Towers of strength

# IHS Holding Limited

## Q3 | September YTD Unaudited Results

November 16, 2021

# DISCLAIMER

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**Forward-Looking Information**

This presentation contains forward-looking statements. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts contained in this presentation may be forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "targets," "projects," "contemplates," "believes," "estimates," "forecasts," "predicts," "potential" or "continue" or the negative of these terms or other similar expressions. Forward-looking statements contained in this presentation include, but are not limited to statements regarding our future results of operations and financial position, including our anticipated results for the fiscal year 2021, industry and business trends, equity compensation, business strategy, plans, market growth and our objectives for future operations.

The forward-looking statements in this presentation are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to: non-performance under or termination, non-renewal or material modification of our customer agreements; volatility in terms of timing for settlement of invoices or our inability to collect amounts due under invoices; a reduction in the creditworthiness and financial strength of our customers; the business, legal and political risks in the countries in which we operate; general macroeconomic conditions in the countries in which we operate; foreign exchange risks; regional or global health pandemic, including the current outbreak of COVID-19; our inability to successfully execute our business strategy and operating plans, including our ability to increase the number of Colocations and Lease Amendments on our Towers and construct New Sites; reliance on third-party contractors; increases in operating expenses, including increased costs for diesel; failure renew or extend our ground leases, or protect our rights to access and operate our Towers or other telecommunications infrastructure assets; loss of customers; changes to the network deployment plans of mobile operators in the countries in which we operate; a reduction in demand for our services; the introduction of new technology reducing the need for tower infrastructure and / or adjacent telecommunication verticals; an increase in competition in the telecommunications tower infrastructure and / or adjacent telecommunication verticals industries; our failure to integrate recent or future acquisitions; reliance on our senior management team and on key employees; failure to obtain required approvals and licenses for some of our sites or businesses or comply with applicable regulations; environmental liability; inadequate insurance coverage, property loss and unforeseen business interruption; violations of anti-corruption laws, sanctions and regulations; fluctuations in global prices for diesel or other materials; disruptions in our supply of diesel or other materials; a deterioration in the economic environment in the markets in which we operate; legal and arbitration proceedings; reliance on shareholder support and related party transaction risks; risks related to the markets in which we operate; risks related to our status as a foreign private issuer; and the important factors discussed "Risk Factors" in our prospectus, dated October 13, 2021, filed with the Securities and Exchange Commission ("SEC") in accordance with Rule 424(b) of the Securities Act on October 15, 2021 (the "Prospectus"). The forward-looking statements in this presentation are based upon information available to us as of the date of this presentation, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements. You should read this presentation and the documents that we reference in this presentation with the understanding that our actual future results, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. These forward-looking statements speak only as of the date of this presentation. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained in this presentation, whether as a result of any new information, future events or otherwise.

# DISCLAIMER CONTINUED

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**Use of Non-IFRS financial measures**

Certain parts of this presentation contain non-IFRS financial measures, including Adjusted EBITDA, Adjusted EBITDA Margin, and Recurring Levered Free Cash Flow (“RLFCF”). The non-IFRS financial information is presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with IFRS, and may be different from similarly titled non-IFRS measures used by other companies.

We define Adjusted EBITDA as profit/(loss) for the period, before income tax expense/(benefit), finance costs and income, depreciation and amortization, impairment of withholding tax receivables, business combination transaction costs, impairment of property, plant and equipment and related prepaid land rent on the decommissioning of sites, net (profit)/loss on sale of assets, share-based payment (credit)/expense, insurance claims, costs relating to this offering and certain other items that management believes are not indicative of the core performance of our business. The most directly comparable IFRS measure to Adjusted EBITDA is our profit/(loss) for the period. We define Adjusted EBITDA Margin as Adjusted EBITDA divided by revenue for the applicable period, expressed as a percentage. We believe that Adjusted EBITDA is an indicator of the operating performance of our core business. We believe Adjusted EBITDA and Adjusted EBITDA Margin, as defined above, are useful to investors and are used by our management for measuring profitability and allocating resources, because they exclude the impact of certain items which have less bearing on our core operating performance. We believe that utilizing Adjusted EBITDA and Adjusted EBITDA Margin allows for a more meaningful comparison of operating fundamentals between companies within our industry by eliminating the impact of capital structure and taxation differences between the companies. Adjusted EBITDA measures are frequently used by securities analysts, investors and other interested parties in their evaluation of companies comparable to us, many of which present an Adjusted EBITDA-related performance measure when reporting their results. Adjusted EBITDA and Adjusted EBITDA Margin are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. You should exercise caution in comparing Adjusted EBITDA and Adjusted EBITDA Margin as reported by us to Adjusted EBITDA and Adjusted EBITDA Margin as reported by other companies. Adjusted EBITDA and Adjusted EBITDA Margin are unaudited and have not been prepared in accordance with IFRS.

Adjusted EBITDA and Adjusted EBITDA Margin are not measures of performance under IFRS and you should not consider Adjusted EBITDA or Adjusted EBITDA Margin as an alternative to profit/ (loss) for the period or other financial measures determined in accordance with IFRS.

Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools, and you should not consider them in isolation. Some of these limitations are: they do not reflect interest expense, or the cash requirements necessary to service interest or principal payments, on our indebtedness; although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often need to be replaced in the future and Adjusted EBITDA and Adjusted EBITDA Margin do not reflect any cash requirements that would be required for such replacements; some of the items we eliminate in calculating Adjusted EBITDA and Adjusted EBITDA Margin reflect cash payments that have less bearing on our core operating performance, but that impact our operating results for the applicable period; and the fact that other companies in our industry may calculate Adjusted EBITDA and Adjusted EBITDA Margin differently than we do, which limits their usefulness as comparative measures.

Accordingly, prospective investors should not place undue reliance on Adjusted EBITDA or Adjusted EBITDA Margin. We believe that it is important to measure the free cash flows we have generated from operations, after accounting for the cash cost of funding and recurring capital expenditure required to generate those cash flows. In this respect, we monitor RLFCF which we define as cash flows from operating activities, before certain items of income or expenditure that management believes are not indicative of the core performance of our business (to the extent that these items of income and expenditure are included within cash flow from operating activities), and after taking into account loss allowances on trade receivables, impairment of inventory, net working capital movements, net interest paid or received, revenue withholding tax, income taxes paid, lease payments made, maintenance capital expenditures, and routine corporate capital expenditures.

# PRESENTING TODAY

**Sam Darwish**
Chairman and CEO

**Adam Walker**
Executive Vice President
Group Chief Financial Officer

**Steve Howden**
Senior Vice President
Group Deputy Chief Financial Officer

**Matthew Sperling**
Vice President
Capital Markets

# KEY HIGHLIGHTS

## Leading Global Emerging Market TowerCo

- IHS Towers' 20th anniversary
- 30,519 Towers (1) – Fourth largest independent multinational tower company by tower count globally
- Spanning 9 countries in Africa, Middle East and Latin America with c.600M in total population (2)
- Sustainability Initiatives
    - In September, launched Frontline Workers Initiative
    - Supported numerous initiatives relating to COVID-19 relief, education and healthcare infrastructure

## Q3 - Strong Financial & Operational Performance

- In Q3'21, constructed 320 new towers, added 558 new tenants, and added 4,941 new lease amendments
- Q3'21 Revenue of $401M, growing +8.7% or +12.7% when removing the $13.1M (3) revenue catch-up reported in Q3'20
- Q3'21 Adjusted EBITDA (4) of $220M
- Q3'21 Adjusted EBITDA (4) margin of 54.9%
- Q3'21 Recurring Levered Free Cash Flow (5) of $74M
- Consolidated Net Leverage Ratio (6) of 2.2x as of September 30, 2021

## Key Recent Developments

- IPO on the New York Stock Exchange on October 14, 2021 raising $378M ($358M net)
- Actively examining the refinancing of the 2025 Notes
- Egypt market entry progressing
- FiberCo transaction with TIM Brasil expected to close imminently in Q4'21

