HELIOS TOWERS plc

Unaudited results for the 6 months ended 30 June 2022

Strong organic tenancy additions

+19% year-on-year Adjusted EBITDA growth

+36% year-on-year portfolio free cash flow growth

2022 guidance reiterated

London, 18 August 2022: Helios Towers plc ("Helios Towers","the Group" or "the Company"), the independent telecommunications infrastructure company, today announces results for the 6 months to 30 June 2022.

	H1 2022	H1 2021	Change	**Q2 2022**	Q1 2022	Change
Sites	**10,694**	8,603	+24%	**10,694**	10,511	+2%
Tenancies	**20,549**	17,090	+20%	**20,549**	20,233	+2%
Tenancy ratio	**1.92x**	1.99x	-0.07x	**1.92x**	1.92x	-
Revenue (US$m)	**265.4**	212.4	+25%	**137.9**	127.5	+8%
Adjusted EBITDA (US$m)[1]	**136.1**	114.2	+19%	**69.4**	66.7	+4%
Adjusted EBITDA margin[1]	**51%**	54%	-3ppt	**50%**	52%	-2ppt
Operating profit (US$m)	**39.8**	26.9	+48%	**25.4**	14.4	+76%
Portfolio free cash flow (US$m)[1]	**100.4**	73.8	+36%	**51.0**	49.4	+3%
Cash generated from operations (US$m)	**91.0**	45.7	+99%	**38.5**	52.7	-27%
Net debt (US$m)[1]	**1,082.4**	786.0	+38%	**1,082.4**	1,012.7	+7%
Net leverage[1,2]	**3.9x**	3.2x	+0.7x	**3.9x**	3.7x	+0.2x

1 Alternative Performance Measures are described in our defined terms and conventions.

2 Calculated as per the Senior Notes definition of net debt divided by annualised Adjusted EBITDA. Annualised Adjusted EBITDA calculated as the most recent fiscal quarter multiplied by 4, adjusted to include the annualised impact of acquisitions in the period.

Tom Greenwood, Chief Executive Officer, said:

"We have delivered strong organic tenancy growth in the first half of the year, which combined with the successful integration of acquired assets in Senegal, Madagascar and Malawi has resulted in impressive year-on-year financial performance. Despite broader global macroeconomic uncertainty, our uniquely positioned platform, highly visible base of quality earnings and unparalleled structural growth continues to drive sustainable value creation for all of our stakeholders."

Financial highlights

- H1 2022 revenue increased by 25% year-on-year to US$265.4m (H1 2021: US$212.4m) driven by acquisitions in Senegal, Madagascar and Malawi and strong organic tenancy growth across the Group, in addition to CPI and power price escalations. Excluding acquisitions, revenue increased 12% year-on-year.
    - Q2 2022 revenue increased by 8% quarter-on-quarter to US$137.9m (Q1 2022: US$127.5m).

- H1 2022 Adjusted EBITDA increased by 19% year-on-year to US$136.1m (H1 2021: US$114.2m), driven by revenue growth, with H1 2022 Adjusted EBITDA margin decreasing 3ppt year-on-year to 51% (H1 2021: 54%), reflecting the previously communicated SG&A investment to support the Group's ongoing expansion into ten markets and higher fuel costs in DRC in Q2 2022.
    - Q2 2022 Adjusted EBITDA increased by 4% quarter-on-quarter to US$69.4m (Q1 2022: US$66.7m), with Q2 2022 Adjusted EBITDA margin at 50% (Q1 2022: 52%).

- Operating profit increased 48% year-on-year to US$39.8m (H1 2021: US$26.9m) driven by strong revenue growth, partially offset by a modest increase in administrative expenses as part of the Group's ongoing expansion.
    - Loss before tax increased to US$122.2m (H1 2021 US$43.6m), driven by a US$83.8m year-on-year increase in non-cash expenses related to both the fair value movements of the embedded derivatives in the Group's bond and foreign exchange movements on Euro and US dollar denominated intercompany borrowings.

- Portfolio free cash flow increased by 36% year-on-year to US$100.4m (H1 2021: US$73.8m), driven by Adjusted EBITDA growth and timing of non-discretionary capital expenditure.

- Cash generated from operations increased 99% to US$91.0m driven by higher Adjusted EBITDA and movements in working capital.

- Net leverage increased by +0.7x year-on-year to 3.9x (H1 2021: 3.2x), primarily due to acquisitions in Madagascar and Malawi, and quarter-on-quarter by 0.2x (Q1 2022: 3.7x), remaining comfortably within the Group's medium-term target range of 3.5x - 4.5x.
    - Strong balance sheet with 96% of drawn debt at a fixed rate, no near-term maturities and fully-funded for announced transactions.

- Business underpinned by long-term contracted revenues of US$4.2bn (H1 2021: US$3.5bn), of which 99% is from large multinational MNOs, with an average remaining life of 7.2 years (H1 2021: 7.4 years).
    - Pro forma for announced transactions in Oman and Gabon, the Group has contracted revenues of US$5.3 billion.
    - CPI and power price escalators embedded into customer contracts provides an effective hedge against inflation and fuel price movements over a full-year cycle.

Operational highlights

- Sites increased by 2,091 year-on-year to 10,694 sites (H1 2021: 8,603 sites), reflecting 1,213 acquired sites in Malawi and Madagascar and 878 organic site additions.
    - Sites increased organically by 183 quarter-on-quarter (Q1 2022: 10,511).

- Tenancies increased by 3,459 year-on-year to 20,549 tenants (H1 2021: 17,090 tenants), reflecting 1,692 acquired tenancies in Malawi and Madagascar and 1,767 organic tenancy additions.
    - Tenancies increased organically by 316 quarter-on-quarter (Q1 2022: 20,233).

- Tenancy ratio decreased 0.07x year-on-year to 1.92x (H1 2021: 1.99x), reflecting the dilutive impact of acquired assets in Madagascar (1.20x) and Malawi (1.58x).

Environmental, Social and Governance (ESG)

- Helios Towers has been awarded a ‘AAA’ ESG score from MSCI, the highest score from the investment research firm, in addition to being included in the FTSE4Good Index, a series designed to measure the performance of companies demonstrating strong ESG practices. This further highlights Helios Towers’ commitment to sustainable business and its purpose of driving the growth of mobile communications in Africa and the Middle East.

Strategic Updates

- The Group continues to progress with the closings of passive infrastructure assets in Oman and the potential acquisition of Airtel Africa’s tower assets in Gabon, with the expected timings and updates outlined below:

    - Oman: Subject to completing the remaining customary closing conditions including obtaining regulatory approval, the Group anticipates the acquisition of Oman Telecommunications Company (“Omantel”) to close in H2 2022.
        - On 7 June 2022, Helios Towers announced it had entered into an agreement pursuant to which Rakiza Telecommunications Infrastructure LLC (“Rakiza”) will purchase a 30% minority stake in the purchase of Omantel Telecommunications Company (S.A.O.G)’s (“Omantel”) passive infrastructure assets in Oman, with Helios Towers purchasing the remaining 70%.
        - Partnership combines Helios Towers’ proven operational expertise with a local partner that has extensive local market knowledge.

    - Gabon: As previously announced, Helios Towers and Airtel Africa have extended the memorandum of understanding arrangement. Subject to obtaining a passive infrastructure licence, the acquisition of tower assets in Gabon is expected to close in H2 2022.

2022 Outlook and guidance

- Following strong operational and financial performance in H1 2022, the Group has reiterated its FY 2022 guidance of:
    - 1,200 – 1,700 organic tenancy additions, of which 60% are expected to be new sites.
    - Lease rate per tenant to increase in the range of 3% - 5% from FY 2021 (2021: US$26.4k per tenant).
    - Adjusted EBITDA margin of 51% - 53% (FY 2021: 53.6%), with the YoY decrease driven by the impact of new acquisitions and corporate SG&A investment required for the expansion of the Group's operations to ten markets.

