
Fritz Dzeklo	No. 31 Akosombo Road, Airport Residential Area, Private Mail Bag CT 409, Cantonments, Accra, Ghana	16,668	—
Ramsey Koola	Peninsula House, Plot 251 Toure Drive, PO Box 105297, Oysterbay, Dar es Salaam, Tanzania	20,439	—
Other Management Selling Shareholders⁽¹⁾...	—	1,126,367	—

Note:

(1) The other Management Selling Shareholders comprise current and former employees of the Group (other than Directors and Senior Managers).

15 Related Party Transactions and Other Arrangements

Details of related party transactions entered into by members of the Group during the period covered by the Historical Financial Information contained in this Prospectus are set out in Note 22 of Part B of Part XV: “*Historical Financial Information*”.

Save as set out above, there are no related party transactions that were entered into during the period covered by the Historical Financial Information.

16 Working Capital

In the opinion of the Company, taking into account the bank facilities available to the Group, the working capital available to the Group is sufficient for its present requirements, that is for at least the 12 months following the date of this Prospectus.

17 No Significant Change

17.1 There has been no significant change in the financial position of the Company since 1 August 2019, being the date of its incorporation.

17.2 There has been no significant change in the financial position or financial performance of the Group since 30 June 2019, being the date to which the audited consolidated financial information of the Group as set out in Part B of Part XV: “*Historical Financial Information*” was prepared.

18 Consents

- 18.1** Deloitte LLP has given and has not withdrawn its written consent to the inclusion of the reports included in Part A and Part C of Part XV: “*Historical Financial Information*” and Part A of Part XVI: “*Unaudited Pro Forma Financial Information*”, in the form and context in which they appear, and has authorised the contents of its reports for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules.
- 18.2** Hardiman Telecommunications Ltd. of 30 Sandford Road, Dublin DO6 TK26, is a consultancy specialised in strategy development for, and quantitative analysis of, businesses and of business opportunities in the telecommunications, broadcast, media, technology and systems industries. Hardiman Telecommunications Ltd. has given and not withdrawn its written consent to the inclusion of the information provided by it in Part VIII: “*Industry Overview*” and Part X: “*Information on the Group*”, in the form and context in which it appears, and has authorised the contents of the information included for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules. For the purposes of Rule 5.3.2R(2)(f), Hardiman Telecommunications Ltd. is responsible for the information provided by or attributed to it in this Prospectus and declares that, to the best of its knowledge, such information is in accordance with the facts and that this Prospectus makes no omission likely to affect its import.
- 18.3** A written consent under the Prospectus Regulation Rules is different from a consent filed with the SEC under Section 7 of the U.S. Securities Act. Each of Deloitte LLP and Hardiman Telecommunications Ltd. have not filed and will not be required to file a consent under Section 7 of the U.S. Securities Act.

19 Takeover Regulation

The Takeover Code is issued and administered by the Takeover Panel. Following Admission, the Company will be subject to the Takeover Code and therefore its shareholders will be entitled to the protections afforded by the Takeover Code.

Other than as provided by the Takeover Code and Part 28 of the Companies Act, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules that apply to the Shares of the Company.

19.1 Mandatory Bids

Under Rule 9 of the Takeover Code, when: (i) a person acquires any interest in shares which (when taken together with shares in which he and persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company subject to the Takeover Code; or (ii) any person who, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company subject to the Takeover Code but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any persons acting in concert with him, acquires an interest in any other shares which increases the percentage of the shares carrying voting rights in which he is interested, then, in either case, that person, together with the person acting in concert with him, is normally required to extend offers in cash, at the highest price paid by him (or any persons acting in concert with him) for shares in the company within the preceding 12 months, to the holders of any class of equity share capital, whether voting or non-voting, and also to the holders of any other class of transferable securities carrying voting rights.

19.2 Squeeze-Out

Under the Companies Act, if a takeover offer (as defined in section 974 of the Companies Act) is made for the Shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the shares to which the takeover offer relates (the “Takeover Offer Shares”) and not less than 90 per cent. of the voting rights attached to the Takeover Offer Shares within three months of the last day on which its offer can be accepted, it could acquire compulsorily the remaining 10 per cent. It would do so by sending a notice pursuant to section 979 of the Companies Act to outstanding shareholders telling them that it will acquire compulsorily their Takeover Offer Shares and then, six weeks later, it would execute a transfer of the outstanding Takeover Offer Shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding shareholders. The

consideration offered to the shareholders whose Takeover Offer Shares are acquired compulsorily under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

A minority shareholder may bring an application to the court under section 986 of the Companies Act within six weeks of receiving a section 979 notice. The court may: (a) order that the offeror shall not be entitled or bound to acquire the relevant shares; or (ii) specify terms of acquisition different from those of the offer.

