Helios Towers

Q1 2025 Results

Thursday, 8th May 2025

Overview

Tom Greenwood
CEO, Helios Towers

Introduction

Hi, everyone, and welcome to our Q1 2025 earnings call. I'm Tom Greenwood, Group CEO. I hope you and your families are doing well. Thank you very much for joining us today. We're very pleased to share our Q1 results with you today. We've had a strong start to the year, and I'm particularly encouraged by the consistency of performance and the clear line of sight we continue to have on our strategic and financial objectives. Additionally, we're entering our 10th year of delivering consistent, unbroken EBITDA growth year-on-year, despite all the macro challenges that have been thrown at us over that period, COVID, oil price volatility, FX volatility and then the global inflation that followed. Q1 2025 sets us up well for another strong year of EBITDA growth and continuing to build on the surplus free cash flow generation that we saw last year.

2024 was the year we inflected from cash consumptive high investment growth to free cash flow generation. And in Q1 2025, we're continuing that trend. We're operating with a model that not only delivers predictable top and bottom-line growth but is also increasingly converting that into surplus free cash flow, giving the strength of our business model. And that really sets the stage for the next phase of our capital allocation policy, being that of shareholder return. We're now finalizing the engagement process with our shareholders and potential new investors and look forward to communicating our updated capital allocation policy with you later this year.

Today’s presenters

Moving to slide 2, we've got the same usual line up, myself, Manjit and Chris.

Agenda

And we'll take a look now at the agenda on slide 3. We'll begin with a strategic and operational overview. Then, Manjit will talk through the financials in more detail, and we'll end with time for Q&A. So, look forward to hearing your thoughts and questions at the end.

But before we begin, I'd like to thank the entire Helios Towers team and our customers and partners who are delivering our services every day across Africa and the Middle East. Their consistent execution and dedication to excellence continue to be the driving force behind our performance. Africa and the Middle East remain the fastest growing mobile markets in the world, the unique mobile subscribers growing at around 5% per year, and data consumption forecast to grow by 4 times over the next five years, which is double the global average. This is our North Star for long-term growth and where we will continue to deploy investment capital in a disciplined fashion in the future to drive growth and higher returns.

Population growth is another major driver across our footprint. Populations are growing at around 3% annually, meaning a potential doubling by 2050. We see a long growth runway ahead. And we're still early in the network maturity curve.

In most of our markets, 4G is still being rolled out and densified. In Oman and South Africa, 5G is emerging, but in many other markets, 5G is still in its latent stages. That means that operators are actively expanding their network today and will continue doing so for years to come. And as an independent tower partner of choice in our market, we're well positioned to capture that demand profitably and sustainably.

Highlights

Now, onto slide 4, and before we go on to the highlights, here we see the core of what we do. On our towers, we lease out space, hosting mobile operator's equipment. For the investors, ours is a simple business return proposition. As we move from one tenant throughout 2.2 tenant per site target in 2026, the incremental revenue drop-through from adding an extra tenant on our towers is incredibly high. This is what drives our returns and cash flows higher. However, delivering that consistently across all our markets at the very high operational levels we do, comes with challenges, which is why telecom operators like to outsource its operational challenge to us.

Solid Progress Towards FY 2025 guidance

Now moving to slide 5, looking at our Q1 2025 highlights, we're continuing to deliver against our key value drivers, tenancy growth, EBITDA growth, cash flow growth and deleveraging. We added 668 tenancies in the quarter, bringing us to around 2,400 tenancy additions in the last 12 months, and on track for our full year guidance of 2,000 to 2,500. This growth has increased our tenancy ratio to 2.09x, up from 2.05x at the end of 2024. We're progressing strongly towards our strategic objective of reaching 2.2x by 2026 and now have it clearly within our sights, which is driving the growth in ROIC you are seeing and the surplus free cash flow generation.

EBITDA grew 9% year-on-year and ROIC expanded by another percentage point to 13.8%, bringing us within touching distance of our FY 2025 target of 14%. Free cash flow came in at $2 million for the quarter, a strong improvement of $29 million year-on-year upside swing, meaning our last 12 months' surplus free cash flow is $48 million. So, already trending within our guidance for this year. And of course, this follows the continuation of the positive swing we delivered in 2024, where we moved from an $81 million outflow in 2023 to a $19 million surplus in 2024. These trends are important because they signal that our capital allocation framework is working. We continue to invest in high-return, capital-efficient growth. And with the platform now scaled, incremental revenue and tenancy additions are increasingly dropping through to the bottom line.