- The acquisition of Airtel Africa's passive infrastructure company in Malawi, closed at the end of March, is anticipated to deliver Adjusted EBITDA of approximately US$6m for its nine months of operation in FY 2022.

- The Group continues to target capex of US$810m – US$850m in FY 2022.
    - As previously guided, excluding acquisitions the Group anticipates US$160m - US$200m of capex, of which, US$27m - US$32m is non-discretionary capex.
    - The Group anticipates acquisition capex of approximately US$650m in 2022, reflecting the acquisitions in Oman and Malawi, and deferred acquisition payments in Senegal and Madagascar.

For further information go to:
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Helios Towers' management will host a conference call for analysts and institutional investors at 09.30 BST on Thursday, 18 August 2022. For the best user experience, please access the conference via the webcast. You can pre-register and access the event using the link below:

Registration Link - Helios Towers H1 2022 Results Conference Call
Event Name: H12022
Password: HELIOS

If you intend to participate in Q&A during the call or are unable to use the webcast, please dial in using the details below:

Europe & International	+44 203 936 2999
South Africa (local)	087 550 8441
USA (local)	+1 646 664 1960
Passcode:	**233445**

About Helios Towers

- Helios Towers is a leading independent telecommunications infrastructure company, having established one of the most extensive tower portfolios across Africa. It builds, owns and operates telecom passive infrastructure, providing services to mobile network operators.
- Helios Towers owns and operates telecommunication tower sites in Tanzania, Democratic Republic of Congo, Congo Brazzaville, Ghana, South Africa, Senegal, Madagascar and Malawi. Following recent acquisition agreements Helios Towers expects to establish a presence in two new markets across the Middle-East and Africa. Including these acquisitions and committed BTS, the Group's total site count is expected to increase from over 10,500 towers to over 14,000.
- Helios Towers pioneered the model in Africa of buying towers that were held by single operators and providing services utilising the tower infrastructure to the seller and other operators. This allows wireless operators to outsource non-core tower-related activities, enabling them to focus their capital and managerial resources on providing higher quality services more cost-effectively.

Alternative Performance Measures

The Group has presented a number of Alternative Performance Measures ("APMs"), which are used in addition to IFRS statutory performance measures. The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the business. These APMs are consistent with how the business performance is planned and reported within the internal management reporting to the Board. Loss before tax, gross profit, non-current and current loans and long-term and short-term lease liabilities are the equivalent statutory measures (see 'Certain defined terms and conventions'). For more information on the Group's Alternative Performance Measures, see the Group's Annual report for the year ended 31 December 2021, published on the Group's website. Reconciliations of APMs to the equivalent statutory measure are included in the Group's half-year and Annual financial reports.

Financial and Operating Review

Condensed consolidated statement of profit or loss

For the 6 months ended 30 June

	6 months ended 30 June (unaudited)	
	2022 **US$m**	**2021** **US$m**
Revenue	**265.4**	212.4
Cost of sales	**(173.6)**	(138.4)
Gross profit	**91.8**	74.0
Administrative expenses	**(52.6)**	(43.9)
Profit /(loss) on disposal of property, plant and equipment	**0.6**	(3.2)
Operating profit	**39.8**	26.9
Interest receivable	**0.4**	0.2
Other gains and (losses)	**(57.7)**	(6.2)
Finance costs	**(104.7)**	(64.5)
Loss before tax	**(122.2)**	(43.6)
Tax expense	**(2.9)**	(7.5)
Loss after tax	**(125.1)**	(51.1)

Segmental Key Performance Indicators

For the 6 months ended 30 June

	Group		Tanzania		DRC		Congo Brazzaville		Ghana		South Africa	
	2022 US$m	2021 US$m	**2022 US$m**	2021 US$m	**2022 US$m**	2021 US$m	**2022 US$m**	2021 US$m	**2022 US$m**	2021 US$m	**2022 US$m**	2021 US$m
Revenue for the period	**$265.4**	$212.4	**$95.8**	$84.1	**$97.9**	$85.5	**$14.2**	$13.9	**$20.3**	$21.4	**$4.2**	$2.8
Adjusted gross margin[1]	**64%**	67%	**69%**	69%	**60%**	65%	**65%**	64%	**68%**	69%	**72%**	73%
Sites at beginning of the period	**9,560**	7,356	**4,005**	3,821	**2,062**	1,895	**459**	426	**1,040**	978	**272**	236
Sites at period end	**10,694**	8,603	**4,133**	3,817	**2,153**	1,915	**479**	431	**1,093**	986	**347**	247
Tenancies at beginning of the period	**18,776**	15,656	**9,012**	8,625	**4,701**	4,096	**661**	617	**2,041**	1,914	**464**	404
Tenancies at period end	**20,549**	17,090	**9,212**	8,649	**4,841**	4,185	**669**	629	**2,173**	1,952	**576**	411
Tenancy ratio at period end	**1.92x**	1.99x	**2.23x**	2.27x	**2.25x**	2.19x	**1.40x**	1.46x	**1.99x**	1.98x	**1.66x**	1.66x
Adjusted EBITDA for the period[2]	**$136.1**	$114.2	**$63.2**	$55.6	**$52.4**	$49.7	**$6.7**	$6.5	**$12.0**	$12.7	**$1.8**	$1.2
Adjusted EBITDA Margin[2] for the period	**51%**	54%	**66%**	66%	**54%**	58%	**47%**	47%	**59%**	59%	**43%**	43%

	Senegal		Madagascar		Malawi[3]	
	2022 US$m	2021 US$m	**2022 US$m**	**2021 US$m**	**2022 US$m**	2021 US$m
Revenue for the period	**$18.6**	$4.7	**$7.5**	-	**$6.9**	**-**
Adjusted gross margin[1]	**69%**	60%	**55%**	-	**45%**	**-**
Sites at beginning of the period	**1,232**	-	**490**	-	**-**	**-**
Sites at period end	**1,278**	1,207	**488**	-	**723**	**-**
Tenancies at beginning of the period	**1,303**	-	**594**	-	**-**	**-**
Tenancies at period end	**1,348**	1,264	**586**	-	**1,144**	**-**
Tenancy ratio at period end	**1.05x**	1.05x	**1.20x**	-	**1.58x**	**-**
Adjusted EBITDA for the period[2]	**$10.8**	$2.3	**$2.9**	-	**$2.4**	**-**
Adjusted EBITDA Margin[2] for the period	**58%**	49%	**39%**	-	**35%**	**-**

1 Adjusted gross margin means gross profit, adding back site depreciation, divided by revenue.

2 Group Adjusted EBITDA for the period is stated including corporate costs of US$16.1m (2021: US$13.8m).

3 Results for the period since acquisition on 24th March 2022.

Total tenancies as at 30 June

	Group		Tanzania		DRC		Congo Brazzaville		Ghana		South Africa	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Standard colocation tenants	**8,743**	7,574	**4,454**	4,287	**2,563**	2,170	**167**	175	**753**	726	**221**	159
Amendment colocation tenants	**1,112**	913	**625**	545	**125**	100	**23**	23	**327**	240	**8**	5
Total colocation tenants	**9,855**	8,487	**5,079**	4,832	**2,688**	2,270	**190**	198	**1,080**	966	**229**	164
Total sites	**10,694**	8,603	**4,133**	3,817	**2,153**	1,915	**479**	431	**1,093**	986	**347**	247
Total tenancies	**20,549**	17,090	**9,212**	8,649	**4,841**	4,185	**669**	629	**2,173**	1,952	**576**	411

	Senegal		Madagascar		Malawi	
	2022	2021	2022	2021	2022	2021
Standard colocation tenants	**70**	57	**94**	-	**421**	-
Amendment colocation tenants	**-**	-	**4**	-	**-**	-
Total colocation tenants	**70**	57	**98**	-	**421**	-
Total sites	**1,278**	1,207	**488**	-	**723**	-
Total tenancies	**1,348**	1,264	**586**	-	**1,144**	-

Revenue

Revenue increased by 25% to US$265.4m in the period ended 30 June 2022 (H1 2021: US$212.4m). The increase was largely driven by the growth in total tenancies from 17,090 as of 30 June 2021 to 20,549 as of 30 June 2022, including the addition of 1,692 tenancies relating to the acquisitions in Madagascar and Malawi, which closed in November 2021 and March 2022, respectively. The acquisition in Senegal, which closed in May 2021, alongside the acquisitions in Madagascar and Malawi contributed a US$28.3m year-on-year increase in revenues alongside US$24.7m from organic growth across other markets.