19.3 Sell-Out

Section 983 of the Companies Act gives minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the Shares and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90 per cent. of the Shares to which the offer relates, any holder of Shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those Shares. The offeror is required to give any shareholder notice of his or her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of the minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a shareholder exercises his or her rights, the offeror is bound to acquire those Shares on the terms of the offer or on such other terms as may be agreed.

If a shareholder gives notice under section 983, both the shareholder and the offeror have the right to make an application to the court. The court has the power to vary the terms of the acquisition but cannot order that the offeror shall not be entitled or obliged to acquire the relevant shares.

19.4 Concert Party Presumptions

Under the Takeover Code, shareholders in a private company who sell their shares in that company in consideration for the issue of new shares in a company to which the Takeover Code applies (such as the Company) will generally be presumed to be acting in concert with each other.

The Company understands, on the basis of confirmations received by it from the Takeover Panel, that notwithstanding such presumption, the Principal Shareholders will not generally be presumed to be acting in concert with each other.

20 Miscellaneous

The Company will bear approximately £18.3 million of fees and expenses in connection with the Global Offer and Admission, including commissions payable to the Underwriters (including the maximum amount of any discretionary commission), other estimated fees and expenses in connection with the Global Offer and Admission and amounts in respect of VAT.

21 Documents Available for Inspection

The following documents are available for inspection during usual business hours (Saturdays, Sundays and public holidays excepted) for a period of 12 months following Admission at the offices of Linklaters LLP at One Silk Street, London EC2Y 8HQ and at the Company's registered office at 10th Floor, 5 Merchant Square West, London W2 1AS, United Kingdom and on the Group's website at www.heliostowers.com:

- (a) the up-to-date Articles of Association;
- (b) the consent letters referred to in "Consents" in paragraph 18 of this Part XIX: "*Additional Information — Consents*";
- (c) the reports of Deloitte LLP which are set out in Part A and Part C of Part XV: "*Historical Financial Information*" and Part A of Part XVI: "*Unaudited Pro-Forma Financial Information*"; and
- (d) this Prospectus.

Dated: 15 October 2019

PART XX

DEFINITIONS

Definitions

The following definitions apply throughout this Prospectus unless the context requires otherwise:

2020 LTIP Award	the grant of awards under the EIP that represents the long-term incentive aspect of individuals' overall remuneration packages
Adjusted EBITDA	loss for the period, adjusted for tax expenses, 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, recharged depreciation, deal costs for aborted transactions, deal costs not capitalised, share-based payments and long-term incentive plan charges, and exceptional items
Adjusted Free Cash Flow	Leveraged Portfolio Free Cash Flow less investment capital expenditure
Admission	the admission of the Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities becoming effective in accordance with, respectively, the Listing Rules and the Admission and Disclosure Standards
Affiliate	persons who are "affiliates" within the meaning of Rule 501(b) of Regulation D under the U.S. Securities Act
Amendment Colocation Tenant	calculated on a weighted basis as compared to the market average lease rate for a standard tenancy lease in the month the amendment is added
Amendment revenue	revenue from amendments to existing leases when tenants add or modify equipment under an existing lease agreement
Articles of Association or Articles	the articles of association of the Company to be adopted upon Admission
Audit Committee	the audit committee of the Board
Board or Directors	the board of directors of the Company
CEO	the chief executive officer of the Company
CFO	the chief financial officer of the Company
Change of Control Taxes	tax liabilities for which a local Group company may become liable as a result of a change of control of more than 50 per cent. of the ultimate beneficial ownership of the relevant local Group company (calculated over a three-year period in the case of Tanzania and Ghana)
CMSA	the Capital Markets and Securities Authority of the Republic of Tanzania
Common Monetary Area	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland
Companies Act	the Companies Act 2006, as such act may be amended, modified or re-enacted from time to time
Company	Helios Towers plc
CREST	the UK-based system for the paperless settlement of trades in listed securities, of which Euroclear UK & Ireland is the operator
CREST Regulations	the Uncertified Securities Regulations 2001 (512001/3755)
Deeds of Election	the share sale election deeds entered into by certain Management Shareholders pursuant to which, amongst other things, the Management Selling Shareholders have irrevocably instructed the Company to agree