We also continued to strengthen our credit profile. Net leverage is now below 4 times, down 0.4x year-on-year. And we're pleased to see this recognized by the agencies with rating upgrades from both S&P and Fitch to BB- and a positive outlook for Moody's. And in terms of outlook for the year, we're reaffirming all of our guidance for

the year with confidence, which includes tenancy additions of 2,000 to 2,500, EBITDA growth of 10%, surplus free cash flow of $40 million to $60 million, and deleveraging to around 3.5x. So Q1 demonstrates three things. One, we're executing on the strategic operational plan. Two, we're expanding cash flow and returns. And three, we're building meaningful capacities for potential future shareholder returns as the next phase of our capital allocation policy.

Ten Years of Consistent Adjusted EBITDA Growth Unabated Through Global Volatility
And now to slide 6, and here shows our long-term EBITDA growth trajectory, which continues to be a standout feature of the Helios Towers story. We've now delivered 10 consecutive years of EBITDA growth at a 26% CAGR since 2015. This growth has come despite multiple macro challenges from COVID, oil price shocks, rate hikes, FX volatility, and more recently, global inflationary pressure. I've met a number of new fund managers over the last six months, and this is quite often the standout talking point, given our diverse footprint. And it's a testament to our incredibly robust business model and strong operational delivery, which is based off of our business excellence strategy, focusing on having the most efficient processes, systems and best people in place to deliver high-quality performance day in, day out. We enter 2025 and the next five years with the same level of confidence in continuing this trend and track record. What this shows is the resilience and predictability of our business model. Our core contracts are long-term and inflation linked. Our customer base is made up of multinational mobile operators, and our revenues are largely dollar or euro denominated. This will create a very strong platform for sustainable and repeatable performance, even in challenging external environments.

Adjusted EBITDA Growth Is Highly Correlated To Tenancy Additions And Resilient To Fx, CPI And Power Price Movements
So on to page 7, let's now revisit our business model, which remains fundamentally strong and highly scalable. We're a digital infrastructure business that provides power and power services to the largest mobile operators across Africa and the Middle East. We build or acquired power sites with at least one committed anchor tenant from day one, and then we lease additional capacity to new tenants driving capital efficiency and operating leverage.

From a financial perspective, this model delivers attractive unit economics. The first tenant typically delivers 12% ROIC cash-on-cash covering our cost of capital. A second tenant lifts ROIC to 25%, and the third brings it to over 30%. Because our costs are largely fixed, every additional tenant drives significant incremental cash flow and margin expansion, and our contracts are long, typically 10 to 15 years' minimum term, with built-in CPI and power price escalators and 70% of our EBITDA is in hard currency. This gives highly predictable and high-quality revenue. As of Q1, we now have over $5.3 billion worth of future contracted revenue at an average of seven years of lease term remaining. This provides a very solid, visible base of revenues and cash flows, of which to grow.

Continued Momentum On Our 2.2x Strategy, Supporting ROIC And Free Cash Flow Expansion
Now turning to slide 8, this is where our strategy really comes to life. As a reminder, in 2021 and 2022, we doubled the size of our platform through strategic acquisitions in Senegal, Oman, Madagascar, Malawi. These assets were underutilized with average tenancy ratios of around 1.2 tenants per site. Since then, we've embedded our operational model, continued to drive growth in all of our other markets, and the results are clear. Tenancy ratio has increased from 1.81x in 2022 to 2.09x today. ROIC has expanded from 10.3% to 13.8%, approaching our FY 2025 target. And perhaps most notably, free cash flow has improved by over $750 million in two years, from a $721 million outflow in FY 2022, positively swinging to a $48 million last 12 months' surplus in Q1 2025.
This performance confirms the strength of our 2.2x by 2026 strategy. As we drive tenancy growth and platform efficiency, we're creating significant value, converting revenue into return on invested capital, surplus free cash flow and ultimately shareholder return.

Capital allocation priorities

So next on page 9, we'll talk about capital allocation. We continue to apply a disciplined framework, number one, first, we prioritize organic investment into high-return opportunities such as co-location and selective new builds. Second, we maintain a strong and improving balance sheet with net leverage now just below 4x and trending

towards 3x by 2026. And third, potential shareholder distributions from 2026 onwards. With the business now in surplus free cash flow territory and with further growth expected in 2025, we're moving with intent. We're actively engaging with investors this year on what is a sustainable and a value accretive shareholder return policy should look like.