For the period ended 30 June 2022, 98% of revenues were from multinational MNOs and 63% were denominated in hard currency, being either USD or XAF/XOF (both of which are pegged to the Euro) or USD.

Contracted revenue

The following table provides our total undiscounted contracted revenue by country as of 30 June 2022 for each of the periods from 2022 to 2026, with local currency amounts converted at the applicable average rate for US Dollars for the period ended 30 June 2022 held constant. Our contracted revenue calculation for each year presented assumes: (i) no escalation in fee rates, (ii) no increases in sites or tenancies other than our committed tenancies, (iii) our customers do not utilise any cancellation allowances set forth in their MLAs, (iv) our customers do not terminate MLAs early for any reason and (v) no automatic renewal.

	6 months to 31 December 2022 US$m	Year ended 31 December 2023 US$m	2024 US$m	2025 US$m	2026 US$m
Tanzania	98.0	193.8	193.8	193.8	130.5
DRC	99.0	198.9	198.5	171.7	145.8
Congo Brazzaville	14.0	28.0	28.0	18.8	12.1
Ghana	19.1	33.5	31.6	32.0	31.8
South Africa	3.9	7.6	8.1	8.0	7.8
Senegal	19.0	39.1	40.8	42.5	47.0
Madagascar	7.7	12.2	12.8	15.7	15.7
Malawi	11.5	23.0	23.0	25.0	25.0
	272.2	**536.1**	**536.6**	**507.5**	**415.7**

The following table provides our total undiscounted contracted revenue by key customers as of 30 June 2022 over the life of the contracts with local currency amounts converted at the applicable average rate for US Dollars for the period ended 30 June 2022 held constant. Our calculation uses the same assumptions as above. The average remaining life of customer contracts is 7.2 years.

(US$m)	Total Committed Revenues	Percentage of Total Committed Revenues
Large multinational MNOs	4,117.8	98.8%
Other	49.9	1.2%
	4,167.7	**100.0**

Cost of sales and adjusted gross margin

(US$m)	6 months ended 30 June 2022	% of Revenue 2022	2021	% of Revenue 2021
Power	**56.1**	**21.1%**	39.3	18.5%
Non-power	**38.2**	**14.4%**	31.1	14.6%
Cost of sales excluding site depreciation	**94.3**	**35.5%**	70.4	33.1%
Site depreciation	**79.3**	**29.9%**	68.0	32.1%
Total cost of sales	**173.6**	**65.4%**	138.4	65.2%

Year-on-year cost of sales increased by US$35.2m from US$138.4m in the period ended 30 June 2021 to US$173.6m in the period ended 30 June 2022. This increase is due to the full year impact of Senegal (US$10.5m), the acquisitions in Madagascar and Malawi (US$8.4m), increases in tenancies and inflationary power price increases primarily in our markets in DRC and Ghana. The Group has both annual CPI and quarterly or annual power price escalators embedded into its customers contracts, which provides effective protection from inflation and power price movements on the Group's cost of sales.

The table below shows an analysis of the cost of sales on a country-by-country basis for the 6-month period ended 30 June 2022 and 2021.

	Tanzania		DRC		Congo Brazzaville		Ghana		South Africa	
(US$m)	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Power	**15.3**	12.8	**25.4**	18.7	**1.5**	1.8	**4.6**	4.2	**1.0**	0.6
Non-power	**14.4**	13.4	**13.8**	11.1	**3.4**	3.2	**1.8**	2.6	**0.2**	0.2
Site depreciation	**29.5**	26.0	**28.4**	27.6	**4.3**	5.5	**3.6**	4.3	**2.3**	1.3
Total cost of sales	**59.2**	52.2	**67.6**	57.4	**9.2**	10.5	**10.0**	11.1	**3.5**	2.1

	Senegal		Madagascar		Malawi	
(US$m)	**2022**	2021	**2022**	2021	**2022**	2021
Power	**3.3**	1.2	**2.3**	-	**2.7**	-
Non-power	**2.5**	0.6	**1.0**	-	**1.1**	-
Site depreciation	**9.9**	3.3	**1.1**	-	**0.2**	-
Total cost of sales	**15.7**	5.1	**4.4**	-	**4.0**	-

Adjusted gross margin for the period reduced by 2.4% due to an increase in power costs and the inclusion of lower margin acquisitions, Madagascar and Malawi.

(US$m)	6 months ended 30 June 2022	% of Revenue 2022	2021	% of Revenue 2021
Revenue	**265.4**	**100.0%**	212.4	100.0%
Cost of sales excluding site depreciation	**(94.3)**	**35.5%**	(70.4)	33.1%
Adjusted gross margin	**171.1**	**64.5%**	142.0	66.9%
Site depreciation	**(79.3)**	**29.9%**	(68.0)	32.1%
Adjusted gross profit	**91.8**	**34.6%**	74.0	34.8%

Administrative expenses

Administrative expenses increased by US$8.7m year-on-year, to US$52.6m from US$43.9m in the prior year. The increase in cost base largely reflects the impact of new acquisitions and increased corporate SG&A investments previously communicated to support the Group's ongoing expansion to ten markets. Year-on-year the administrative cost levels as a percentage of revenue have reduced to 19.8% (H1 2022: 20.7%).

	6 months ended 30 June			
		% of Revenue		% of Revenue
(US$m)	**2022**	**2022**	2021	2021
Sales, general and administrative costs (SG&A)	**35.0**	**13.2%**	27.8	13.1%
Depreciation and amortisation	**9.5**	**3.6%**	6.6	3.1%
Adjusting items	**8.1**	**3.0%**	9.5	4.5%
	52.6	**19.8%**	43.9	20.7%

Operating profit

Operating profit increased 48% year-on-year to US$39.8m (H1 2021: US$26.9m) driven by strong revenue growth, partially offset by a modest increase in administrative expenses due to the Group expansion to ten markets.

Other gains and losses

The fair value loss of US$57.7m in H1 2022 was driven by a fair value movement in the embedded derivative within the terms of the Group's Senior Notes, due to quoted bond prices moving from above par at 31 December 2021 to below par at 30 June 2022. Further details are explained in note 9 to the condensed consolidated financial statements.

	6 months ended	
	30 June 2022 **US$m**	30 June 2021 US$m
Fair value loss on derivative financial instruments	**(57.7)**	(6.2)
	(57.7)	(6.2)

Finance costs

Finance costs have increased 62% year-on-year to US$104.7m for the period ended 30 June 2022. The increase is primarily driven by the non-cash foreign exchange impact of revaluing intercompany borrowings, denominated in US$ and Euros, in markets where the operating companies have seen a devaluation in their local currencies period on period.

	6 months ended 30 June	
	2022 **US$m**	2021 US$m
Foreign exchange differences	**36.7**	4.4
Interest cost	**56.4**	51.2
Interest cost on lease liabilities	**11.6**	8.9
	104.7	64.5

Tax expense

Tax expense was US$2.9m in the period ended 30 June 2022 as compared to US$7.5m in the period ended 30 June 2021. The overall reduction in tax expense during the 6 months ended 30 June 2022 compared to the 6 months ended 30 June 2021 is primarily driven by prior year adjustments relating to actual results being lower than initial estimates of corporate income tax in Ghana and Senegal, and the recognition of deferred tax assets on timing differences between accounting and tax values of assets, which are offset against recognised deferred tax liabilities. Entities in Congo Brazzaville and Senegal are loss making, however minimum income tax is levied as stipulated by law in these jurisdictions. Malawi is loss making for tax purposes and no minimum income tax applies. DRC, Ghana, Tanzania and one entity in South Africa are profit making and subject to income tax on taxable profits.