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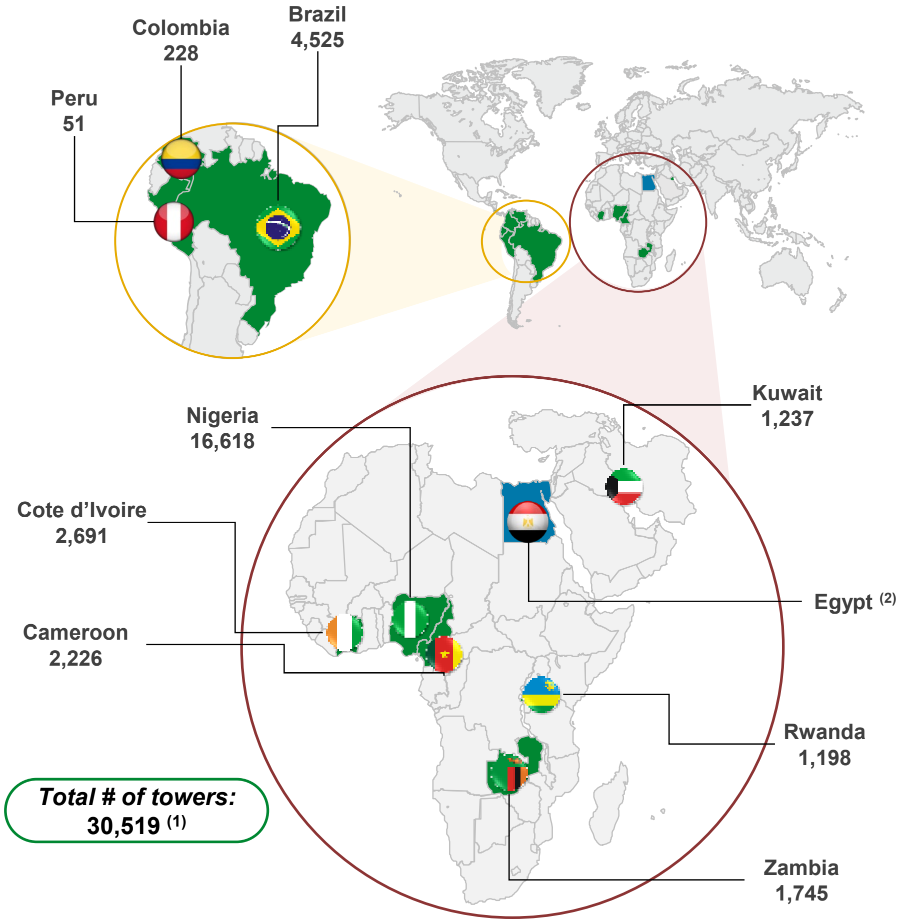
(1) # of towers for IHS as of September 30, 2021
(2) Source: World Bank 2020 population
(3) In Q3'20 we concluded a renegotiation of certain contractual terms with MTN Nigeria which included agreeing to move the reference rates for conversions from CBN to prevailing market rates. This resulted in a $13.1M revenue catch-up related to the period of Q2'20
(4) Adjusted EBITDA is a measure not presented in accordance with IFRS. Please refer to the Appendix for a reconciliation of profit/(loss) for the period, the most directly comparable IFRS measure, to Adjusted EBITDA
(5) Recurring Levered Free Cash Flow is a measure not presented in accordance with IFRS. Please refer to the Appendix for a reconciliation of Cash flows from operating activities for the period, the most directly comparable IFRS measure, to Recurring Levered Free Cash Flow
(6) Consolidated Net Leverage Ratio is calculated based on a trailing 12 month Adjusted EBITDA pro forma for acquisitions

# IHS GROUP SNAPSHOT

## OVER 30K TOWERS ON 3 CONTINENTS (1)

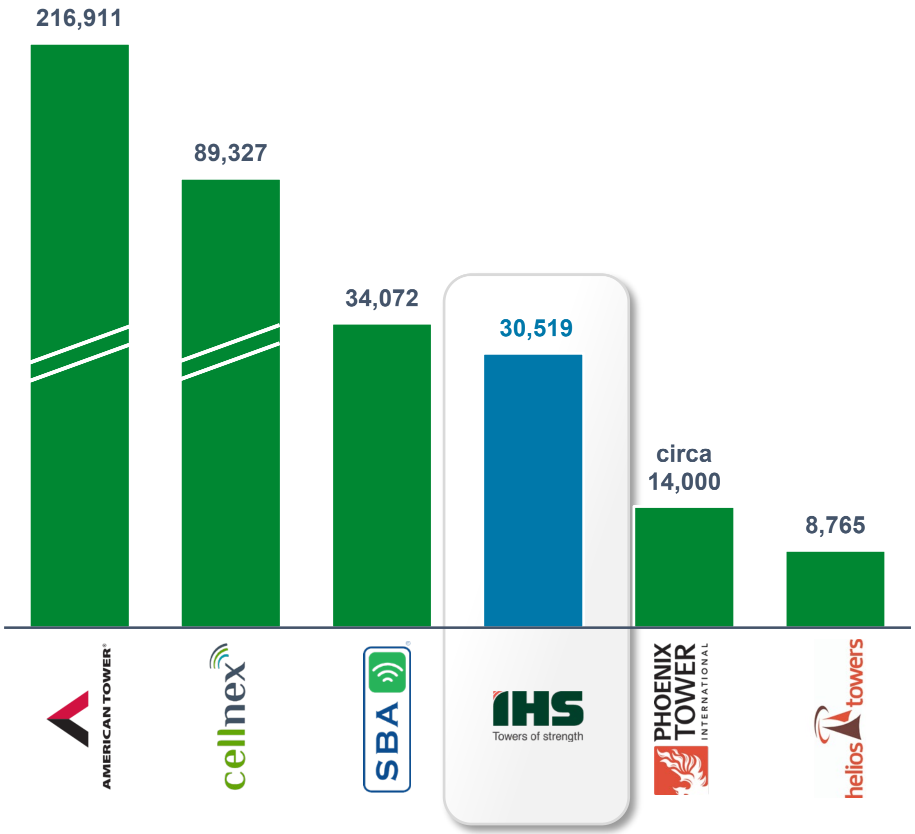
# of Towers



**Total # of towers: 30,519 (1)**

## 4TH LARGEST INDEPENDENT MULTINATIONAL TOWERCO GLOBALLY BY TOWER COUNT (3)

# of Towers



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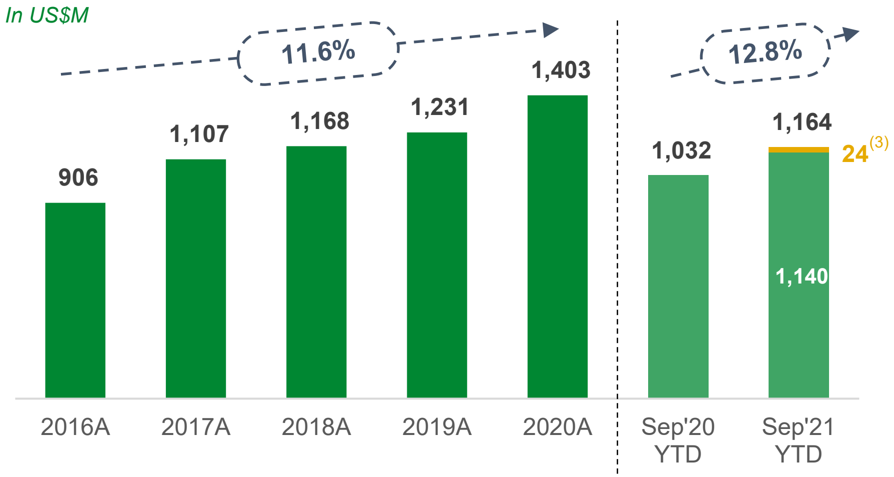
(1) # of towers for IHS as of September 30, 2021

(2) Signed a partnership on October 6, 2021 with Egypt Digital Company for Investment S.A.E. (the largest shareholder of Egypt Towers for Technology Services Company) to obtain a license from the National Telecom Regulatory Authority ("NTRA") to erect and lease telecom towers in Egypt

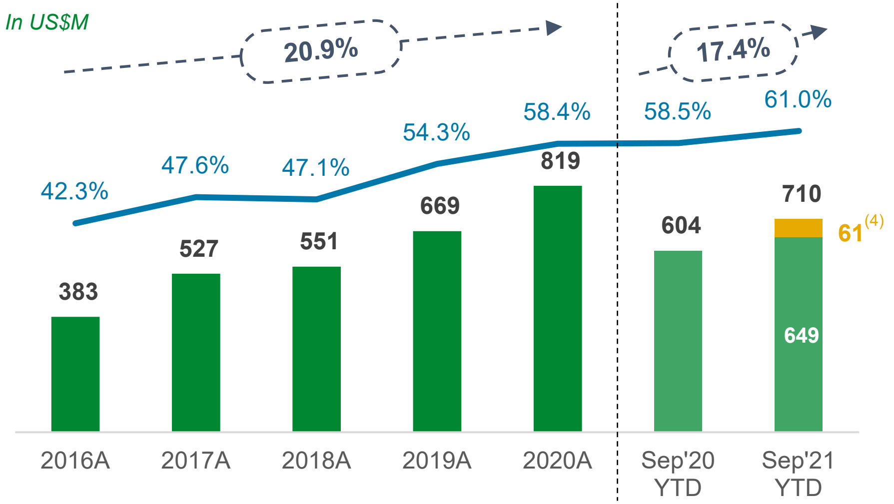
(3) Tower count as reported as of September 30, 2021

# IHS GROWTH STRATEGY

## REVENUE



## ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN (1) (2)



## GROWTH STRATEGY

*Leverage platform to drive growth in our existing markets and continue expanding into new markets, driving profitability and returns for our shareholders.*

**Capitalize on Significant Growth Opportunities in Existing Markets**

**Optimize Utilization of Existing Assets**

**Consolidate Towers Globally in New and Existing Markets**

**Reinforce Market Positions Through Innovative Solutions and Expand the Value Chain**

**Drive Profitability and Returns to Shareholders**

**Continue Improving Our Community and Environmental Impact**

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(1) Adjusted EBITDA is a measure not presented in accordance with IFRS. Please refer to the Appendix for a reconciliation of profit/(loss) for the period, the most directly comparable IFRS measure, to Adjusted EBITDA.

(2) IFRS-16 was adopted effective January 1, 2019, and therefore reflected in the financials for 2019, 2020 and 2021.