And finally, M&A remains deprioritized. We have significant organic growth opportunities within our existing footprint, and our focus is squarely on execution, cash conversion and delivering returns to shareholders. With that, I will hand over to Manjit, who'll take you through the financials in more detail, and then look forward to talking with everyone for Q&A at the end.

Financial Results

Manjit Dhillon
CFO, Helios Towers

Solid Progress Towards FY 2025 Guidance

Great. Thank you very much, Tom and hello everyone. Great to be speaking with you all today. So, starting on slide number 11, I'll be going through the financial results. As Tom has outlined, the first quarter of the year shows continued momentum across multiple metrics and really demonstrating solid progress towards our full year guidance. On the far left hand chart, you can see we delivered another strong quarter of tenancy growth and we're progressing well towards our 2.2x by 2026 target, with 668 tenancies added in the first quarter, the majority of which being colocations, helping to increase our tenancy ratio by 0.4x in the quarter. And looking at this from a last 12 month basis, we've added 2,388 tenancies, which puts us in the broader range for full-year guidance. Tenancy additions continues to be the key driver of our EBITDA growth, which has increased by 9% year-on-year to $111 million for the quarter, with last quarter annualized EBITDA of $444 million, which you can see here. It is the combination of capital efficient growth through co-location lease-up and leveraging operational improvements, which has also driven our return on invested capital to 13.8%.

I just note that Q1 can typically be a higher quarter for returns, given the lower initial Capex due to the timing of investments, but we are progressing well and we still expect to hit our full year target of 14%. Importantly, we saw an increase in our free cash flow driven by our EBITDA expansion and lower discretionary capital additions. And Q1 2025, we saw plus $2 million, which is a $29 million improvement on where we were at Q1 2024, which had minus $27 million. So, again, we're seeing good progress and looking at free cash flow on the last 12 months basis, we're at plus $48 million. So, again, trending well and we're reaffirming our full year guidance of $40 million to $60 million for the full year.

Q1 2025: Tenancy additions driven by structural growth, leading market positions and customer service focus

Now to jump into some of the detail and moving on to page number 12. On page 12, we show our sites and tenancy growth. Sites increased by 251 year-on-year to 14,417, with 92 sites adds in the quarter alone. New organic builds are an important source of growth for the company given they increase the base on which we will drive co-lo leased up. However, we are very selective in our approach to new site rollout, ensuring the sites have clear potential for lease up and strong day one returns. Tenancies increased by 2,388 year-on-year to now being over at 30,000 at 30,074, a 9% increase year-on-year, driven by Oman and Tanzania, with overall tenancies increasing by 668 in the first quarter. We saw a 0.14x tenancy ratio expansion year-on-year to now be 2.09x. And again, this is really driven by all of our markets, and in particular, fast lease ups in Oman, Malawi and Tanzania.

Q1 2025: Revenue growth driven by tenancy additions, underpinned by contracted revenues with multinational customers

Moving on to slide 13, looking at our revenue growth, we've seen revenue growth of 5% year-on-year. This is driven by tenancy growth, however, partially offset by power price de-escalations in Tanzania and DRC, that were applied in the first quarter. And I'll show the impacts of this on the next slide shortly. On the top-right pie chart, we demonstrate our strong hard currency profile, with 67% of our revenue in hard currency, which translates to 70% of our adjusted EBITDA being in hard currency. Four of our markets are innately hard currency, including DRC and Oman, two of three of our biggest markets being either dollarized or dollar pegged, and Senegal and Congo Brazzaville being pegged to the euro. Importantly, what this means is that the revenues our customers receive are also hard currencies and this is what they also pay to us. In our remaining markets, we also have a portion of revenues linked to hard currencies, adding further to the April mix.

Our earnings are further protected by contractual protections, including power and CPI escalators, with CPI escalators typically escalating in Q1 and power price escalators, which can go up or down depending on local pricing, these escalators are quarterly or annually, depending on the contract. 98% of our revenue is from large blue-chip mobile network operators, with no single customer accounting for more than 27% of our revenue, as you can see in the second pie chart.