Loss after tax

The loss after tax for the half year was US$125.1m compared to US$51.1m in the comparative half year. The increase is due to the non-cash impact of the adverse movement in the fair value of the embedded derivatives within the Group's Senior Notes and foreign exchange losses on retranslating intercompany borrowings, in total amounting to US$94.4m which was partially offset by growth in operating profit.

Management cash flow

(US$m)	6 months ended 30 June 2022	2021
Adjusted EBITDA	**136.1**	114.2
Less:		
Maintenance and corporate capital additions	**(9.3)**	(14.3)
Payments of lease liabilities[1]	**(20.0)**	(15.2)
Tax paid	**(6.4)**	(10.9)
Portfolio free cash flow	**100.4**	73.8
Cash conversion %[2]	**74%**	65%
Net payment of interest[3]	**(45.7)**	(44.7)
Levered portfolio free cash flow	**54.7**	29.1
Discretionary capital additions[4]	**(122.4)**	(222.9)
Adjusted free cash flow	**(67.7)**	(193.8)
Net change in working capital[5]	**(52.8)**	(13.1)
Cash paid for adjusting and EBITDA adjusting items[6]	**(5.5)**	(29.3)
Proceeds on disposal of assets	**0.2**	0.3
Free cash flow	**(125.8)**	(235.9)
Net cash flow from financing activities[7]	**(11.3)**	447.6
Net cash (outflow)/ inflow	**(137.1)**	211.7
Opening cash balance	**528.9**	428.7
Foreign exchange movement	**(3.1)**	(0.2)
Closing cash balance	**388.7**	640.2

1 Payment of lease liabilities includes interest and principal repayments of lease liabilities.
2 Cash conversion % is calculated as portfolio free cash flow divided by Adjusted EBITDA.
3 Net payment of interest corresponds to the net of 'Interest paid' (including withholding tax) and 'Interest received' in the Consolidated Statement of cash flow, excluding interest payments on lease liabilities.
4 Discretionary capital additions includes acquisition, growth and upgrade capital additions and excludes IFRS 3 accounting adjustments.
5 Net change in working capital corresponds to movements in working capital, excluding cash paid for adjusting and EBITDA adjusting items and including movements in capital expenditure related working capital.
6 Cash paid for exceptional and one-off items includes project costs, deal costs, deposits in relation to acquisitions, and non-recurring taxes.
7 Net cash flow from financing activities includes gross proceeds from issue of equity share capital, share issue costs, borrowing drawdowns, loan issue costs and repayment of loans in the condensed consolidated statement of cash flows.

Cash flows from operations

Cash generated from operations has increased by US$45.3m to US$91.0m (H1 2021: US$45.7m), driven by higher Adjusted EBITDA and movements in working capital. The Group has presented a Condensed consolidated statement of cash flows for the six months ended 30 June 2022 later in the release.

Capital expenditure

The following table shows capital expenditure additions by category during the 6 months ended 30 June:

	2022		2021	
	US$m	**% of Total Capex**	US$m	% of Total Capex
Acquisition	**42.7**	**32.4%**	177.3	74.7%
Growth	**68.1**	**51.8%**	39.1	16.5%
Upgrade	**11.6**	**8.8%**	6.5	2.8%
Maintenance	**8.6**	**6.5%**	13.5	5.7%
Corporate	**0.7**	**0.5%**	0.8	0.3%
	131.7	**100.0%**	237.2	100.0%

Acquisition capex in the six months ended 30 June 2022 relates primarily to Malawi and South Africa excluding the fair value of assets and liabilities acquired and goodwill recognised under IFRS 3.

Trade and other receivables

Trade and other receivables increased by US$61.5m to US$248.1m at 30 June 2022 (H1 2021: US$186.6m). The increase was primarily driven by new acquisitions and organic growth in the business. Trade receivables increased by US$27.2m, due to timing of cash receipts from customers at 30 June 2022. Other receivables increased by US$35.1m, driven by an increase in contract assets of US$12.0m and accrued revenue of US$14.9m.

Trade and other payables

Trade and other payables have increased by US$41.3m. This was primarily driven by an increase in trade payables of US$22.3m, due to capex spend in Q2, deferred income of US$11.9m and other payables and accruals of US$12.0m.

Loans and borrowings

As of 30 June 2022 and 31 December 2021 the Group's outstanding loans net of issue costs and excluding lease liabilities, were US$1,289.8m and US$1,295.5m with net leverage at 3.9x and 3.6x respectively. The Group did not raise or refinance any debt during the first six months of 2022.

Alternative Performance Measures

The Group has presented a number of Alternative Performance Measures ("APMs"), which are used in addition to IFRS statutory performance measures. The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the business. These APMs are consistent with how the business performance is planned and reported within the internal management reporting to the Board. Some of these measures are also used for the purposes of setting remuneration targets.

Adjusted EBITDA and Adjusted EBITDA margin

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

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

Adjusted EBITDA is reconciled to loss before tax as follows:

	6 months ended 30 June	
	2022	2021
	US$m	US$m
Adjusted EBITDA	**136.1**	114.2
Adjustments applied in arriving at Adjusted EBITDA:		
Adjusting items:		
Deal costs[1]	**(6.9)**	(8.8)
Share-based payments and long-term incentive plans[2]	**(1.2)**	(0.7)
Gain/(loss) on disposals of assets	**0.6**	(3.2)
Other gains and (losses)	**(57.7)**	(6.2)
Depreciation of property, plant and equipment	**(75.8)**	(66.3)
Depreciation of right-of-use assets	**(9.3)**	(7.1)
Amortisation of intangibles	**(3.7)**	(1.2)
Interest receivable	**0.4**	0.2
Finance costs	**(104.7)**	(64.5)
Loss before tax	**(122.2)**	(43.6)

1 Deal costs comprise costs related to potential acquisitions and the exploration of investment opportunities, which cannot be capitalised. These comprise employee costs, professional fees, travel costs and set up costs incurred prior to operating activities commencing.

2 Share-based payments and long-term incentive plan charges and associated costs.

	6 months ended 30 June	
	2022	2021
	US$m	US$m
Adjusted EBITDA	**136.1**	114.2
Revenue	**265.4**	212.4
Adjusted EBITDA margin	**51%**	54%

Adjusted gross profit and adjusted gross margin

Definition - Adjusted gross profit is defined as gross profit, adding back site depreciation. Adjusted gross margin is defined as adjusted gross profit divided by revenue.

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

	6 months ended 30 June	
	2022 US$m	2021 US$m
Gross profit	**91.8**	74.0
Add back: site depreciation	**79.3**	68.0
Adjusted gross profit	**171.1**	142.0
Revenue	**265.4**	212.4
Adjusted gross margin	**64%**	67%

Portfolio free cash flow

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

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

	6 months ended 30 June	
	2022 US$m	2021 US$m
Adjusted EBITDA	**136.1**	114.2
Less: Maintenance and corporate capital additions	**(9.3)**	(14.3)
Less: Payments of lease liabilities[1]	**(20.0)**	(15.2)
Less: Tax paid	**(6.4)**	(10.9)
Portfolio free cash flow	**100.4**	73.8
Cash conversion %[2]	**74%**	65%

1 Payment of lease liabilities includes interest and principal repayments of lease liabilities.

2 Cash conversion % is calculated as portfolio free cash flow divided by Adjusted EBITDA.

Gross debt, net debt, net leverage and cash & cash equivalents

Definition – Gross debt is calculated as non-current loans, current loans, and long-term and short-term lease liabilities. Net debt is calculated as gross debt less cash and cash equivalents. Net leverage is calculated as net debt divided by annualised Adjusted EBITDA.