	the sale of the Sale Shares as agent for and on behalf of the Management Selling Shareholders
Deloitte Mauritius	Deloitte Mauritius, a member firm of Deloitte Touche Tohmatsu Limited, located at Standard Chartered Tower, 19-21 Bank Street, Cybercity, Ebene 72201, Republic of Mauritius
Deloitte LLP	Deloitte LLP, a member firm of Deloitte Touche Tohmatsu Limited, located at 1 New Street Square, London, EC4A 3HQ, United Kingdom. Deloitte LLP is an independent auditor in accordance with the International Standards on Auditing guidelines on independence issued by the Institute of Chartered Accountants of England and Wales and the Auditing Practices Board in the United Kingdom.
Detecon Consulting	Detecon International GmbH
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules produced by the FCA and forming part of the handbook of the FCA as, from time to time, amended
EEA	the European Economic Area
EIP	the Helios Towers plc Employee Incentive Plan 2019
Ericsson	Telefonaktiebolaget LM Ericsson
Escrow Account	the account operated by the Escrow Agent pursuant to the Escrow Agreement
Escrow Agent	Bank of America, National Association
Escrow Agreement	the escrow agreement entered into between Helios Towers, Ltd., the Escrow Shareholders and the Escrow Agent described in paragraph 13.3 of Part XIX: <i>“Additional Information — Material Contracts — Escrow Documents”</i>
Escrow Amount	approximately US\$130 million
Escrow Documents	the Escrow Agreement and the Shareholders’ Escrow Deed, taken together
Escrow Shareholders	holders of voting shares in Helios Towers, Ltd. immediately prior to the Reorganisation, being the Institutional Selling Shareholders and Richard Byrne
EU	the European Union
Exchange Control Regulations	the Exchange Control Regulations of South Africa issued under the Currency and Exchanges Act, 1933
Executive Directors	the executive Directors
Existing Shareholders	the Shareholders in the Company following the Pre-IPO Reorganisation and immediately prior to Admission (including the Management Shareholders)
FAIS Act	the South African Financial Advisory and Intermediary Services Act, 2002
FATCA	Foreign Account Tax Compliance Act, a 2010 United States federal law
FCA	the UK Financial Conduct Authority
Fitch Solutions	Fitch Solutions, Inc.
Free Cash Flow	Adjusted Free Cash Flow less cash flows from changes in working capital, exceptional items, deal costs, the Vodacom Tanzania Plc share repurchase and the proceeds from the disposal of assets
FSMA	the Financial Services and Markets Act 2000, as amended

Gross Debt	non-current loans and current loans and long-term and short-term lease liabilities
Gross leverage	Gross Debt divided by Adjusted EBITDA as of 31 December 2016, 31 December 2017, 31 December 2018, and gross debt divided by Last Quarter Annualised Adjusted EBITDA as of 30 June 2018 and 30 June 2019
Global Offer	the offer of Offer Shares to certain institutional investors in the United Kingdom and elsewhere described in Part XVIII: “ <i>The Global Offer</i> ”
Group or Helios Towers	the Company, its consolidated subsidiaries and subsidiary undertakings, or (where referring or relating to periods prior to the Pre-IPO Reorganisation), Helios Towers, Ltd., its consolidated subsidiaries and subsidiary undertakings
Hardiman	Hardiman Telecommunications Ltd.
Hardiman Report	the report prepared by Hardiman Telecommunications Ltd., as described in Part III: “ <i>Presentation of Information on the Group</i> ”
Helios Towers South Africa	Helios Towers South Africa Holdings (Pty) Ltd.
Historical Financial Information	the Group’s audited consolidated financial information as of and for the three years ended 31 December 2018 and as of and for the six months ended 30 June 2019
HMRC	HM Revenue & Customs
HT LTIP	the nil-cost option plan put in place by Helios Towers, Ltd. as described in paragraph 10.1.1 of Part XIX: “ <i>Additional Information — Employee Share Plans — Legacy Arrangements</i> ”
HT MIPs	the management incentive plans put in place by Helios Towers, Ltd. which will be unwound in connection with the Pre-IPO Reorganisation as described in paragraph 4 of Part XIX: “ <i>Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital</i> ”
HTL Group	Helios Towers, Ltd. and its subsidiaries.
HTT Infracore	HTT Infracore Limited
IFRS	the International Financial Reporting Standards, as adopted by the European Union
Institutional Selling Shareholders	Quantum Strategic Partners, Ltd., ACM Africa Holdings, L.P., RIT Capital Partners plc, FAMF Investments (BVI) Limited, The Bat Hanadiv Foundation No.3, International Finance Corporation, IFC African, Latin American and Caribbean Fund LP, Lath Holdings Ltd., Millicom Holding B.V., YCP HTA, L.P. and Network i2i Limited
ISIN	International Security Identification Number
Joint Bookrunners	Merrill Lynch International, Jefferies International Limited, The Standard Bank of South Africa Limited, EFG Hermes UAE Limited and Renaissance Securities (Cyprus) Limited
Joint Global Co-ordinators	Merrill Lynch International, Jefferies International Limited and The Standard Bank of South Africa Limited
Leveraged Portfolio Free Cash Flow	Portfolio Free Cash Flow less net payment of interest
LIBOR	London Interbank Offered Rate
Listing Rules	the rules relating to admission to the Official List made under section 73A(2) of FSMA
London Stock Exchange	London Stock Exchange plc