And finally, we signed two long-term agreements with our customer partners with initial duration lengths of 10 to 15 years. But these are largely non-cancellable. And today we have contracted revenue of $5.3 billion, with an average remaining life of 6.9 years. In other words, we've secured minimum revenues of $5.3 billion in total without pursuing any new business. And this will provide a strong underlying guiding stream that we complement with further growth driven by tenancy additions.

Adjusted EBIDTA growth is highly correlated to tenancy additions and resilient to FX, CPI and power price movements

Now moving on to slide 14, here we present the usual analysis, showing the key drivers of revenue and EBITDA growth in a bit more detail. As with previous results presentations, the key driver of growth has been tenancy additions, partially offset by lower power prices, which decreased base tower-linked revenues and tower operating expenses comparably. 5% revenue growth from tenancy additions overall drove revenue growth of 5%. 9% EBITDA growth through tenancy additions drove 9% overall EBITDA growth, with escalators effectively offsetting one another. In short, the key driver of growth is through our addition of tenancies and operational leverage from lease up. Let me demonstrate again that the business structure continues to be robust and resilient and operating as designed.

Capex is tightly controlled and focused on ROIC-Accretive Opportunities
Now, moving on to slide 15, Capex continues to be tightly controlled and focused on capital efficient opportunities that drive return on invested capital in line with our capital allocation strategy that Tom just went through. For the quarter, we incurred total Capex of $21 million, of which $6 million was nondiscretionary. As a reminder, Capex can be lumpy. And therefore, while it was lower in the first quarter, our Capex guidance is unchanged for the full year and we continue to guide to $150 million to $180 million of full year Capex, of which $50 million is nondiscretionary. And this reflects a continued reduction in our capital intensity from prior periods.

Positive Rating Actions Underscore Strengthened Business Profile
Moving on to slide 16, a look at our balance sheet and credit profile. We see continued improvements in our credit ratings across all three agencies, with Fitch and S&P upgrading us to BB- and Moody's updating the outlook to positive, all of which is a reflection of the work we have done to drive free cash flow and delever the business and is really a testament to our strong operational execution from our talented and committed teams.

Our net leverage decreased by 0.4x year-on-year to 4 times net leverage. We have approximately $420 million in cash and undrawn debt facilities. And as a reminder, 92% of our debt continues to be at fixed rates following our bond refinancing in 2024. And we have no near-term maturities until 2027. Given we are free cash flow generative, this puts us in a very strong position and we have all the firepower we need to deliver on our targets.

FY 2025 Guidance Reaffirmed
And that takes us to slide 17, where we reaffirm our guidance for 2025. Our target of 2,000 to 2,500 tenancies for the year remains as we continue our progress towards our 2.2x by 2026 strategy. Our adjusted EBITDA target of $460 million to $470 million remains, meaning we are estimating good growth at the midpoint of 2025. Capex target stays at $150 million to $180 million, of which $100 million to $130 million is discretionary and $50 million is non-discretionary. And as mentioned earlier, free cash flow, we expect this to be between $40 million and $60 million, which is over double what we got in 2024. Finally, we expect to end the year at 3.5x net leverage.

We started the year well and we demonstrate the resilience of our business model and broader mobile industry, which has allowed us to maintain our guidance against a backdrop of global volatility.

And with that, I'll pass back to Tom to wrap up.

Conclusion

Tom Greenwood
CEO, Helios Towers

Key takeaways
Thanks very much, Manjit. So just on page 18, before we open for Q&A, so key takeaways. We're very much on track and running towards our 2.2x tenancy ratio target by 2026 and we feel very confident about the pipeline and delivering as we move through this year. We're continuing to see the growth come through on EBITDA, on free cash flow and ROIC expansion. And of course, we're reaffirming our 2025 guidance and very confident in the delivery ability of the business. Furthermore, the financial flexibility to support investment distributions in 2026, we can continue to see coming through in that surplus free cash flow, and we look forward to talking with everyone more about that later this year. So with that, I'll hand back to Lucy and we'll open for some Q&A.