Purpose –Net debt is a measure of the Group's net indebtedness that provides an indicator of overall balance sheet strength. It is also a single measure that can be used to assess both the Group's cash position and its indebtedness. The use of the term 'net debt' does not necessarily mean that the cash included in the net debt calculation is available to settle the liabilities included in this measure. Net leverage is used to show how many years it would take for a company to pay back its debt if net debt and Adjusted EBITDA are held constant. The Group aims to maintain net leverage broadly in the range of 3.5x-4.5x.

	30 June 2022 US$m	31 December 2021 US$m
External debt[1]	**1,289.8**	1,295.5
Lease liabilities	**181.3**	181.9
Gross debt	**1,471.1**	1,477.4
Cash and cash equivalents	**388.7**	528.9
Net debt	**1,082.4**	948.5
Annualised Adjusted EBITDA[2]	**277.6**	264.0
Net leverage[3]	**3.9x**	3.6x

1 External debt is presented in line with the balance sheet at amortised cost. External debt is the total loans owed to commercial banks and institutional investors.

2 Annualised Adjusted EBITDA calculated as per the Senior Notes definition as the most recent fiscal quarter multiplied by 4, adjusted to reflect the annualised contribution from acquisitions that have closed in the most recent fiscal quarter. This is not a forecast of future results.

3 Net leverage is calculated as net debt divided by annualised Adjusted EBITDA.

Return on invested capital

Definition - Return on invested capital ('ROIC') is defined as defined as annualised portfolio free cash flow divided by invested capital. Invested capital is defined as gross property, plant and equipment and gross intangible assets, less accumulated maintenance and corporate capital expenditure, adjusted for IFRS 3 accounting adjustments and deferred consideration for future sites.

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

	30 June 2022 US$m	31 December 2021 US$m
Property, plant and equipment	**750.1**	718.7
Accumulated depreciation	**892.0**	833.3
Accumulated maintenance and corporate capital expenditure	**(212.0)**	(202.7)
Intangible assets	**233.3**	227.3
Accumulated amortisation	**28.0**	24.5
Accounting adjustments and deferred consideration for future sites	**(110.7)**	(93.2)
Total invested capital	**1,580.7**	1,507.9
Annualised portfolio free cash flow (1)	**201.6**	177.3
Return on invested capital	**12.8%**	11.8%

(1) Annualised portfolio free cash flow is defined as portfolio free cash flow for the previous twelve months from the period end date, adjusted to annualise for the impact of acquisitions closed over the respective period.

Risk management

The risk management and governance process has not changed since the 2021 Annual report was published and is set out on pages 60 to 65 of the 2021 Annual report (available on the Group's website at www.heliostowers.com) and summarised as follows.

The creation and maintenance of the Group risk register involves the whole business with operating company and functional head input being consolidated by Group Compliance into a register for discussion and agreement at Executive level prior to submission to the Audit Committee and the Board. The risk register is updated twice a year after these discussions and a review of the external environment for any emerging risks.

All risks are classified into six broad risk types: Strategic, Reputational, Compliance (including legal), Finance, Operational and People. All risks are assessed according to the probability and consequence of being realised and a determination made to accept, avoid, or control and mitigate, in which case mitigating controls are clearly defined. A risk owner for all risks is identified.

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

Emerging risks related to sustainability, climate change, evolving legal requirements concerning modern slavery and human rights abuses have been identified as part of the risk management process and continue to be monitored.

Principal risks and uncertainties

There has been no change in the nature, probability or potential impact of previously identified risks as set out on pages 61 to 65 of the 2021 Annual report (available on the Group's website at www.heliostowers.com). The risks are summarised as follows:

- Major quality failure or breach of contract
- Non-compliance with various laws and regulations
- Economic and political instability
- Significant exchange rate movements
- Non-compliance with licence requirements
- Loss of key personnel
- Technology risk
- Failure to remain competitive
- Failure to integrate new lines of business in new markets
- Tax disputes
- Operational resilience
- COVID-19
- Information technology failure and cyber attack risk
- Climate change

Control environment

The effectiveness of the Group's system of internal control is regularly reviewed by the Board with specific consideration given to material financial, operational and sustainable risks and controls, with appropriate steps taken to address any issues identified.

Going concern

The Directors also considered it appropriate to prepare the condensed consolidated financial statements on a going concern basis, as explained in Note 1.

Independent review report to Helios Towers plc

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2022 which comprises the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and related notes 1 to 23.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2022 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the group will be prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE (UK), however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the group a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
London, United Kingdom
18 August 2022

Condensed consolidated statement of profit or loss and other comprehensive income (unaudited)

For the 6 months ended 30 June 2022

	Note	6 months ended 30 June 2022 US$m	6 months ended 30 June 2021 US$m
Revenue		**265.4**	212.4
Cost of sales		**(173.6)**	(138.4)
Gross profit		**91.8**	74.0
Administrative expenses		**(52.6)**	(43.9)
Profit / (loss) on disposal of property, plant and equipment		**0.6**	(3.2)
Operating profit		**39.8**	26.9
Interest receivable		**0.4**	0.2
Other gains and (losses)	16	**(57.7)**	(6.2)
Finance costs	5	**(104.7)**	(64.5)
Loss before tax	4	**(122.2)**	(43.6)
Tax expense	6	**(2.9)**	(7.5)
Loss for the period		**(125.1)**	(51.1)
Other comprehensive income/(expense):			
Items that may be reclassified subsequently to profit and loss:			
Exchange differences on translation of foreign operations		**(1.0)**	3.6
		(126.1)	(47.5)
Loss attributable to:			
Owners of the Company		**(124.2)**	(51.1)
Non-controlling interests		**(0.9)**	-
Loss for the period		**(125.1)**	(51.1)
Total comprehensive loss attributable to:			
Owners of the Company		**(125.2)**	(47.5)
Non-controlling interests		**(0.9)**	-
Total comprehensive loss for the period		**(126.1)**	(47.5)

	Note	2022	2021
Earnings per share			
Basic and diluted loss per share (cents)	21	**(11.9)**	(5.1)

Condensed consolidated statement of financial position (unaudited)

As at 30 June 2022

	Notes	30 June 2022 US$m	31 December 2021 US$m
Non-current assets			
Intangible assets	7	**233.3**	227.3
Property, plant and equipment	8a	**750.1**	718.7
Right-of-use assets	8b	**164.8**	161.1
Derivative financial assets	9	**0.2**	57.7
		1,148.4	1,164.8
Current assets			
Inventories		**13.5**	10.5
Trade and other receivables	10	**248.1**	186.6
Prepayments		**55.5**	43.3
Cash and cash equivalents	11	**388.7**	528.9
		705.8	769.3
Total assets		**1,854.2**	1,934.1
Equity			
Share capital	12	**13.5**	13.5
Share premium		**105.6**	105.6
Other reserves		**(87.0)**	(87.0)
Convertible bond reserves		**52.7**	52.7
Share based payment reserve		**20.4**	19.6
Treasury shares		**(1.0)**	(1.1)
Translation reserve		**(89.6)**	(88.6)
Retained earnings		**35.5**	153.3
Equity attributable to owners		**50.1**	168.0
Non-controlling interest		**(2.3)**	-
Total equity		**47.8**	168.0
Current liabilities			
Trade and other payables	14	**290.3**	249.0
Short-term lease liabilities	15	**25.5**	33.0
Loans	13	**7.7**	2.8
		323.5	284.8
Non-current liabilities			
Loans	13	**1,282.1**	1,292.7
Long-term lease liabilities	15	**155.8**	148.9
Minority interest liability buyout		**6.8**	-
Deferred tax liabilities		**38.2**	39.7
		1,482.9	1,481.3
Total liabilities		**1,806.4**	1,766.1
Total equity and liabilities		**1,854.2**	1,934.1

Condensed consolidated statement of changes in equity (unaudited)