(3) September 2021 YTD Revenue includes $24.2M of additional revenue from two key customers having reached agreement on certain contractual items.

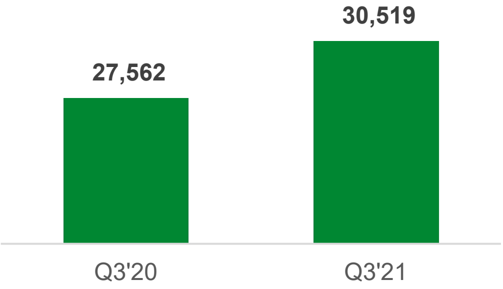
(4) September 2021 YTD Adjusted EBITDA includes $24.2M of additional revenue from two key customers having reached agreement on certain contractual terms, and reversal of loss allowance on trade receivables of $36.5M following completion of a debt settlement with one key customer.

# TOWERS & TENANTS

## TOWERS

Additions VPY 2,957

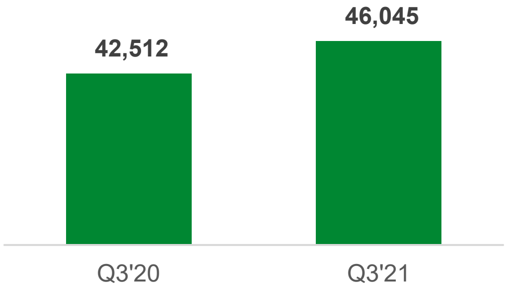
| | | |
|---|---|---|
| *Towers Built in Q3* | *118* | *320* |



## TENANTS

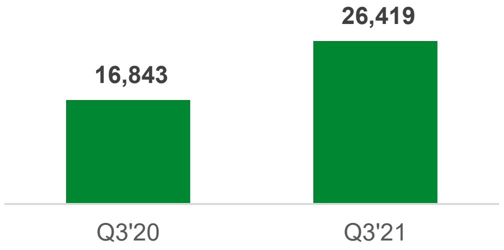
Additions VPY 3,533

| | | |
|---|---|---|
| *Colocation Rate (1)* | *1.54x* | *1.51x* |



## LEASE AMENDMENTS

Additions VPY 9,576



# 1.51x

Colocation rate (1) at end of Q3’21

- In Q3’21, constructed 320 new towers, added 558 new tenants, and added 4,941 new lease amendments

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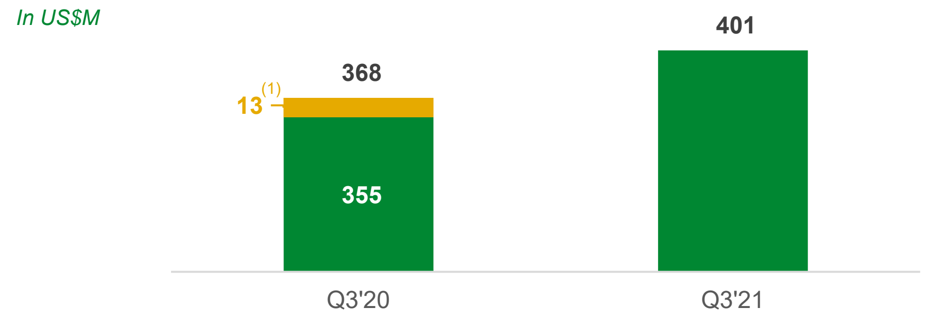
(1) Colocation Rate excludes lease amendments

# CONSOLIDATED REVENUE

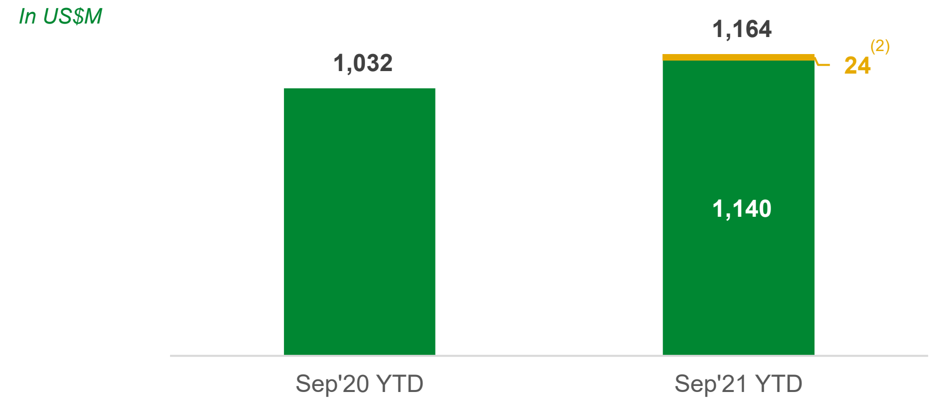
## Q3 REVENUE

| | |
|---|---|
| Growth | 8.7% |
| Organic Growth | 11.8% |



## SEPTEMBER YTD REVENUE

| | |
|---|---|
| Growth | 12.8% |
| Organic Growth | 16.8% |



**+8.7%**

Q3’21 Growth Rate VPY

- Q3’21 revenue growth +12.7% when removing the $13.1M (1) revenue catch-up reported in Q3’20

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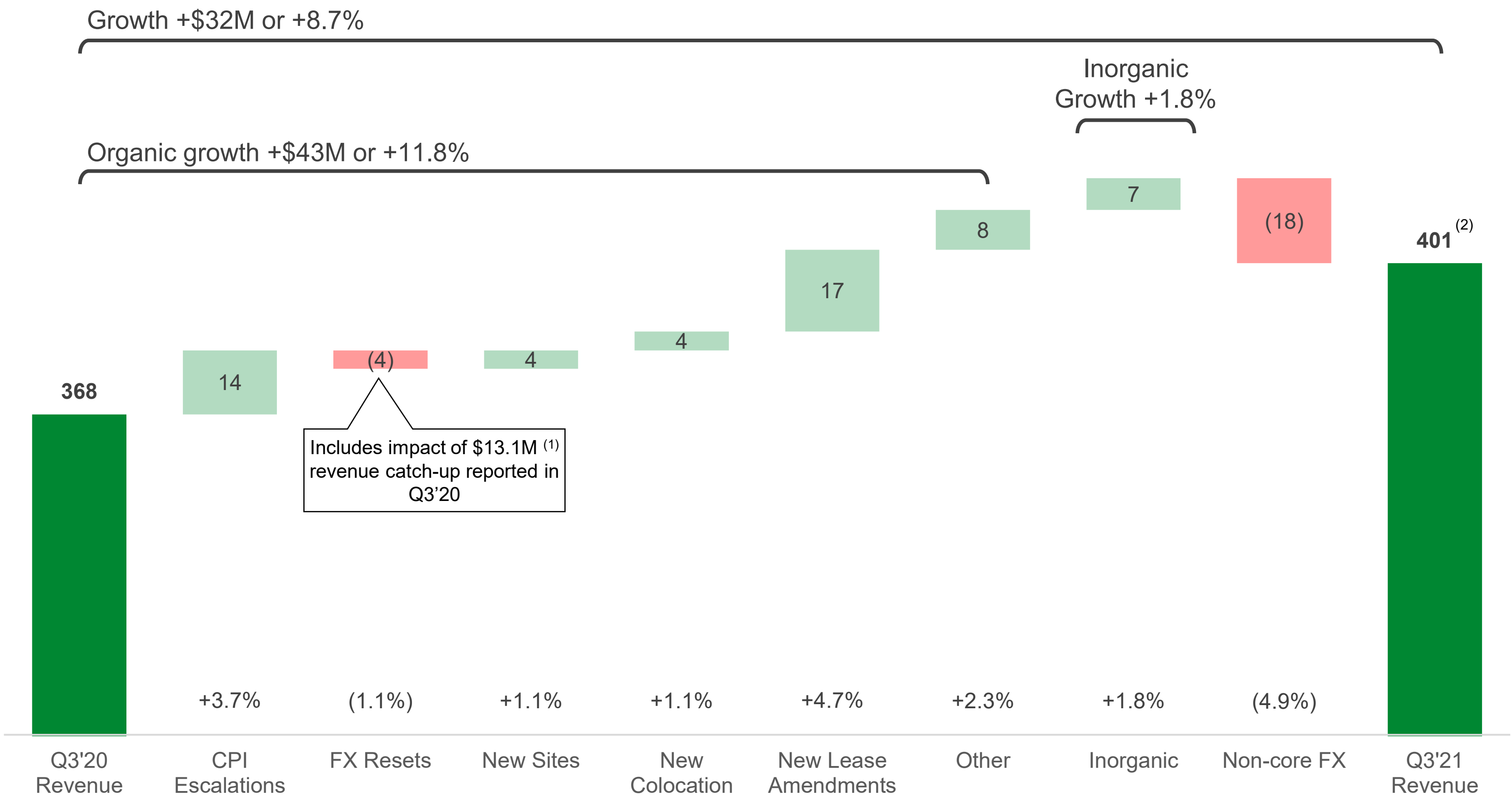
(1) In Q3’20 we concluded a renegotiation of certain contractual terms with MTN Nigeria which included agreeing to move the reference rates for conversions from CBN to prevailing market rates. This resulted in a $13.1M revenue catch-up related to the period of Q2’20

(2) September 2021 YTD includes $24.2M of additional revenue from two key customers having reached agreement on certain contractual items.