Q&A

David Wright (Bank of America): Hello, guys. I hope you can hear me okay, and thanks for taking questions today. I know Tom I asked you about satellites last time, I'm going to keep it quite high level today, because I think the numbers broadly explain themselves. We've been talking to a few of the telcos in Europe about the 2.0 business model, if we might call it that, which is extending beyond the pure tower rental into the RAN equipment, especially with the availability of Open RAN et cetera, so essentially being able to offer the operators half the energy cost, half the equipment cost, et cetera, as they share RAN that is actually managed by the TowerCo. I appreciate it's sort of very, very early days and obviously your business model is kind of lagging the big Western European guys just because of the earlier penetration – or the later penetration, I should say, of mobile data. But I'm just wondering about your thoughts on this one, and is it a business model that you could imagine evolving maybe in the likes of Oman, slightly more developed markets, et cetera. Thanks.

Tom Greenwood: Thanks very much, David. It's definitely interesting developments happening in technology. I think we talk very regularly to all our customers and we have a mindset of innovating products and ensuring that we're delivering and providing what is needed. And this includes a whole bunch of items, including designing new types of sites that are more relevant, say, for dense urban or deep rural and everything in between. Of course, we're doing more in building systems these days. We're doing more Outdoor DAS as well. So we've got a very forward-looking view on evolving the standard tower products, all within the same contractual and return type criteria that we see, and I guess the legacy tower model, if you like.

I think extending into active sharing is a possibility. I think it's doable. There are pros and cons of it. And it's something that we would continue to evaluate, but not doing it this time. And it would be very much on a case-by-case basis, depending on customer demand, and of course, if the financial and operational requirements made logical sense to us. I think from what I've seen previously, there are operational complexities to it. There are limitations on mobile operator, some decision making on it, and the ability to exactly control how the network is working for them. And a question what margin would be achieved on it. But, I'm not saying no, just saying not doing it now, and it would need to fit within our strict capital allocation and returns criteria, as well as operational synergies if we were to ever look it up.

David Wright (Bank of America): Yeah, thanks. Yeah, I figured I was little ahead of the game on this one, but it's interesting nonetheless. Thanks so much, Tom.

Tom Greenwood: Yeah, thanks, David.

Graham Hunt (Jefferies): Yeah, thanks very much, Tom, Manjit, thanks for the questions. I'll just ask two, if that's okay. First, if I could go back to slide 8 on ROIC, you've been running at kind of adding a percentage point a year now. How much more do you think there is left in the capital base for you to squeeze out and continue that trajectory, if we think beyond 2025 before you cap out or kind of need to reload with more investments, either organic or inorganic, to continue that growth journey? That's question one.

And then question two, just going to the credit rating upgrades that you've got in the quarter, does that change the way you think about your leverage and long-term sort of steady-state level beyond 2026? And any thoughts on how that might affect the maturity that you've got coming up in 2027, just given that higher credit rating now?
Thanks.

Tom Greenwood: Yeah, thanks very much, Graham. I'll take the first one on the ROIC and then Manjit can take the one on the credit rating. So, yeah, I think in regards to ROIC, we're expecting to continue to add roughly 100 bps per year for the foreseeable. We see definitely a big runway ahead in terms of the organic growth and demand within our markets. And if we think about this over the next three to five years, we very much see ourselves within the 15% to 20% range as we essentially step up roughly 100 basis points per year, obviously, give or take. And that's simply driven by the continuation of doing highly-selective new builds in our market, and of course, the co- location, which is being driven continually through additional coverage, additional capacity requirements and additional technology upgrades, which require densification. So, yeah, in the more medium-term, Graham, we see this trend continuing. And Manjit over to you for credit rating.

Manjit Dhillon: Yeah. Yeah, thanks, Tom. Just to add to Tom's point as well, I think two quick things I'd just add. One is that if you look at our overall portfolio today, about 40% is still single tenant. So there is a big capacity there to continue to leverage all of those sites. So certainly something that we are very, very mindful of and focused on. So there is still a base there. But also we should be doing newbuilds, it's a very important part of our overall strategy. Why? Because if we find the right builds, if we're able to lease them up and we get 25% ROIC-plus. So that is a really good use of capital, something we'll always find the capital to do. And if you look at our recent vintages of our builds, we've been doing it within two years, so by two years, I mean double lease-up. So, we will – part of our capital allocation strategy to make sure we continue to do that whilst also being very, very focused on trying to lease up the rest of the portfolio. And by doing both of those, we'll continue to keep that return on invested capital increasing over the medium term. So yeah, definitely more to come in short.