For the 6 months ended 30 June 2022

	Share capital US$m	Share premium US$m	Other reserves US$m	Treasury shares US$m	Share based payments reserve US$m	Convertible bond reserves US$m	Translation reserves US$m	Accumulated (losses)/profits US$m	Available to the owners of the Company US$m	Non-controlling interest US$m	Total equity US$m
Balance at 1 January 2021	**12.8**	**-**	**(87.0)**	**(2.3)**	**18.4**	**-**	**(91.9)**	**280.3**	**130.3**	**-**	**130.3**
Loss for the period	-	-	-	-	-	-	-	(51.1)	(51.1)	-	(51.1)
Other comprehensive expense	-	-	-	-	-	-	3.6	-	3.6	-	3.6
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	3.6	(51.1)	(47.5)	-	(47.5)
Transactions with owners;											
Issue of share capital	0.7	105.6	-	-	-	-	-	-	106.3	-	106.3
Convertible bond reserves	-	-	-	-	-	52.7	-	-	52.7	-	52.7
Share based payments	-	-	-	-	0.7	-	-	-	0.7	-	0.7
Exercise of share options	-	-	-	0.6	(0.6)	-	-	-	-	-	-
Balance at 30 June 2021	**13.5**	**105.6**	**(87.0)**	**(1.7)**	**18.5**	**52.7**	**(88.3)**	**229.2**	**242.5**	**-**	**242.5**
Balance at 1 January 2021	**12.8**	**-**	**(87.0)**	**(2.3)**	**18.4**	**-**	**(91.9)**	**280.3**	**130.3**	**-**	**130.3**
Loss for the period	-	-	-	-	-	-	-	(156.2)	(156.2)	-	(156.2)
Other comprehensive expense	-	-	-	-	-	-	3.3	-	3.3	-	3.3
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	3.3	(156.2)	(152.9)	-	(152.9)
Transactions with owners;											
Issue of share capital	0.7	105.6	-	-	-	-	-	-	106.3	-	106.3
Convertible bond reserves	-	-	-	-	-	52.7	-	-	52.7	-	52.7
Share based payments	-	-	-	-	2.4	-	-	-	2.4	-	2.4
Transfer of treasury shares	-	-	-	1.2	(1.2)	-	-	-	-	-	-
Exercise of share options	-	-	-	-	-	-	-	29.2	29.2	-	29.2
Balance at 31 December 2021	**13.5**	**105.6**	**(87.0)**	**(1.1)**	**19.6**	**52.7**	**(88.6)**	**153.3**	**168.0**	**-**	**168.0**
Balance at 1 January 2022	**13.5**	**105.6**	**(87.0)**	**(1.1)**	**19.6**	**52.7**	**(88.6)**	**153.3**	**168.0**	**-**	**168.0**
Loss for the period	-	-	-	-	-	-	-	**(124.2)**	**(124.2)**	**(0.9)**	**(125.1)**
Other comprehensive expense	-	-	-	-	-	-	**(1.0)**	-	**(1.0)**	-	**(1.0)**
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	**(1.0)**	**(124.2)**	**(125.2)**	**(0.9)**	**(126.1)**
Transactions with owners;											
Share based payments	-	-	-	**0.1**	**0.8**	-	-	-	**0.9**	-	**0.9**
Shares issued to minority interest	-	-	-	-	-	-	-	**6.4**	**6.4**	**5.4**	**11.8**
Buyout obligation to non-controlling interest	-	-	-	-	-	-	-	-	-	**(6.8)**	**(6.8)**
Balance at 30 June 2022	**13.5**	**105.6**	**(87.0)**	**(1.0)**	**20.4**	**52.7**	**(89.6)**	**35.5**	**50.1**	**(2.3)**	**47.8**

Condensed consolidated statement of cash flows (unaudited)

For the 6 months ended 30 June 2022

	Note	6 months ended 30 June 2022 US$m	2021 US$m
Cash flows generated from operating activities			
Loss for the period before taxation	4	**(122.2)**	(43.6)
Adjustments for:			
Other gains and losses	16	**57.7**	6.2
Finance costs	5	**104.7**	64.5
Interest receivable		**(0.4)**	(0.2)
Share-based payments and long-term incentive plans		**1.2**	0.7
Depreciation and amortisation		**88.8**	74.6
(Gain)/loss on disposal of property, plant and equipment		**(0.6)**	3.2
Movement in working capital:			
(Increase)/decrease in inventories		**(3.0)**	(0.6)
(Increase)/decrease in trade and other receivables		**(76.4)**	(39.5)
Increase in prepayments		**(4.4)**	(7.7)
Increase/(decrease) in trade and other payables		**45.6**	(11.9)
Cash generated from operations		**91.0**	45.7
Interest paid		**(55.8)**	(46.2)
Tax paid	6	**(6.4)**	(10.9)
Net cash generated / (used) in operating activities		**28.8**	(11.4)
Cash flows from investing activities			
Payments to acquire property, plant and equipment		**(108.2)**	(49.2)
Payments to acquire intangible assets		**-**	(1.9)
Proceeds on disposal on assets		**0.2**	0.3
Business acquisition	20	**(44.2)**	(167.4)
Interest received		**0.4**	0.2
Net cash used in investing activities		**(151.8)**	(218.0)
Cash flows from financing activities			
Gross proceeds from issue of equity share capital		**-**	109.3
Share issue costs		**-**	(1.0)
Borrowing drawdowns		**3.6**	351.8
Transactions with Non-Controlling interests		**11.8**	-
Loan issue costs		**(2.7)**	(12.5)
Repayment of loan		**(12.2)**	-
Repayment of lease liabilities		**(14.7)**	(6.5)
Net cash generated from financing activities		**(14.2)**	441.1
Foreign exchange on translation movement		**(3.0)**	(0.2)
Net increase/(decrease) in cash and cash equivalents		**(137.2)**	211.7
Cash and cash equivalents at the beginning of period		**528.9**	428.7
Cash and cash equivalents at end of period		**388.7**	640.2

Notes to the condensed consolidated financial statements (unaudited)

For the 6 months ended 30 June 2022

1. General Information

Helios Towers plc is an independent tower company, with operations across eight countries. Helios Towers plc is a public limited company incorporated and domiciled in the UK.

Going concern

The Directors believe that the Group is well placed to manage its business risks successfully, despite the current uncertain economic outlook in the wider economy. The Group's forecasts and projections, taking account of possible changes in trading performance, show that the Group should remain adequately liquid and should operate within the covenant levels of its current debt facilities. The Directors consider it appropriate to adopt the going concern basis of preparation for the condensed consolidated financial statements.

As part of their regular assessment of the Group's working capital and financing position, the Directors have prepared a detailed trading and cash flow forecast for a period which covers at least 12 months after the date of approval of the interim financial statements. 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 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 as issued by the Financial Reporting Council. 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 arising from various scenarios.

The Directors continue to consider it appropriate to adopt the going concern basis of accounting in preparing the interim financial information. Forecast liquidity has been assessed under a number of stressed scenarios and a reverse stress test was performed to support this assertion.

2. Accounting Policies

Basis of preparation

The interim financial statements of Helios Towers plc and its subsidiaries are prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as adopted by the United Kingdom, taking into account IFRS Interpretations Committee (IFRS IC) interpretations.

Accounting policies are consistent with those adopted in the last statutory financial statements of Helios Towers plc and the audit opinion was unmodified. The information as of 31 December 2021 has been extracted from the audited financial statements of Helios Towers plc for the year ended 31 December 2021. These condensed financial statements do not constitute statutory financial statements under the Companies Act 2006. The interim financial information for the six months ended 30 June 2022 has been reviewed by the auditor, but not audited. The information for the year ended 31 December 2021 shown in this report does not constitute statutory accounts for that year as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor has reported on those accounts. Their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The interim financial information for the six months ended 30 June 2022, which has been approved by the Board of Directors, has been prepared on the basis of the accounting policies set out in the Group's 2021 Annual Report on pages 143 to 151. The Group's 2021 Annual Report can be found on the Group's website www.heliostowers.com. These Condensed Interim Financial Statements should be read in conjunction with the 2021 information. The Condensed Interim Financial Statements have been prepared in accordance with UK-endorsed International Financial Reporting Standards ("IFRS"). These Condensed Interim Financial Statements do not comprise statutory accounts within the meaning of section 435 of the Companies Act 2006 and should be read in conjunction with the Annual Report 2021. These Condensed Interim Financial Statements have been prepared in accordance with IAS 34: "Interim Financial Reporting" contained in UK-adopted IFRS. There is no significant seasonality impact in the business.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

3. Segmental reporting

The following segmental information is presented in a consistent format with management information considered by the CEO of each operating segment, and the CEO and CFO of the Group, who are considered to be the chief operating decision makers ('CODMs'). Operating segments are determined based on geographical location. All operating segments have the same business of operating and maintaining telecoms towers and renting space on such towers. Accounting policies are applied consistently for all operating segments. The segment operating result used by CODMs is Adjusted EBITDA, which is defined in Note 4.