# Q3’21 CONSOLIDATED REVENUE WALK

## Q3 REVENUE

*In US$M*



Includes impact of $13.1M (1) revenue catch-up reported in Q3’20

(1) In Q3’20 we concluded a renegotiation of certain contractual terms with MTN Nigeria which included agreeing to move the reference rates for conversions from CBN to prevailing market rates. This resulted in a $13.1M revenue catch-up related to the period of Q2’20

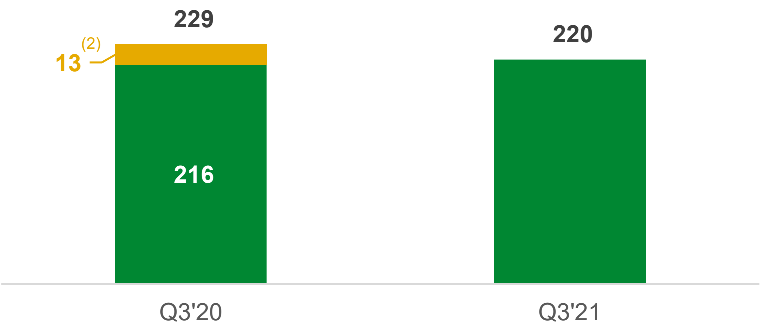
(2) Presentation impacted by rounding

# CONSOLIDATED ADJUSTED EBITDA

## Q3 ADJUSTED EBITDA (1)

| | Q3'20 | Q3'21 |
|---|---|---|
| Adjusted EBITDA (1) Margin | 62.3% | 54.9% |

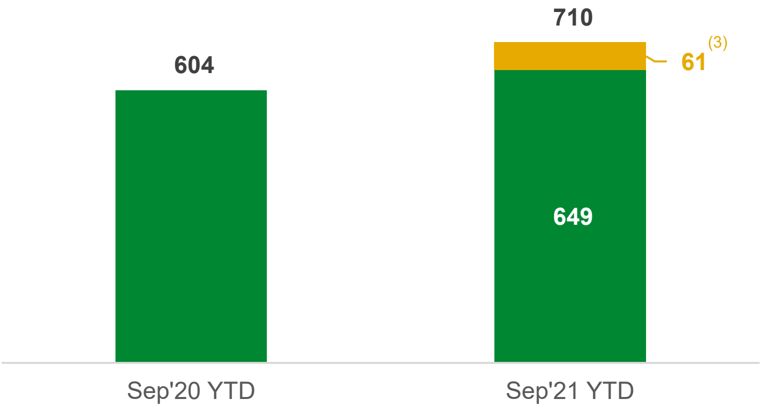
*In US$M*



## SEPTEMBER YTD ADJUSTED EBITDA (1)

| | Sep'20 YTD | Sep'21 YTD |
|---|---|---|
| Adjusted EBITDA (1) Margin | 58.5% | 61.0% |

*In US$M*



**54.9%**

Q3'21 Adjusted EBITDA (1) Margin

- Q3'21 Adjusted EBITDA (1) growth +1.6% when removing the $13.1M revenue catch-up reported in Q3'20
- Q3'21 Adjusted EBITDA (1) margin delta driven by new recurring listed company costs and higher diesel costs

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(1) Adjusted EBITDA is a measure not presented in accordance with IFRS. Please refer to the Appendix for a reconciliation of profit/(loss) for the period, the most directly comparable IFRS measure, to Adjusted EBITDA.

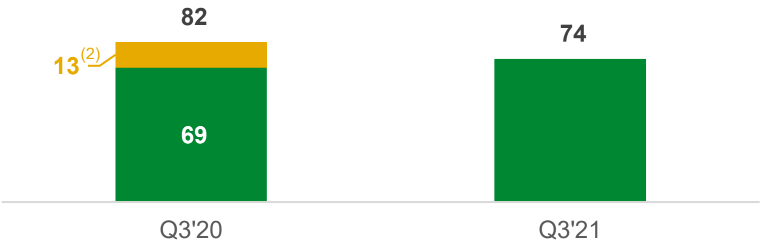
(2) In Q3'20 we concluded a renegotiation of certain contractual terms with MTN Nigeria which included agreeing to move the reference rates for conversions from CBN to prevailing market rates. This resulted in a $13.1M revenue catch-up related to the period of Q2'20

(3) September YTD 2021 includes $24.2M of additional revenue from two key customers having reached agreement on certain contractual terms, and reversal of loss allowance on trade receivables of $36.5M following completion of a debt settlement with one key customer.

# RECURRING LEVERED FREE CASH FLOW

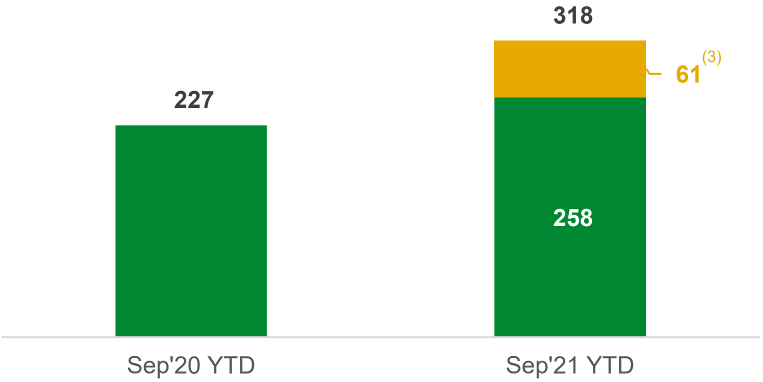
## Q3 RECURRING LEVERED FREE CASH FLOW (1)

*In US$M*



## SEPTEMBER YTD RECURRING LEVERED FREE CASH FLOW (1)

*In US$M*



**$74M**

Q3'21 Recurring Levered Free Cash Flow (1)

- Q3'21 Recurring Levered Free Cash Flow (1) growth +6.8% when removing the $13.1M revenue catch-up reported in Q3'20

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(1) Recurring Levered Free Cash Flow is a measure not presented in accordance with IFRS. Please refer to the Appendix for a reconciliation of Cash flows from operating activities for the period, the most directly comparable IFRS measure, to Recurring Levered Free Cash Flow

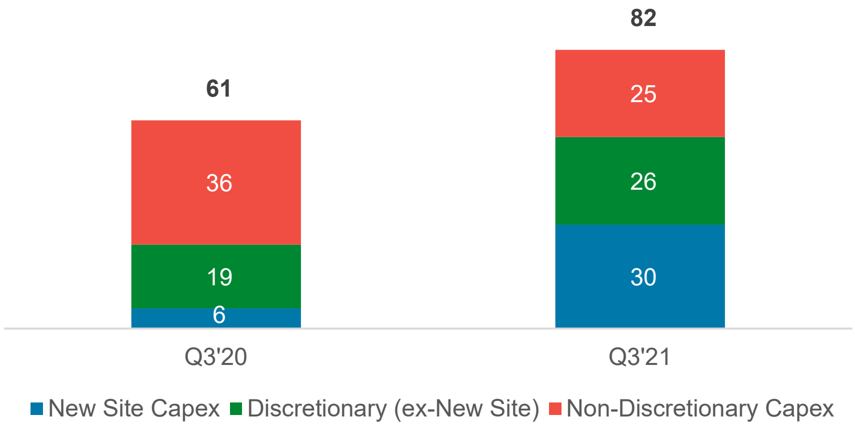
(2) In Q3'20 we concluded a renegotiation of certain contractual terms with MTN Nigeria which included agreeing to move the reference rates for conversions from CBN to prevailing market rates. This resulted in a $13.1M revenue catch-up related to the period of Q2'20

(3) September 2021 YTD includes $24.2M of additional revenue from two key customers having reached agreement on certain contractual terms, and reversal of loss allowance on trade receivables of $36.5M following completion of a debt settlement with one key customer.