And then onto the credit rating point. So, part of this is due to the fact that we had our expansionary strategy. We've increased our hard currency base and with that the free cash flow growth and the deleveraging coming in part. Really from a credit rating perspective, if we're below

4 times net leverage sustainably, then we get the upside already. So, that doesn't really impact our thinking too much. And frankly, when we went up to 5x, which we don't want to necessarily do, but when we got to that point, we didn't have any credit rating negatives on the back of it because of the predictability of our business model to ensure we have the capacity to do what we like. I don't think the rating necessarily changes our ultimate determination of what we do. It's just good to know that we have the capacity in terms of the ratings that we have today. So, we'll continue with our strategy is what we're doing. We'll continue to de-lever 5.5x. We'll get to the range of 3x to 3.5x, which I think is probably the right place for the company for the time being.

Graham Hunt (Jefferies): Got it. Thanks very much.

Manjit Dhillon: Thanks.

Rohit Modi: (Citi Bank): Hi. Thanks for the opportunity. Some of the questions were already asked. Maybe just one on the site additions outlook. And I understand you don't give the specific guidance around that. But if you can give directionally how you see site additions compared to last year, given the site addition gone down a lot last year. And then do you see, in terms of your discussion, do you see the similar kind of run rate what you had in the first Q or is that the kind of improvement or decline from here? , a bit on Oman, just given I think this is a three player market, bit of a ramp up, you got bit of a ramp up due to Vodafone launching services. Do you have any expected targets around Oman or do you see the Oman would continue to see the additions in line with what you're seeing in DRC or Tanzania?

Manjit Dhillon: Great. Thank you. I can take those. So, on the site additions, if you look at the discretionary Capex, the implied site growth, I guess, from that would be near enough around 450 to 500 sites for the year. But there is some flexibility within that. So you will see more coming through during the course of this year, and look sites can be lumpy. One year, you can have a bit less, one year you have a bit more. That's the piece that can be a bit lumpy year-on-year. But in any case, one thing we always say is that more often than not, you will always have more colocations than new site builds, which is obviously where you're going to be, because that will be driving up the returns. So, we will see more during the course of this year, in short than we did last year.

And yes, with Oman, it's a fantastic market. I think we've – what we've done in Oman is exactly what the business case was when we were acquiring it, which was try to get into that market, because, one, it's dollarized, fantastic market in that regard. Two, there was a third entrant coming in. And so, the reason why we've seen such a good lease up in that market is because we've been able to capture good amount of that incremental growth coming from Vodafone, which is the new entrant. And when a new entrant comes in, they have to provide coverage relatively quickly. The best way to do that is to co-locate on portfolios, which is why it's such a valuable asset. So now, we'll be able to get a good portion of that. We should still see good levels of lease up in the market. The one thing to bear in mind between the DRC and Oman is that DRC is a four-player market, Oman is three-player market. So, whether it gets to that high-2s or mid- to high-2s, we'll wait to see. But there's definitely more growth coming. We've got more 5G rollout going on, upgrades from the other mobile network operators and expansion. So this is not the end. It's certainly going to be a good base on which to build but the fact we’ve gone so quick in that market is great, because you'll be able to capture that growth early and then we'll see what comes there afterwards. But yeah, we feel very, very positive about the Oman market.

Alessandra David (Ashmore): Hi. Thank you for the presentation. I just had two questions, if I may. The first one was just on the EBITDA growth and sort of the run rate for the rest of the year. Just looking at like on a Q-on-Q basis and sort of looking at the full year run rate of the EBITDA you achieved in Q1, it just brings you slightly short of your full year target, and maybe combining that with a slight quarter-over-quarter contraction in revenue, mostly led from Central Southern Africa and East West Africa – obviously, you're not talking about big declines here, so I do appreciate that these are not sort of big numbers, but I'm just trying to understand the sort of, like, the drop quarter-on-quarter. Is that sort of like a timing issue given the strong tenancy growth or if this was in reference to the escalators, and sort of the fluctuations that you had that you mentioned on a different slide. So that's my first question.

The second one was just on the timing of shareholder remuneration. So I understand like 2026 is the year for some sort of plan to be sort of in action. But I was just curious if that means sort of paying out of 2025 earnings if this was a dividend, for instance, or if this would be something that would be initiated out of 2026 earnings? So, yeah, that's it for me.

Manjit Dhillon: Thank you.