6 months ended 30 June 2022	Tanzania US$m	DRC US$m	Congo Brazzaville US$m	Ghana US$m	South Africa US$m	Senegal US$m	Madagascar US$m	Malawi US$m	Total operating companies US$m
Revenue	**95.8**	**97.9**	**14.2**	**20.3**	**4.2**	**18.6**	**7.5**	**6.9**	**265.4**
Adjusted gross margin[1]	**69%**	**60%**	**65%**	**68%**	**72%**	**69%**	**55%**	**45%**	**64%**
Adjusted EBITDA[2]	**63.2**	**52.4**	**6.7**	**12.0**	**1.8**	**10.8**	**2.9**	**2.4**	**152.2**
Adjusted EBITDA margin[3]	**66%**	**54%**	**47%**	**59%**	**43%**	**58%**	**39%**	**35%**	**57%**
Financing costs:									
Interest costs (including leases)	**(19.8)**	**(25.6)**	**(3.6)**	**(4.2)**	**(3.0)**	**(8.3)**	**(2.3)**	**(0.1)**	**(66.9)**
Foreign exchange differences	**(1.3)**	**0.3**	**(7.7)**	**(14.2)**	**(0.8)**	**(3.8)**	**(0.2)**	**(4.0)**	**(31.7)**
Total financing costs	**(21.1)**	**(25.3)**	**(11.3)**	**(18.4)**	**(3.8)**	**(12.1)**	**(2.5)**	**(4.1)**	**(98.6)**

6 months ended 30 June 2022	Total operating companies US$m	Corporate US$m	Group Total US$m
Revenue	**265.4**	**-**	**265.4**
Adjusted gross margin[1]	**64%**	**-**	**64%**
Adjusted EBITDA[2]	**152.2**	**(16.1)**	**136.1**
Adjusted EBITDA margin[3]	**57%**	**-**	**51%**
Financing costs:			
Interest costs (including leases)	**(66.9)**	**(1.1)**	**(68.0)**
Foreign exchange differences	**(31.7)**	**(5.0)**	**(36.7)**
Total financing costs	**(98.6)**	**(6.1)**	**(104.7)**

6 months ended 30 June 2021	Tanzania US$m	DRC US$m	Congo Brazzaville US$m	Ghana US$m	South Africa US$m	Senegal US$m	Total operating companies US$m	Corporate US$m	Group Total US$m
Revenue	84.1	85.5	13.9	21.4	2.8	4.7	212.4	-	212.4
Adjusted Gross margin[1]	69%	65%	64%	69%	73%	60%	67%	-	67%
Adjusted EBITDA[2]	55.6	49.7	6.5	12.7	1.2	2.3	128.0	(13.8)	114.2
Adjusted EBITDA margin[3]	66%	58%	47%	59%	43%	49%	60%	-	54%
Financing costs:									
Interest costs (including leases)	(17.6)	(24.7)	(6.0)	(4.3)	(2.6)	(1.4)	(56.6)	(3.5)	(60.1)
Foreign exchange differences	(0.4)	0.2	(2.7)	-	-	(0.1)	(3.0)	(1.4)	(4.4)
Total financing costs	(18.0)	(24.5)	(8.7)	(4.3)	(2.6)	(1.5)	(59.6)	(4.9)	(64.5)

[1] Adjusted gross margin means gross profit, adding back site depreciation, divided by revenue.

[2] Adjusted EBITDA is loss before tax for the period, adjusted for, finance costs, other gains and losses, interest receivable, loss on disposal of property, plant and equipment, amortisation of intangible assets, depreciation and impairment of property, plant and equipment, depreciation of right-of-use assets, recharged depreciation, deal costs for aborted acquisitions, deal costs not capitalised, share-based payments and long-term incentive plan charges, and other adjusting items.

[3] Adjusted EBITDA margin is Adjusted EBITDA divided by revenue.

4. Reconciliation of aggregate segment Adjusted EBITDA to loss before tax

The key segment operating result used by chief operating decision makers (CODMs) is Adjusted EBITDA which is also an Alternative Performance Measure of the Group as a whole, as described above on page 10.

	6 months ended 30 June	
	2022 **US$m**	2021 US$m
Adjusted EBITDA	**136.1**	114.2
Adjustments applied in arriving at Adjusted EBITDA:		
Adjusting items:		
Deal costs[1]	**(6.9)**	(8.8)
Share-based payments and long-term incentive plans[2]	**(1.2)**	(0.7)
Gain/(loss) on disposals of assets	**0.6**	(3.2)
Other gains and (losses)	**(57.7)**	(6.2)
Depreciation of property, plant and equipment	**(75.8)**	(66.3)
Depreciation of right-of-use assets	**(9.3)**	(7.1)
Amortisation of intangibles	**(3.7)**	(1.2)
Interest receivable	**0.4**	0.2
Finance costs	**(104.7)**	(64.5)
Loss before tax	**(122.2)**	(43.6)

1 Deal costs comprise costs related to potential acquisitions and the exploration of investment opportunities, which cannot be capitalised. These comprise employee costs, professional fees, travel costs and set up costs incurred prior to operating activities commencing.

2 Share-based payments and long-term incentive plan charges and associated costs.

5. Finance costs

	6 months ended 30 June	
	2022 **US$m**	2021 US$m
Interest cost	**56.4**	51.2
Interest cost on lease liabilities	**11.6**	8.9
Foreign exchange differences	**36.7**	4.4
	104.7	64.5

The increase in finance costs is primarily driven by the non-cash foreign exchange impact of revaluing intercompany borrowings, denominated in US$ and Euros, where the operating companies have seen devaluations in their local currencies during the first six months of 2022.

6. Tax expense

Entities in Congo Brazzaville and Senegal are loss making, however minimum income tax and asset-based taxes are levied as stipulated by law in these jurisdictions. Malawi is loss making for tax purposes and no minimum income tax applies. DRC, Ghana, Madagascar, Tanzania and one entity in South Africa are profit making and subject to income tax on taxable profits.

The tax expense for the period is calculated by reference to the forecast full year tax rate and applied to profits for the period, adjusted for actual tax on adjusting items. The effective tax rate, calculated by reference to the statutory tax rates which are applicable to the Group's operating subsidiaries is approximately 30% for the profitable jurisdictions. A tax charge is reported in the consolidated financial statements despite a consolidated loss for accounting purposes, as a result of losses recorded in Mauritius and UK which are not able to be group relieved against taxable profits in the operating company jurisdictions.

Based on recent experience of closing tax audit cases, the provisions held by the Group have accurately quantified the final amounts determined. The Directors considered the current provisions held by the Group to be appropriate.