LTIP Awards	the awards granted under the EIP
Management Selling Shareholders	the Management Shareholders that have elected to sell Sale Shares as part of the Offer pursuant to the Deeds of Election
Management Shareholders	the Executive Directors and certain other current and former employees of the Group that hold interests in the HT MIPs and/or the OpCo LTIPs that will be exchanged for Shares in the Pre-IPO Reorganisation
Member States	member states of the EEA
Millicom	Millicom International Cellular SA
MTN	MTN Group Ltd.
Net Debt	Gross debt less cash and cash equivalents
Net leverage	Net debt divided by Adjusted EBITDA as of 31 December 2016, 31 December 2017, 31 December 2018, and net debt divided by Last Quarter Annualised Adjusted EBITDA as of 30 June 2018 and 30 June 2019
New Shares	the new Shares to be allotted and issued by the Company as part of the Global Offer
Nomination Committee	the nomination committee of the Board
Non-Executive Directors	the non-executive Directors
Offer Price	the price at which each Share is to be issued or sold under the Global Offer, being 115 pence
Offer Shares	the New Shares and the Sale Shares together
Official List	the Official List of the Financial Conduct Authority
Orange	Orange S.A.
Over-allotment Option	the option granted to the Stabilising Manager by the Over-allotment Shareholders to purchase, or procure purchasers for, additional Shares as more particularly described in Part XVIII: “ <i>The Global Offer</i> ”
Over-allotment Shareholders	the Institutional Selling Shareholders
Over-allotment Shares	the Shares to be offered pursuant to the Over-allotment Option
Portfolio Free Cash Flow	Adjusted EBITDA less tax paid, maintenance and corporate capital expenditure and cash payments in respect of lease liabilities (including related interest)
Post-IPO Reduction of Capital	the proposed reduction of capital to be undertaken by the Company following Admission as described in paragraph 4 of Part XIX: “ <i>Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital</i> ”
Pre-IPO Reorganisation	the corporate reorganisation to be undertaken by the Company and the Group in connection with, and prior to, Admission, including the acquisition by the Company of the Operating Group, as described in paragraph 4 of Part XIX: “ <i>Additional Information — Pre-IPO Reorganisation and Post-IPO Reduction of Capital</i> ”
Principal Shareholders	Millicom Holding B.V., Quantum Strategic Partners, Ltd., Lath Holdings Ltd., ACM Africa Holdings, LP, RIT Capital Partners plc, IFC African, Latin American and Caribbean Fund, LP and International Finance Corporation
Prospectus Regulations	the Prospectus Regulation (EU) 2017/1129 and amendments thereto
Prospectus Delegated Regulation	Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation

Prospectus Regulation Rules	the prospectus rules published by the FCA under section 73 A of FSMA
Qualified Institutional Buyers or QIBs	has the meaning given by Rule 144A under the U.S. Securities Act
Qualified Investors	persons who are “qualified investors” within the meaning of the Prospectus Regulation Rules
R or Rand or ZAR	South African Rand, the lawful currency of South Africa
Registrar	Computershare
Regulation S	Regulation S under the U.S. Securities Act
Relevant Jurisdictions	Tanzania, DRC, Ghana, Congo Brazzaville and South Africa
Remuneration Committee	the remuneration committee of the Board
Restricted Share Award or RSA	an up-front allocation of Shares, which are at risk of forfeiture until the end of a specified period, as described in paragraph 10 of Part XIX: “ <i>Additional Information</i> ”
SA Towers	SA Towers (Pty) Ltd.
Sale Period	has the meaning given to it in paragraph 13.2.4 of Part XI: “ <i>Additional Information — Material Contracts — Shareholders Agreement</i> ”
Sale Shares	the existing Shares to be sold by the Selling Shareholders as part of the Global Offer
SEDOL	Stock Exchange Daily Official List
Selling Shareholders	The Selling Shareholders as named in paragraph 14 of Part XIX: “ <i>Additional Information — Selling Shareholders</i> ”, being the Institutional Selling Shareholders and the Management Selling Shareholders
Senior Management or Senior Manager	members of the Group’s senior management team, details of whom are set out in Part XI: “ <i>Directors, Senior Management and Corporate Governance</i> ”
Senior Notes	US\$600 million 9.125 per cent. guaranteed senior notes that mature on 8 March 2022
Settlement Bank	Merrill Lynch International
Share Exchange	The share exchange pursuant to which the Company acquires shares in Helios Towers, Ltd. as described in paragraph 4.1.1 of Part XIX: “ <i>Additional Information – Pre-IPO Reorganisation and Post-IPO Reduction of Capital – Pre-IPO Reorganisation</i> ”
Shareholders’ Escrow Deed	the escrow side deed entered into between Helios Towers, Ltd. and the Escrow Shareholders described in paragraph 13.3 of Part XIX: “ <i>Additional Information — Material Contracts — Escrow Documents</i> ”
Shareholder Global Offer Costs	certain fees and expenses payable by the Selling Shareholders in connection with the Global Offer and any costs and charges associated with the administration of the arrangements detailed in the Escrow Documents
Shares	the shares in the capital of the Company, having the rights set out in the Articles
South African Branch Share Register	a branch share register of members of the Company to be set up in South Africa under the Articles
South African Companies Act	the South African Companies Act, 2008
South African Qualifying Investors	persons falling within the exemptions set out in section 96(1)(a) or section 96(1)(b) of the South African Companies Act

Sponsor	Merrill Lynch International
Stabilising Manager	Merrill Lynch International
Standard Colocation Tenant	a customer occupying tower space under a standard tenancy lease rate and configuration, with defined limits in terms of vertical space occupied, wind load (effective plate area) and power consumption
Stock Lending Agreement	the stock lending agreement entered into between the Stabilising Manager and Lath Holdings Ltd. described in paragraph 7 of Part XVIII: “ <i>The Global Offer — Stock Lending Agreement</i> ”
Subsidiary	has the meaning given to it in section 1159 of the Companies Act unless stated otherwise in this Prospectus
TCRA	the Tanzania Communications Regulatory Authority
TeleGeography	TeleGeography, Inc.
Tigo	one or more subsidiaries of Millicom that operate under the commercial brand Tigo
Trust	the Helios Towers plc employee benefit trust
TSR	Helios Towers plc’s relative total shareholder return
UK	the United Kingdom of Great Britain and Northern Ireland
UK Corporate Governance Code	the UK Corporate Governance Code published by the Financial Reporting Council and dated July 2018, as amended from time to time
UK Listing Authority	the FCA in its capacity as the competent authority for the purposes of Part VI of FSMA
Underwriters	Merrill Lynch International, Jefferies International Limited, The Standard Bank of South Africa Limited, EFG Hermes UAE Limited and Renaissance Securities (Cyprus) Limited
Underwriting Agreement	the underwriting agreement entered into between the Company, the Directors, the Selling Shareholders and the Underwriters described in paragraph 13.1 of Part XIX: “ <i>Additional Information — Material Contracts — Underwriting Agreement</i> ”
United States or U.S.	the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia
U.S. Securities Act	the United States Securities Act of 1933
VAT	within the EU, such taxation as may be levied in accordance with (but subject to derogations from) the Directive 2006/112/EEC and, outside the EU, any taxation levied by reference to added value or sales
Vodacom	Vodacom Group Limited
Vodacom Tanzania	Vodacom Tanzania Plc
Vulatel	Vulatel (Pty) Ltd.
Zantel	Zantel Tanzania

PART XXI

GLOSSARY

The following definitions apply throughout this Prospectus unless the context requires otherwise:

2G	the second-generation cellular telecommunications network commercially launched on the GSM and CDMA standards
3G	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 or 4G LTE	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	the forthcoming fifth-generation cellular telecommunications networks, not expected to become commercially available until approximately 2020 or beyond. 5G does not currently have a publicly agreed upon standard; however, it is expected to provide high-speed data access using a range of technologies that exceed those available for 4G
Airtel	Bharti Airtel International
ALU	average lease-up, the number of colocation tenancies added to the Group's portfolio in a defined period of time divided by the average number of total sites for the same period of time, excluding colocations acquired as part of site acquisitions reported as of a certain date
anchor tenant	the primary customer occupying each tower
ARPU	average revenue per user
average remaining life	the average of the periods through the expiration of the term under certain agreements
build-to-suit	sites constructed by the Group on order by an MNO
CAGR	compound annual growth rate
CDMA	code division multiple access
colocation	the sharing of site space by multiple customers or technologies on the same tower
colocation tenant	each additional tenant on a site in addition to the primary anchor tenant
Congo Brazzaville	the Republic of Congo, Congo Brazzaville or Congo
contracted revenue	revenue contracted by country under agreements with the Group's customers as of 30 June 2019 for each of the four years from 2020 to 2023, with local currency amounts converted at the applicable average rate for U.S. dollars on 30 June 2019 held constant. The Group's contracted revenue calculation for each year presented assumes: (i) no escalation in fee rates, (ii) no increases in sites or tenancies other than the Group's committed colocations (contractual commitments relating to prospective colocation tenancies with customers), (iii) the Group's customers do not utilise any cancellation allowances set forth in their MLAs and (iv) the Group's customers do not terminate MLAs early for any reason
CPI	Consumer Price Index
DRC	Democratic Republic of Congo
Edge data centre	secure temperature-controlled technical facilities which are smaller than a standard core network data centre and positioned on the edge of a

	telecommunications network. They are used by operators to regenerate fibre signal, deliver cloud computing resources or cache streaming content for local users
EUR or €	the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to Article 123 of the treaty establishing the European Community, as amended
G7 countries	each of the United States, Canada, France, Germany, Italy, Japan and the United Kingdom
Ghana	the Republic of Ghana
GSM	Global System for Mobile Communication, a standard for digital mobile communications
HSE	Health, Safety and Environment
IBS	in-building cellular enhancement
ICAO	International Civil Aviation Organization
independent tower company	a tower company that is not affiliated with a telecommunications operator
ISA	individual site agreement
LTE	Long-Term Evolution, designed to increase the capacity and speed of mobile telephone networks according to the standard developed by the 3GPP consortium, frequently referred to as 4G or 4th generation. Some of the key assumptions of the system are: (i) data transmission at speeds faster than 3G; (ii) ready for new service types; (iii) architecture simplified in comparison to 3G; and (iv) provisions for open interfaces
maintained sites	sites that are maintained by the Group on behalf of a telecommunications operator but which are not marketed by the Group to other telecommunications operators for colocation (and in respect of which the Company has no right to market)
managed sites	sites that the Group currently manages but does not own due to either: (i) certain conditions for transfer under the relevant acquisition documentation, ground lease and/or law not yet being satisfied; or (ii) the site being subject to an agreement with the relevant MNO under which the MNO retains ownership and outsources management and marketing to the Company
Mauritius	the Republic of Mauritius
mobile penetration	the measure of the amount of active mobile phone subscriptions compared to the total market for active mobile phones
MoU	minutes of use
MLA	master lease agreement
MNO	mobile network operator
Network PoS	refers to different technology being placed on a site by a single mobile network operator, for example, the installation of 3G equipment on a site where the MNO may already have 2G equipment
NOC	network operating centre
Online Site	a site which is operating and generating revenue
performance against SLA	with respect to a given customer, the uptime achieved for a given period divided by the maximum required contractual downtime in such customer's SLA, as applicable

PoS or Operator PoS	point of service, which is an MNO's antennae equipment configuration located on a site to provide signal coverage to subscribers. For the Group, a PoS is equivalent to one tenant on a tower
site acquisition	a combination of MLAs, which provide the commercial terms governing the provision of site space, and individual ISA, which act as an appendix to the relevant MLA, and include site-specific terms for each site
SLA	service-level agreement
Sub-Saharan Africa	consists of all African countries that are fully or partially located south of the Sahara
Tanzania	the United Republic of Tanzania
telecommunications operator	a company licenced by the government to provide voice and data communications services in the countries in which the Group operates
tenancy	a space leased for the installation of a base transmission site and associated antennae
tenancy ratio	the total number of tenancies divided by the total number of the Group's sites as of a given date and represents the average number of tenants per site within a portfolio
tenant	an MNO that leases vertical space on a site and portions of the land underneath on which it installs its equipment
total online sites	total towers, IBS sites, edge data centres or sites with customer equipment installed on third-party infrastructure that are owned and/or managed by the Company with each reported site having at least one active customer tenancy as of a given date
total sites	Total online sites plus contracted built-to-suit sites and offline sites
total tenancies	the individual site occupancies by each customer as of a given date
tower contract	the MLA and ISA executed by the Group with its customers, which act as a schedule to the relevant MLA and includes certain site-specific information (for example, location and equipment)
tower sites	ground-based towers and rooftop towers and installations constructed and owned by the Group on real property (including a rooftop) that is generally owned or leased by the Group

The Group's customers, as well as certain other telecommunications operators named in this Prospectus, are generally referred to in this Prospectus by their trade names. The Group's contracts with these customers are typically with an entity or entities in that customer's group of companies.