Manjit Dhillon: Perfect. So, just on the points around the revenue piece, that really is due to the contractual escalator for fuel on a quarter-on-quarter period. So the slide I presented which went through the building blocks of how revenue and EBITDA go, revenue can be sometimes quite tricky to model, because we have power prices which go up and down. So the downward movement was more than compensated by the downward movement in the Opex, the consequence of power prices. So, that, kind of, decrease was comparable across the two. So, I won't look too much into that. It's really then about the EBITDA growth going forward there afterwards. So, we have seen good growth on that perspective. So, it was 9% year-on-year. I know you're referring to quarter-on-quarter, but I think that shows the kind of the direction of travel have been kind of growing at about high-single to low-double digits now for the last x number of quarters. So we will continue to see that coming through.

From a last quarter annualized perspective, whilst we are below the full year guidance, we would expect that, because we'll see more and more of the tenancies coming through during the rest of the year and that would add more and more potential to our EBITDA, so that we should end in a good position to the guidance that we've given. So, that stable dynamics, revenue kind of decreasing a bit because power prices have gone down, reducing our Opex, but EBITDA tracking exactly where we want it to be, as it's going through the course of the year. And bear in mind, we've only done about one quarter of what we're guiding to in terms of the actual tenancy growth being just shy of 700 from the guidance of between 2,000 to 2,500. So, I think it's kind of correlating exactly to where we expect it to be.

Tom Greenwood: Yeah. On shareholder remuneration, as we've said, Alessandra, we're engaging with investors. We've had a lot of really good discussions and meetings and actually thank you to you, if you're on the call. And then we'll be continuing those conversations over the coming months and be communicating something towards the end of the year to everyone. So, yeah, really looking forward to that. And in the meantime, we're continuing to focus on delivery in the business.

Alessandra David: All right. Thank you.

John Karidis (Deutsche Bank): Thank you. Good morning, everyone. Just a couple of questions, please. Firstly, about that ROIC question, how high can it go? Perhaps another way to answer this is if you can tell us what's happened to the ROIC of your established markets, i.e. the ones you IPO'd with over time, and contrast that also with what's happened to the ROIC of your new markets, i.e. the ones you entered into post IPO, so what happened to those over time? So that's the first question. And then, the second question, at the risk of dragging everyone too far into the weeds, when I look at a standard co-location versus an amended co-location, could you talk about the difference in profit to Helios Towers between the two types of co-locations, please? Thank you.

Tom Greenwood: Yeah, sure. Thank you. Thank you very much, John, for the questions. And I think if you look at the ROIC that we present, obviously that's a group consolidated view. Each market has its own. And just to remind everyone on the call, we were previously a five-market business when we IPO'd in 2019. Then we became a nine-market business around 2021, 2022 when we entered four new markets. Essentially, what we see is a relatively similar ROIC growth rate across the market, they're just at different stages. So, the established markets, the five older markets had a ROIC of actually approaching something more like 20%, I think about 18% or so at the moment. And then the new markets, which on entry a couple of years ago were at about 6% ROIC, they're at 8.5% or so now.

So we see a good almost metronomic trend of increase each year across the markets, really depending on their vintage that drives where they are today. But, the real important news is the fundamental growth and the embedded structural momentum of telecommunications requirements across the market in terms of subscriber growth, in terms of data usage and in terms of technology upgrades is all very much continuing at a very rapid pace and some markets more ahead than others on the technology curve. So, for example, in Oman, 5G is getting pretty well established versus, say, DRC where 4G is the main technology currently being rolled out, and 5G will come there in a few years. But what's key with all of this is it drives the tenancy requirements, which is principally co-locations and some build-to-suits. And all of that adds up to deliver roughly 1 percentage point, give or take, increase across the group each year. So, we very much see runway ahead for the entire group, because of all of these dynamics.

And then, the other question, John, that you had around the

Tom Greenwood: Standard versus...

Tom Greenwood: ....amendment colocations. And essentially the economics are the same. The standard co-location is a standard configuration of mobile equipment on a site and an amended co-location is essentially additional equipment on the site over and above the standard co-location, and an additional equipment takes up more space, it weighs more, it consumes more power, et cetera. But the pricing and the flow-through of margin and cash flow is essentially the same.

John Karidis (Deutsche Bank): Excellent. Thanks very much, Tom.

Tom Greenwood: Great. Thanks, John.

Tom Greenwood: Thanks very much, Lucy, and thanks everyone for dialing in today. And we hope you have a great day and we look forward to talking to you all again very soon. And take care and have a good day.

[END OF TRANSCRIPT]