# CONSOLIDATED CAPEX

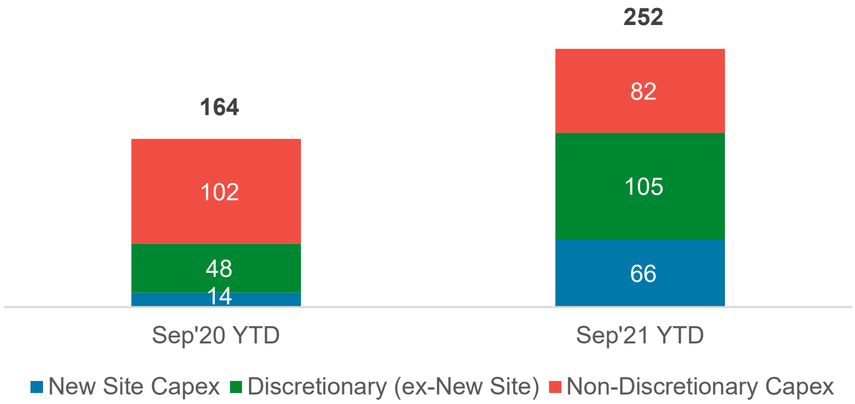
## Q3 CAPEX

*In US$M*



## SEPTEMBER YTD CAPEX

*In US$M*



$82M

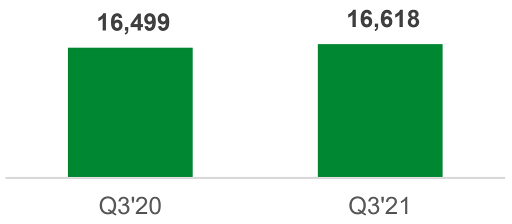
Q3’21 Capex Spend

- Q3’21 Capex growth +33.7% VPY driven largely by investment in new sites in Nigeria and LatAm as well as augmentation for new tenants and fiber connectivity in Nigeria
- Q3’21 Lower non-discretionary Capex spend driven by timing

# NIGERIA SEGMENT Q3'21 PERFORMANCE HIGHLIGHTS

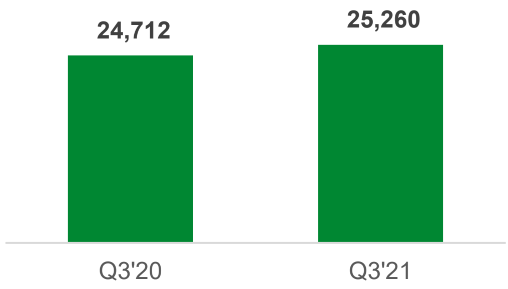
## TOWERS

| | | |
|---|---|---|
| Towers Built in Q3 | 28 | 98 |



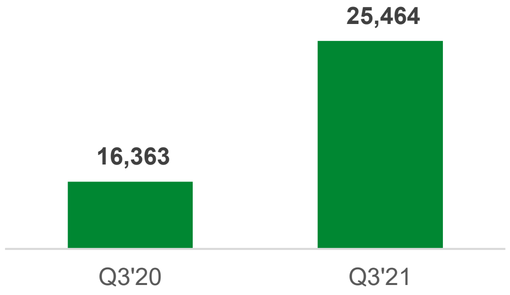
## TENANTS

| | | |
|---|---|---|
| Additions VPY | | 548 |
| *Colocation Rate (1)* | *1.50x* | *1.52x* |



## LEASE AMENDMENTS

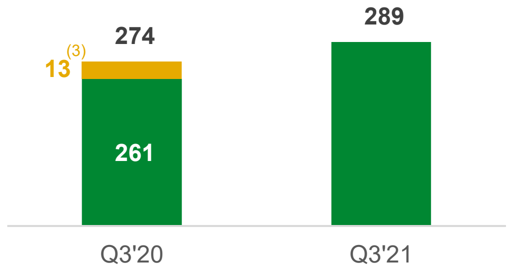
| | | |
|---|---|---|
| Additions VPY | | 9,101 |



## REVENUE

| | | |
|---|---|---|
| Organic Growth | | 12.2% |

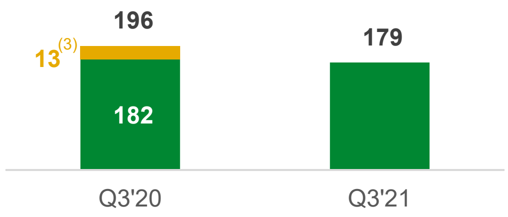
*In US$M*



## ADJUSTED EBITDA (2)

| | | |
|---|---|---|
| Adjusted EBITDA Margin | 71.3% | 62.1% |

*In US$M*



## Strong revenue growth partially offset by higher power cost

- In Q3'21, constructed 98 new towers, added 658 new tenants, and added 4,941 lease amendments
- Q3'21 Revenue growth +10.6% and Adjusted EBITDA (2) growth (1.6%) when removing the $13.1M revenue catch-up reported in Q3'20
- Increase in power cost driving Adjusted EBITDA (2) margin delta

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(1) Colocation Rate excludes lease amendments

(2) Adjusted EBITDA is a measure not presented in accordance with IFRS. Please refer to the Appendix for a reconciliation of profit/(loss) for the period, the most directly comparable IFRS measure, to Adjusted EBITDA

(3) In Q3'20 we concluded a renegotiation of certain contractual terms with MTN Nigeria which included agreeing to move the reference rates for conversions from CBN to prevailing market rates. This resulted in a $13.1M revenue catch-up related to the period of Q2'20

# OTHER SEGMENTS Q3’21 PERFORMANCE HIGHLIGHTS

| *Revenue & Adjusted EBITDA (1) In US$M* | | Q3'20 | Q3'21 | VPY |
|---|---|---|---|---|
| **SSA**  | Towers | 7,631 | 7,860 | 3.0% |
| | Tenants | 13,620 | 13,721 | 0.7% |
| | Revenue | 79 | 89 | 12.6% |
| | Adjusted EBITDA (1) | 44 | 50 | 14.4% |
| | *Margin %* | *54.9%* | *55.8%* | *90 Bps* |
| **LatAm**  | Towers | 2,410 | 4,804 | 99.3% |
| | Tenants | 3,158 | 5,826 | 84.5% |
| | Revenue | 9 | 15 | 71.0% |
| | Adjusted EBITDA (1) | 7 | 11 | 70.0% |
| | *Margin %* | *76.0%* | *75.6%* | *(40 Bps)* |
| **MENA**  | Towers | 1,022 | 1,237 | 21.0% |
| | Tenants | 1,022 | 1,238 | 21.1% |
| | Revenue | 6 | 7 | 22.8% |
| | Adjusted EBITDA (1) | 3 | 3 | 21.8% |
| | *Margin %* | *45.0%* | *44.6%* | *(40 Bps)* |

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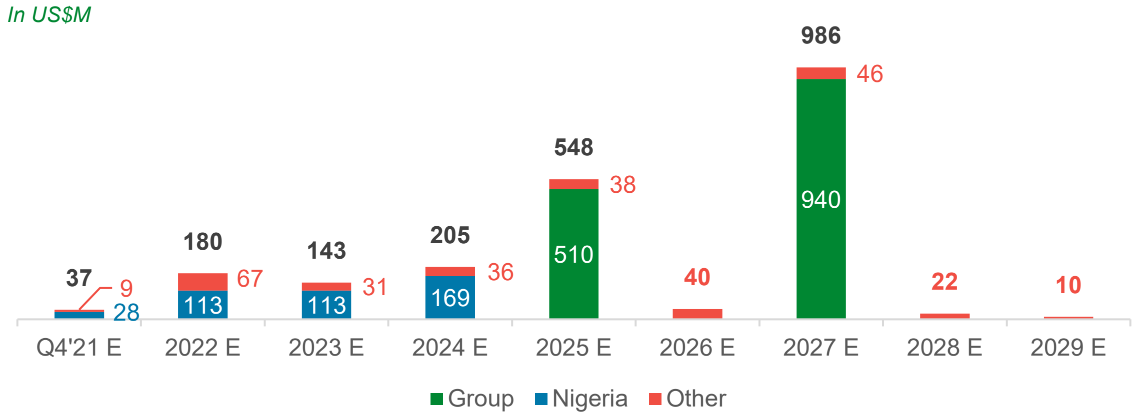
(1) Adjusted EBITDA is a measure not presented in accordance with IFRS. Please refer to the Appendix for a reconciliation of profit/(loss) for the period, the most directly comparable IFRS measure, to Adjusted EBITDA.

# DEBT AND OTHER MATTERS

| *US$M* | **As of September 30, 2020** | **As of September 30, 2021** |
|---|---|---|
| 8.000% Senior Notes due 2027 | 940 | 940 |
| 7.125% Senior Notes due 2025 | 510 | 510 |
| Nigeria Senior Credit Facilities | 476 | 423 |
| Other Credit Facilities | 294 | 298 |
| IFRS 16 Lease Liabilities | 288 | 377 |
| Unamortized issuance costs and accrued interest | (28) | (24) |
| Total Indebtedness | 2,481 (1) | 2,523 (1) |
| Cash and Cash Equivalents | 580 | 501 |
| Consolidated Net Leverage | 1,900 (1) | 2,022 |
| LTM Pro Forma Adjusted EBITDA (2) | 767 | 930 |
| Consolidated Net Leverage Ratio (3) | 2.5x | 2.2x |

## DEBT MAXTURITY PROFILE (4)



2.2x

September 30, 2021 Consolidated Net Leverage Ratio (3)

- Consolidated Net Leverage Ratio (3) (0.3x) VPY
- Actively examining the refinancing of the 2025 Notes

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(1) Presentation impacted by rounding
(2) Adjusted EBITDA is a measure not presented in accordance with IFRS. Please refer to the Appendix for a reconciliation of profit/(loss) for the period, the most directly comparable IFRS measure, to Adjusted EBITDA.
(3) Consolidated Net Leverage Ratio is calculated based on a trailing 12 month Adjusted EBITDA pro forma for acquisitions
(4) Maturity profile as of September 30, 2021. Maturity profile assumes FX rates as of September 30, 2021 and no additional drawdowns, including under facilities which have undrawn portions. Q4'21 E debt repayment is shown for the period of October 1 through December 31, 2021.