PART XXII

SCHEDULE OF CHANGES

The registration document published by the Company on 12 September 2019 (the “Registration Document”) contained the information required to be included in a registration document for equity securities by Annex 1 of the Prospectus Delegated Regulations. This Prospectus, which otherwise contains information extracted without material amendment from the Registration Document (except as set out below), also includes information required to be included in a securities note for equity securities, summary and prospectus relating to an offer to the public as prescribed by Annexes 11 and 22 of the Prospectus Delegated Regulations and Article 7 of the Prospectus Regulations. This Prospectus updates and replaces in whole the Registration Document. Any equity investor participating in the Global Offer should invest solely on the basis of this Prospectus, together with any supplement thereto.

This schedule of changes to the Registration Document (the “Schedule of Changes”) sets out, refers to or highlights material changes to the Registration Document.

Capitalised terms contained in this Schedule of Changes shall have the meanings given to such terms in the Prospectus unless otherwise defined herein.

Purpose

The purpose of this Schedule of Changes is to:

- Highlight material changes made in the Prospectus, as compared to the Registration Document;
- Highlight the new disclosure made in the Prospectus to reflect information required to be included in a Securities Note; and
- Highlight the new disclosure made in the Prospectus to reflect information required to be included in a Summary.

Principal Registration Document Changes

The following principal changes have been made to the contents of the Registration Document. This Prospectus otherwise contains information extracted without material amendment from the Registration Document.

- The risk factor entitled “The Group may become party to disputes and legal and regulatory studies, reviews or proceedings” has been amended to indicate that, in September 2019, HTT Infracore received a letter from the TCRA requesting copies of its lease agreements and certain information relating to its costs and tariffs. Please see page 20 of the Prospectus.
- The information under the heading “Directors and Senior Management” has been amended to reflect the details of the directors of Helios Towers plc. Please see pages 128 to 130 of the Prospectus.
- The information under the heading “Corporate governance” and the description of the committees’ structure on page 119 of the Registration Document have been amended and replaced in their entirety in the Prospectus to reflect the Company’s expected corporate governance structure following Admission, which reflects the implementation of changes to the Group’s corporate governance arrangements appropriate for a listed company. Please see pages 132 to 133 of the Prospectus.
- The paragraph entitled “Conflicts of interest” on page 119 and 120 of the Registration Document has been amended and replaced in its entirety in the Prospectus to reflect the interests held in the Company by the Directors immediately prior to and immediately following Admission. Please see page 133 of the Prospectus.
- The paragraph entitled “Incorporation” on page 203 of the Registration Document has been amended and replaced in its entirety in the Prospectus to reflect the incorporation information of the Company. Please see page 244 of the Prospectus.
- The paragraph entitled “Share Capital” on page 203 and 204 of the Registration Document has been amended and replaced in its entirety in the Prospectus to reflect the share capital history and structure of the Company immediately prior to and immediately following Admission. Please see pages 244 to 246 of the Prospectus.