# DISCIPLINED STRATEGIC GROWTH

|  | TIM |  |
|---|---|---|
| **Date** | **May 5, 2021** (1) | **October 6, 2021** (1) |
| **Transaction overview** | ▪ Signed definitive agreement to acquire 51% stake in TIM Brasil's secondary fiber optic network and related assets ("FiberCo")<br>▪ TIM Brasil to serve as anchor tenant, with initial asset base covering 6.4 million homes passed<br>▪ Expected to close imminently in Q4'21<br>▪ Investment of approximately R$1.6 billion (2) (secondary payment to TIM and primary contribution to FiberCo) | ▪ IHS and Egypt Digital Company for Investment S.A.E. ("EDCI") announced the formation and licensing of IHS Telecom Towers Egypt S.A.E. ("IHS Egypt")<br>▪ IHS Egypt will be owned 80% by IHS and 20% by EDCI<br>▪ IHS Egypt may build up to 5,800 towers during the first 3 years and acquire towers owned by third parties<br>▪ 4 major MNOs: Vodafone, Orange, Etisalat, Telecom Egypt<br>▪ ~24,000-25,000 total towers in market (excluding BTS to be built)<br>▪ No existing independent TowerCos of scale |
| **Highlights** | ▪ High-quality fiber infrastructure network<br>▪ Contracted expansion plan with tower like anchor tenancy<br>▪ Footprint focused on populated areas which are underpenetrated<br>▪ Natural extension of Tower business; aligns IHS closer to TIM Brasil<br>▪ Diversifies and scales IHS LatAm operations | ▪ First mover advantage in attractive market<br>▪ Population: 100M (3)<br>▪ Mobile subscribers: 87M (3)<br>▪ Mobile penetration: 84% (3)<br>▪ 4G penetration: 24% (3)<br>▪ 5G penetration: 0% (no spectrum allocated yet) (3)<br>▪ MNOs/Subscribers market share/estimated towers owned<br>  ▪ Vodafone 43% / ~9,100 towers (3)<br>  ▪ Orange 29% / ~5,800 towers (3)<br>  ▪ Etisalat 20% / ~6,500 towers (3)<br>  ▪ Telecom Egypt 8% / ~1,700 towers (3) |

(1) Signing announced, closing remains subject to customary conditions and approvals
(2) Subject to certain closing adjustments
(3) Source: Analysys Mason. Data as of December 31, 2020

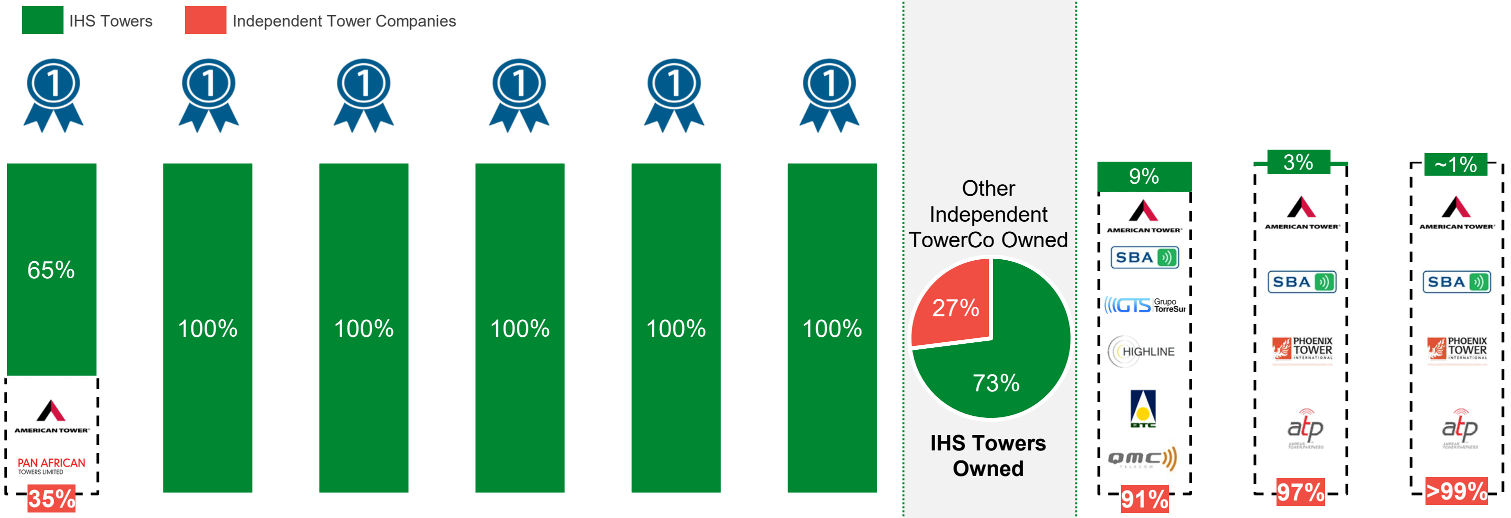
Towers of strength

# APPENDIX

# LARGEST INDEPENDENT TOWERCO IN AFRICA AND MENA, WITH GROWING LATAM BUSINESS

Clear leader in Nigeria and the sole independent TowerCo operator in our other Africa and Middle East markets.

| | SSA | | | | | MENA | | Latin America | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Nigeria | CIV | Cameroon | Zambia | Rwanda | Kuwait | Africa + ME (IHS Towers of strength) | Brazil | Colombia | Peru |
| **TOWERS**[1] | 16,618 | 2,691 | 2,226 | 1,745 | 1,198 | 1,237 | **25,715** | 4,525 | 228 | 51 |
| **IHS TOWERS' SHARE OF INDEPENDENT TOWERCO-OWNED TOWERS**[2],[3] | 65%<br>35% | 100% | 100% | 100% | 100% | 100% | 73%<br>27% | 9%<br>91% | 3%<br>97% | ~1%<br>>99% |
| **CORE TENANTS**[4] **# OUT OF # OF MAJOR MNOS** | MTN<br>airtel<br>9mobile<br>3 out of 4 | MTN<br>orange<br>2 out of 3 | MTN<br>orange<br>2 out of 3 | airtel<br>MTN<br>2 out of 3 | airtel<br>MTN<br>2 out of 2 | zain<br>1 out of 3 | | vivo<br>TIM<br>Claro<br>3 out of 4 | tigo<br>Avantel<br>Claro<br>3 out of 4 | entel<br>bitel<br>2 out of 4 |

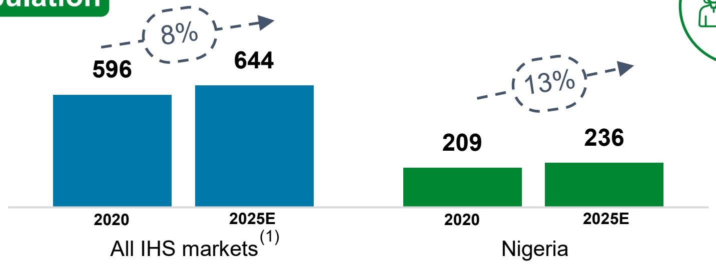


Source: Analysys Mason, TowerXchange, Company estimates.

(1) # of towers for IHS as of September 30, 2021. (2) Market share based on December 31, 2020 figures, including 602 towers acquired from Centennial Brazil which closed in April 2021, 217 towers acquired from Centennial Colombia which closed in March 2021, and 1,005 sites acquired from Skysites which closed in January 2021. (3) Competitors includes only independent TowerCos with at least 200 towers. (4) Represents major MNOs for each market from which IHS Towers has purchased tower portfolios or for which IHS Towers has built new sites.

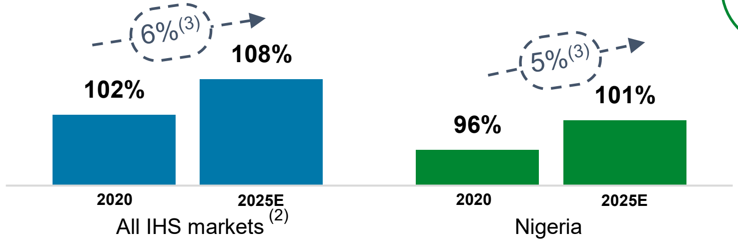
# HIGHLY ATTRACTIVE MARKETS WELL-SUITED FOR ORGANIC GROWTH

## Population



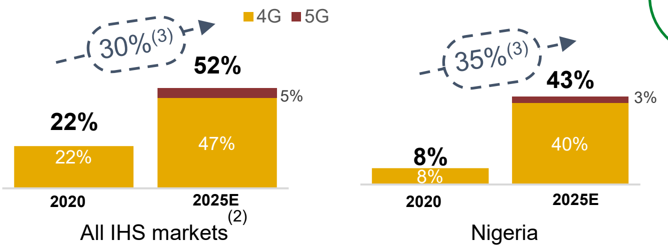
**Population to grow by ~50 million over next 5 years**

## Mobile penetration



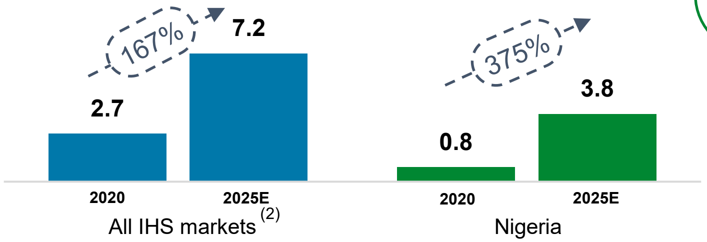
**Increasing penetration supports greater need for additional tower infrastructure**

## 4G and 5G penetration



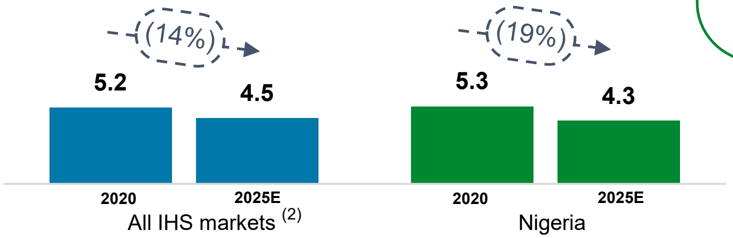
**4G/5G will require more towers and additional PoS**

## Data usage per SIM (GB/month)



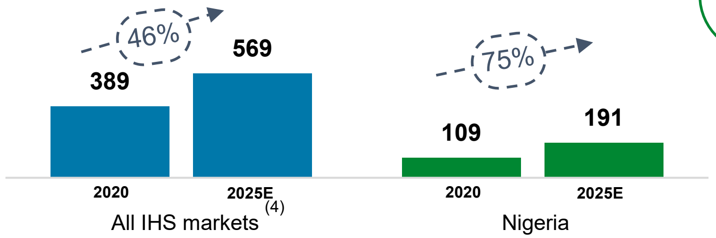
**As next-gen networks become widely available, usage expected to increase**

## SIMs per tower ('000s)



**SIM to tower ratio far exceeds the 2.6 ratio observed in the US in 2020**

## Points of service ('000s)



**Fundamental growth and deployment of 4G/5G requires 180,000 additional PoS**

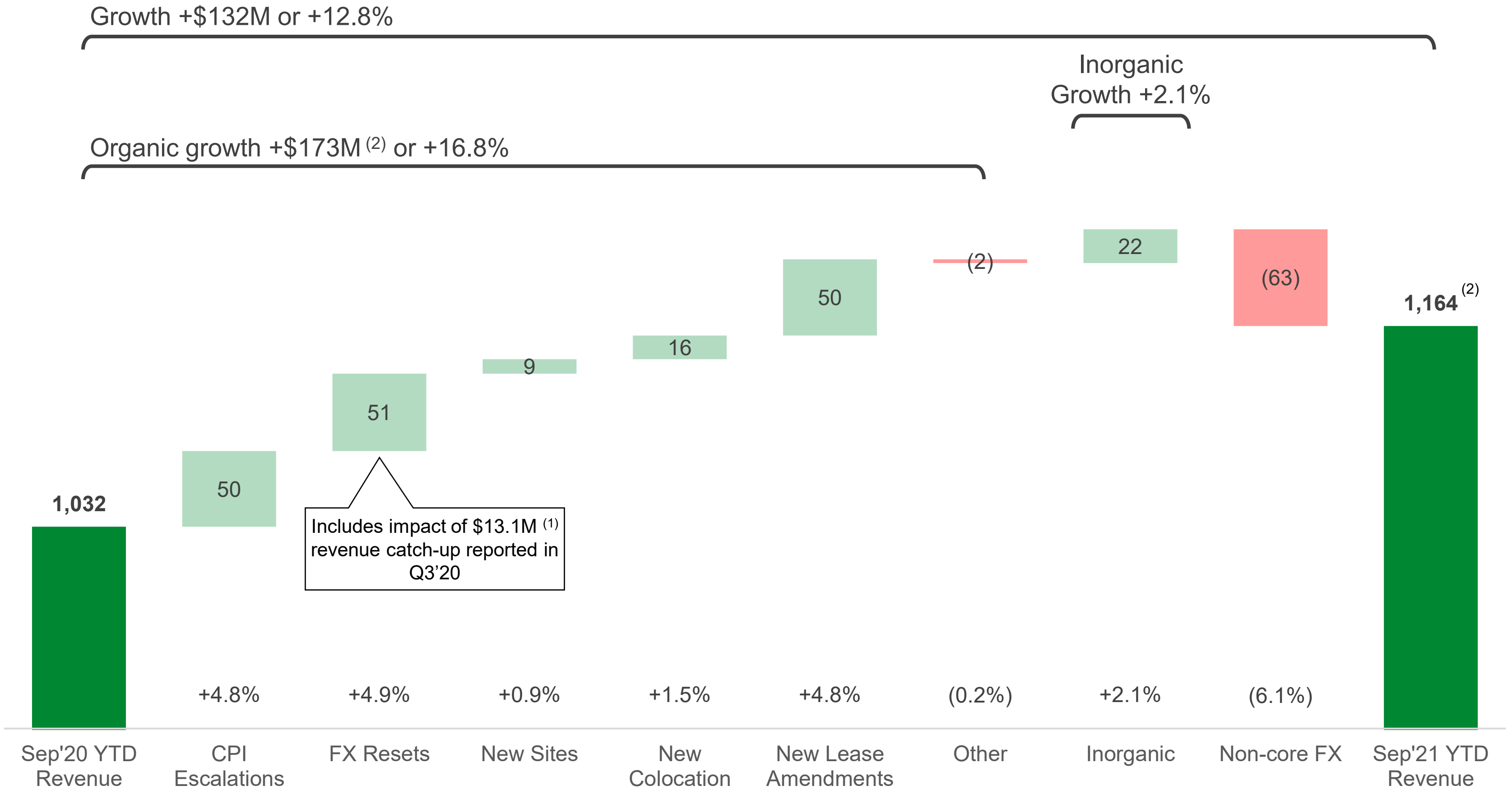
Source: Analysys Mason, SNL Kagan, GlobalData, Euromonitor.

(1) Sum of the total population in each of IHS' markets. (2) Blended average metrics based on IHS number of towers. (3) Indicates absolute increase in penetration. (4) Sum of the total points of service in each of IHS' markets excluding Peru and Colombia.

# SEPTEMBER YTD 2021 CONSOLIDATED REVENUE WALK

## SEPTEMBER YTD REVENUE

*In US$M*



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(1) In Q3'20 we concluded a renegotiation of certain contractual terms with MTN Nigeria which included agreeing to move the reference rates for conversions from CBN to prevailing market rates. This resulted in a $13.1M revenue catch-up related to the period of Q2'20

(2) Presentation impacted by rounding

# SEGMENTAL SEPTEMBER YTD 2021 PERFORMANCE HIGHLIGHTS

| *Revenue & Adjusted EBITDA (1) In US$M* | | **Sep'20 YTD** | **Sep'21 YTD** | **VPY** |
|---|---|---|---|---|
| **Nigeria** | Revenue | 765 | 847 | 10.7% |
| | Adjusted EBITDA (1) | 523 | 600 | 14.6% |
| | *Margin %* | *68.4%* | *70.8%* | *240 Bps* |
| **SSA** | Revenue | 231 | 256 | 10.8% |
| | Adjusted EBITDA (1) | 124 | 145 | 16.4% |
| | *Margin %* | *53.7%* | *56.4%* | *270 Bps* |
| **LatAm** | Revenue | 21 | 40 | 86.0% |
| | Adjusted EBITDA (1) | 16 | 29 | 82.2% |
| | *Margin %* | *75.0%* | *73.5%* | *(150 Bps)* |
| **MENA** | Revenue | 15 | 21 | 40.5% |
| | Adjusted EBITDA (1) | 7 | 9 | 40.8% |
| | *Margin %* | *44.4%* | *44.5%* | *10 Bps* |

(1) Adjusted EBITDA is a measure not presented in accordance with IFRS. Please refer to the Appendix for a reconciliation of profit/(loss) for the period, the most directly comparable IFRS measure, to Adjusted EBITDA.

# ADJUSTED EBITDA RECONCILIATION

| Reconciliation of Adjusted EBITDA for the period to profit/(loss) | 3-month period ended | | 9-month period ended | |
|---|---|---|---|---|
| | Sep 30, 2020 $'000 | **Sep 30, 2021 $'000** | Sep 30, 2020 $'000 | **Sep 30, 2021 $'000** |
| **(Loss)/profit** | (20,022) | **(30,447)** | (372,912) | **46,159** |
| Income tax expense | 32,554 | **27,531** | 129,250 | **67,544** |
| Finance costs | 96,647 | **63,448** | 473,864 | **218,069** |
| Finance income | (22) | **(4,748)** | (13,165) | **(22,030)** |
| Depreciation and amortization | 96,847 | **99,255** | 317,871 | **283,180** |
| Impairment of w ithholding tax receivables | 10,748 | **11,714** | 25,405 | **44,398** |
| Business combination transaction costs | 121 | **3,139** | 11,438 | **9,087** |
| Impairment of property, plant and equipment and related prepaid land rent | 3,462 | **41,556** | 16,669 | **44,369** |
| Reversal of provision for decommissioning costs | - | **(2,671)** | - | **(2,671)** |
| Net loss/(profit) on sale of assets | 292 | **(94)** | (246) | **(1,632)** |
| Share-based payment (credit)/expense | (467) | **4,286** | 6,324 | **8,968** |
| Insurance claims | (12) | **(35)** | (2,597) | **(5,437)** |
| Listing costs | 8,963 | **2,624** | 12,134 | **6,659** |
| Other costs | 304 | **4,160** | 305 | **14,353** |
| Other Income | - | **-** | - | **(1,269)** |
| **Adjusted EBITDA** | 229,415 | **219,718** | 604,340 | **709,747** |