- A new paragraph entitled “Pre-IPO Reorganisation and Post-IPO Reduction of Capital” has been added into the Prospectus, to describe the steps that the Company has undertaken and expects to undertake prior to and following Admission. Please see page 247 of the Prospectus.
- The paragraph entitled “Constitution” on page 204 of the Registration Document has been replaced in its entirety in the Prospectus by the paragraph entitled “Memorandum and Articles of Association” to reflect the articles of association of the Company that will take effect from Admission. Please see pages 247 to 254 of the Prospectus.
- The paragraph entitled “Shareholders’ Agreement” on page 205 of the Registration Document has been amended and replaced in its entirety in the Prospectus to reflect the agreement entered into between the Principal Shareholders and the Company which will take effect upon Admission. Please see pages 270 to 271 of the Prospectus.
- A new paragraph entitled “Takeover Regulation” has been added to the Prospectus, to describe the relevant provisions of the City Code applicable to the Company. Please see pages 277 to 278 of the Prospectus.
- The paragraph entitled “Directors’ Terms of Employment” on page 205 and 206 of the Registration Document has been amended and replaced in its entirety by the paragraph entitled “Directors’ Service Agreements, Letters of Appointment and Other Matters” in the Prospectus, to reflect the Directors’ new terms of employment (where applicable) and letters of appointment. Please see pages 257 to 259 of the Prospectus.
- The paragraph entitled “Directors’ and Senior Managers’ Current and Past Directorships and Partnerships” on pages 207 to 213 of the Registration Document has been updated and amended under the paragraph entitled “Directors and Senior Management” to reflect the relevant information in relation to the Board and Senior Management. Please see pages 254 to 257 of the Prospectus.
- The paragraph entitled “Interests of the Directors and Senior Management” on page 213 of the Registration Document has been updated in the Prospectus to reflect the expected interests in the share capital of the Company of all the Directors and Senior Managers immediately prior to and immediately following Admission. Please see pages 260 to 262 of the Prospectus.
- The paragraph entitled “Interests of Significant Shareholders” on page 213 and 214 of the Registration Document has been updated in the Prospectus to reflect the expected interests in the share capital of the Company of the Principal Shareholders immediately prior to and immediately following Admission. Please see page 262 of the Prospectus.
- The paragraph entitled “Employee Share Plans” on page 214 of the Registration Document has been amended and replaced in its entirety in the Prospectus, to reflect the existing employee share arrangements of the Group and the newly adopted employee incentive scheme that the Company intends to operate following Admission. Please see pages 262 to 268 of the Prospectus.
- A new paragraph entitled “Employee Benefit Trust” has been added into the Prospectus, to describe the new employee benefit trust that has been established by the Company, which can be used for the purpose of providing benefits to employees, including engaging with the Company as necessary to satisfy awards under the employee share plans. Please see page 265 of the Prospectus.
- Changes have been made to the paragraph entitled “Material Contracts” on pages 216 to 218 of the Registration Document, including the addition of the summary of the following new material contracts: (i) Underwriting Agreement, (ii) Shareholders’ Agreement, and (iii) the Escrow Documents. Please see pages 269 to 275 of the Prospectus.

Securities Note Information

- A new section entitled “Risks Related to the Global Offer and the Offer Shares” has been added into the Prospectus to describe the risks relating to the Global Offer and the Offer Shares, including risks relating the liquidity or trading price of the Shares, dilution risks, and risks relating to Shareholders in the United States. Please see pages 27 to 29 of the Prospectus.
- New sections entitled “Expected Timetable of Principal Events” and “Global Offer Statistics” have been added into the Prospectus, describing the means through which the Shares will be offered to the public pursuant to the Global Offer. Please see page 41 and page 42 of the Prospectus.

- A new section entitled “Use of Proceeds and Dividend Policy” has been added into the Prospectus describing the Company’s intentions for use of the proceeds from the Global Offer. Please see page 43 of the Prospectus.
- New sections have been added into the Prospectus entitled “Part C: Accountants’ Report on the Historical Financial Information for Helios Tower plc” and “Part D: Historical Financial Information for Helios Towers plc” to set out the financial information of Helios Towers plc. Please see pages 217 to 221.
- A new section entitled “Capitalisation and Indebtedness Statement” has been added into the Prospectus, describing the capitalisation and indebtedness of the Company as at 31 July 2019. Please see pages 164 to 165 of the Prospectus.
- A new section entitled “Unaudited *Pro Forma* Financial Information” has been added into the Prospectus to illustrate the impact of the Pre-IPO Reorganisation and the Global Offer on the net assets of the Group at 1 August 2019 and the profit and loss and comprehensive income of the Group. Please see pages 222 to 226 of the Prospectus.
- A new section entitled “Taxation” has been added into the Prospectus to provide a general guide to certain UK and U.S. federal tax considerations relevant to the acquisition, ownership and disposition of Shares. Please see pages 227 to 232 of the Prospectus.
- A new section entitled “The Global Offer” has been added into the Prospectus, describing the mechanism and terms of the Global Offer. Please see pages 233 to 243 of the Prospectus.
- New paragraphs entitled “Underwriting Arrangements” and “Lock-Up Arrangements” have been added into the Prospectus, describing the arrangements entered into between the Company and the Underwriters, among other parties, pursuant to which the Underwriters agreed to underwrite the Offer and the terms of the lock-up arrangements that have been entered into or will be entered into ahead of Admission. Please see pages 237 to 238 of the Prospectus.
- A new paragraph entitled “Working Capital” has been added into the Prospectus, confirming the adequacy of the Group’s working capital. Please see page 276 of the Prospectus.

Summary Information

- A new section entitled “Summary” has been added into the Prospectus, to reflect the addition of a Summary as required by Annex XXII of the Prospectus Regulation. Please see pages 1 to 7 of the Prospectus.



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