# RECURRING LEVERED FREE CASH FLOW RECONCILIATION

| Reconciliation of cash flows from operating activities for the period to Recurring Levered Free Cash Flow | 3-month period ended | | 9-month period ended | |
|---|---|---|---|---|
| | Sep 30, 2020 $'000 | **Sep 30, 2021 $'000** | Sep 30, 2020 $'000 | **Sep 30, 2021 $'000** |
| **Cash from operations** | 210,155 | **205,672** | 517,086 | **597,890** |
| Net movement in working capital | 13,928 | **5,183** | 69,013 | **51,637** |
| Reversal of loss allowance/(loss allowance) on trade receivables | (1,371) | **994** | (2,712) | **37,614** |
| Impairment of inventory | - | **-** | - | **176** |
| Income taxes paid | (8,950) | **(4,780)** | (12,826) | **(24,166)** |
| Revenue withholding tax | (22,477) | **(24,957)** | (69,307) | **(82,799)** |
| Lease payments made | (16,307) | **(24,950)** | (44,594) | **(70,125)** |
| Net interest paid | (66,042) | **(68,079)** | (151,173) | **(139,075)** |
| Business combination costs | 121 | **3,139** | 11,438 | **9,087** |
| Listing costs | 8,963 | **2,624** | 12,134 | **6,659** |
| Other non-operating expenses | 304 | **4,160** | 305 | **14,353** |
| Other Income | - | **-** | - | **(1,269)** |
| Maintenance capital expenditure | (36,095) | **(25,011)** | (100,567) | **(80,747)** |
| Corporate capital expenditures | (274) | **(420)** | (1,678) | **(977)** |
| **Recurring Levered Free Cash Flow** | 81,955 | **73,575** | 227,119 | **318,258** |

# CURRENCY OVERVIEW

| | Average | | | | | Period End Spot | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Currency** | **2019A** | **2020A** | **Q1'21** | **Q2'21** | **Q3'21** | **2019A** | **2020A** | **Q1'21** | **Q2'21** | **Q3'21** |
| Nigeria (Naira) – USD:NGN NAFEX | 362 | 382 | 403 | 411 | 412 | 365 | 410 | 409 | 411 | 415 |
| Kuwait (Dinar) – USD:KWD | 0.31 | 0.31 | 0.30 | 0.30 | 0.30 | 0.31 | 0.31 | 0.30 | 0.30 | 0.30 |
| Brazil (Real) – USD:BRL | 3.95 | 5.14 | 5.46 | 5.30 | 5.22 | 4.03 | 5.20 | 5.76 | 4.95 | 5.42 |

# GLOSSARY OF TERMS

Adjusted EBITDA, Adjusted EBITDA margin and other non-IFRS financial measures are used by Group management to monitor the underlying performance of the business and the operations. Adjusted EBITDA, Adjusted EBITDA margin and other non-IFRS financial measures are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. You should exercise caution in comparing Adjusted EBITDA, Adjusted EBITDA margin and other non-IFRS financial measures as reported by us to Adjusted EBITDA, Adjusted EBITDA margin and other non-IFRS financial measures as reported by other companies. Adjusted EBITDA, Adjusted EBITDA margin and the other non-IFRS financial measures described in this document are unaudited and have not been prepared in accordance with IFRS or any other generally accepted accounting principles. In addition, the presentation of these measures is not intended to and does not comply with the reporting requirements of any regulatory authority and will not be subject to review by a regulatory authority; compliance with such requirements may require us to make changes to the presentation of this information.

**Adjusted EBITDA**: Profit/(loss) for the period, before income tax expense/(benefit), finance costs and income, depreciation and amortization, impairment of withholding tax receivables, business combination transaction costs, impairment of property, plant and equipment and related prepaid land rent on the decommissioning of sites, net (profit)/loss on sale of assets, share-based payment (credit)/expense, insurance claims, costs relating to this offering and certain other items that management believes are not indicative of the core performance of our business. The most directly comparable IFRS measure to Adjusted EBITDA is our profit/(loss) for the period. Adjusted EBITDA is not intended to be an alternative measure of operating income or gross profit margin as determined in accordance with IFRS.

The amounts calculated in respect of Adjusted EBITDA are aligned with amounts calculated under Consolidated EBITDA (as defined in the indenture), the latter of which is used to determine compliance with certain covenants under our 2025 Notes and 2027 Notes.

**Adjusted EBITDA margin**: Adjusted EBITDA divided by revenue, expressed as a percentage.

**Capital expenditure (“Capex”):** the additions of property, plant and equipment (including advance payments for such additions) and the purchase of software, as presented in the statement of cash flows.

**Colocation Rate**: Refers to the average number of tenants per tower that is owned or operated across a tower portfolio at a given point in time. We calculate the Colocation Rate by dividing the total number of Tenants across our portfolio by the total number of Towers across our portfolio at a given time.

**Consolidated Net Leverage:** The sum, expressed in U.S. dollars, of the aggregate outstanding indebtedness of the Parent Guarantor and its restricted subsidiaries on a consolidated basis.

**Consolidated Net Leverage Ratio:** Ratio of consolidated net leverage to Consolidated EBITDA for the most recently ended four consecutive fiscal quarters.

The amounts calculated in respect of Consolidated EBITDA (as defined in the indenture) are aligned with amounts calculated under Adjusted EBITDA, as defined above.

**Gross Debt:** Borrowings as stated on the statement of financial position plus lease liabilities as stated on the statement of financial position.

**Group**: IHS Holding Limited and each of its direct and indirect subsidiaries.

**Guarantors:** The Parent Guarantor and the Subsidiary Guarantors, collectively, unless otherwise indicated herein.

**Inorganic Revenue:** Inorganic revenue captures the impact on revenue from existing Tenants of new tower portfolios or businesses that we have acquired since the beginning of the prior period (except as described in the organic revenue). Where tower portfolios or businesses were acquired during the current period under review, inorganic revenue is calculated as the revenue contribution from those acquisitions in their “at acquisition” state (measured as the local currency revenue generated during the first full month following the acquisition) in the current period. This treatment continues for 12 months following acquisition.

# GLOSSARY OF TERMS

**LatAm:** Our Latin America segment which comprises our operations in Brazil, Colombia and Peru.

**Lease Amendments**: Refers to the installation of additional equipment on a site or the provision of certain ancillary services for an existing Tenant, for which we charge our customers a recurring lease fee.

**LTM Adjusted EBITDA**: Adjusted EBITDA for the last twelve months

**Net Debt:** Gross debt less cash and cash equivalents at a stated statement of financial position date.

**Non-core Revenue:** Non-core captures the impact of movements in foreign exchange rates on the translation of the results of our local operations from their local functional currency into U.S. dollars, which is measured by the difference in U.S. dollars between (i) revenue in local currency converted at the average foreign exchange rate for that period and (ii) revenue in local currency converted at the average foreign exchange rate for the prior period. This foreign currency impact is then partially compensated for in subsequent periods by foreign exchange reset mechanisms, which are captured in organic revenue.

**Organic Revenue:** Organic revenue captures the performance of our existing business without the impact of new tower portfolios or businesses acquired since the beginning of the prior year period (except as described in the inorganic revenue). Specifically, organic revenue captures the impact of (i) new colocation and Lease Amendments; (ii) changes in pricing including from contractual lease fee escalation and foreign exchange resets; (iii) new site construction; and (iv) any impact of churn and decommissioning. In the case of an acquisition of new tower portfolios or businesses, the impact of any incremental revenue after the date of acquisition from new colocation and Lease Amendments or changes in pricing on the Towers acquired, including from contractual lease fee escalation and foreign exchange resets, is also captured within organic revenue.

**Parent Guarantor:** IHS Holding Limited and its successors and assigns.

**Recurring Levered Free Cash Flow**: cash flows from operating activities, before certain items of income or expenditure that management believes are not indicative of the core performance of our business (to the extent that these items of income and expenditure are included within cash flow from operating activities), and after taking into account loss allowances on trade receivables, impairment of inventory, net working capital movements, net interest paid or received, revenue withholding tax, income taxes paid, lease payments made, maintenance capital expenditures, and routine corporate capital expenditures

**Subsidiary Guarantors**: IHS Netherlands NG1 B.V., IHS Netherlands NG2 B.V., IHS Nigeria Limited, IHS Towers NG Limited, Nigeria Tower Interco B.V. and INT Towers Limited and any other person that executes a supplemental indenture in accordance with the provisions of this senior notes indenture, and their respective successors and assigns, in each case, until the note guarantee of such person has been released in accordance with the provisions of the senior notes indenture.

**Tenants**: Refers to the number of distinct customers that have leased space on each tower that we own across our portfolio.

**Towers**: Refers to ground-based towers, in-building solutions, rooftop and wall-mounted towers and cells-on-wheels, each of which is deployed to support wireless transmission equipment. We measure the number of Towers in our portfolio at a given time by counting the number of Towers that we own or operate with at least one Tenant. The number of Towers in our portfolio excludes any towers for which we provide managed services.

IHS

Towers of strength