	6 months ended 30 June	
Tax expense	**2022** **US$m**	2021 US$m
Total current tax	**6.0**	8.0
Deferred tax	**(3.1)**	(0.5)
	2.9	7.5

	6 months ended 30 June	
Tax paid	**2022** **US$m**	2021 US$m
Income tax	**6.4**	10.9
	6.4	10.9

7. Intangible assets

	Goodwill US$m	Customer Contracts US$m	Customer Relationships US$m	Colocation rights US$m	Non-compete agreement US$m	Computer software and licences US$m	Total US$m
Cost							
At 1 January 2022	17.8	3.0	199.8	8.8	1.1	21.3	251.8
Additions on acquisition of subsidiary undertakings (note 20)	10.3	-	20.7	-	-	-	31.0
Disposals	-	-	-	-	-	-	-
Foreign exchange	(3.8)	-	(16.7)	-	-	(1.0)	(21.5)
At 30 June 2022	**24.3**	**3.0**	**203.8**	**8.8**	**1.1**	**20.3**	**261.3**
Amortisation							
At 1 January 2022	-	(0.6)	(2.5)	(1.6)	(0.5)	(19.3)	(24.5)
Charge for period	-	(0.1)	(3.1)	(0.3)	(0.1)	(0.1)	(3.7)
Disposals	-	-	-	-	-	-	-
Foreign exchange	-	-	(0.3)	(0.1)	-	0.6	0.2
At 30 June 2022	**-**	**(0.7)**	**(5.9)**	**(2.0)**	**(0.6)**	**(18.8)**	**(28.0)**
Net book value							
At 30 June 2022	**24.3**	**2.3**	**197.9**	**6.8**	**0.5**	**1.5**	**233.3**
At 31 December 2021	17.8	2.4	197.3	7.2	0.6	2.0	227.3

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 Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired. The Group's CGUs are aligned to its operating segments. No impairment indicators were identified during the period.

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.

8a. Property, plant and equipment

	IT equipment US$m	Fixtures and fittings US$m	Motor vehicles US$m	Site assets US$m	Land US$m	Leasehold improvements US$m	Total US$m
Cost							
At 1 January 2022	27.5	1.6	4.7	1,508.1	6.6	3.5	1,552.0
Additions during the period	2.4	-	-	88.3	-	-	90.7
Additions on acquisition of subsidiary undertakings (note 20)	-	-	-	37.6	-	-	37.6
Disposals during the period	-	-	-	(0.6)	-	-	(0.6)
Transfers	-	-	-	-	-	-	-
Foreign exchange	(0.5)	0.1	(0.3)	(36.3)	(0.4)	(0.2)	(37.6)
At 30 June 2022	**29.4**	**1.7**	**4.4**	**1,597.1**	**6.2**	**3.3**	**1,642.1**
Depreciation							
At 1 January 2022	(20.1)	(1.4)	(3.5)	(805.0)	(0.1)	(3.2)	(833.3)
Charge for period	(2.4)	(0.2)	(0.2)	(72.9)	-	(0.1)	(75.8)
Disposals during the period	-	-	-	0.1	-	-	0.1
Foreign exchange	0.5	0.1	0.2	16.0	(0.1)	0.3	17.0
At 30 June 2022	**(22.0)**	**(1.5)**	**(3.5)**	**(861.8)**	**(0.2)**	**(3.0)**	**(892.0)**
Net book value							
At 30 June 2022	**7.4**	**0.2**	**0.9**	**735.3**	**6.0**	**0.3**	**750.1**
At 31 December 2021	7.4	0.2	1.2	703.1	6.5	0.3	718.7

8b. Right-of-use assets

	Buildings US$m	Land US$m	Motor vehicles US$m	Total US$m
Cost				
At 1 January 2022	**12.1**	**224.7**	**0.3**	**237.1**
Additions during the period	1.4	14.1	0.3	15.8
Additions on acquisition of subsidiary undertakings (note 20)	0.2	2.6	-	2.8
Disposals during the period	(0.6)	(5.8)	-	(6.4)
Foreign exchange	(0.4)	(4.7)	-	(5.1)
At 30 June 2022	**12.7**	**230.9**	**0.6**	**244.2**
Depreciation				
At 1 January 2022	**(7.1)**	**(68.8)**	**(0.1)**	**(76.0)**
Charge for period	(1.3)	(7.7)	(0.3)	(9.3)
Disposals during the period	0.5	4.3	-	4.8
Foreign exchange	0.3	0.8	-	1.1
At 30 June 2022	**(7.6)**	**(71.4)**	**(0.4)**	**(79.4)**
Net book value				
At 30 June 2022	**5.1**	**159.5**	**0.2**	**164.8**
At 31 December 2021	**5.0**	**155.9**	**0.2**	**161.1**

9. Derivative financial instruments

The amounts recognised in the statement of financial position are as follows:

	30 June 2022 US$m	31 December 2021 US$m
Balance brought forward	**57.7**	88.8
Derivative financial instrument – US$975m 7.000% Senior Notes 2025	**(57.6)**	(28.0)
Currency forward contracts	**0.1**	(3.1)
Balance carried forward	**0.2**	57.7

The derivatives represent the fair value of the put and call options embedded within the terms of the Senior Notes. The call options give the Group the right to redeem the Senior Notes instruments at a date prior to the maturity date (18 December 2025), in certain circumstances and at a premium over the initial notional amount.

The put option provides the holders with the right (and the Group with an obligation) to settle the Senior Notes before their redemption date in the event of a change in control resulting in a rating downgrade (as defined in the terms of the Senior Notes, which also includes a major asset sale), and at a premium over the initial notional amount. The options are fair valued using an option pricing model that is commonly used by market participants to value such options and makes the maximum use of market inputs, relying as little as possible on the entity's specific inputs and making reference to the fair value of similar instruments in the market. The options are considered a Level 3 financial instrument in the fair value hierarchy of IFRS 13, owing to the presence of unobservable inputs. Where Level 1 (market observable) inputs are not available, the Helios Group engages a third party qualified valuer to perform the valuation. Management works closely with the qualified external valuer to establish the appropriate valuation techniques and inputs to the model. The Senior Notes are quoted and it has an embedded derivative. The fair value of the embedded derivative is the difference between the quoted price of the Senior Notes and the fair value of the host contract (the Senior Notes excluding the embedded derivative). The fair value of the Senior Notes as at the Valuation Date has been sourced from an independent third-party data vendor. The fair value of the host contract is calculated by discounting the Senior Notes' future cash flows (coupons and principal payment) at USD 3-month LIBOR plus Helios Towers' credit spread. For the valuation date of 30 June 2022, a relative 5% increase in credit spread would result in an approximate US$nil decrease in the valuation of the embedded derivatives.

As at the reporting date, the call option had a fair value of US$0.1m (31 December 2021: US$57.7m on the US$975m 7.000% Senior Notes 2025), while the put option had a fair value of US$nil million (31 December 2021: US$nil million).

10. Trade and other receivables

	30 June 2022 US$m	31 December 2021 US$m
Trade receivables	**110.3**	83.1
Loss allowance	**(5.9)**	(6.0)
	104.4	77.1
Other receivables	**131.6**	96.5
VAT & Withholding tax receivable	**12.1**	13.0
	248.1	186.6

The Group measures the loss allowance for trade receivables and trade receivables from related parties at an amount equal to lifetime expected credit losses ('ECL'). 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. Loss allowance expense is included within cost of sales in the Consolidated Income Statement.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period. Interest can be charged on past due debtors. The normal credit period of services is 30 days.

Other receivables mainly comprise of contract assets of US$59.2m (2021: US$47.2m) and sundry receivables. $16.8m (2021: US$15.1m) of new contract assets were recognised in the period and US$4.8m (2021: US$2.1m) of contract assets at 31 December 2021 were recovered from customers. Sundry receivables primarily include US$24.1m (2021: US$24.1m) in relation to the potential Oman transaction, which was paid into an escrow as per the agreement with Omantel and US$22.3m (2021: US$7.4m) of accrued income.

Debtor days

The Group calculates debtor days as set out in the table below. It considers its most relevant customer receivables exposure on a given reporting date to be the amount of receivables due in relation to the revenue that has been reported up to that date. It therefore defines its net receivables as the total trade receivables and accrued revenue, less loss allowance and deferred income that has not yet been settled.

	30 June 2022 US$m	31 December 2021 US$m
Trade receivables[1]	**110.3**	83.1
Accrued Revenue[2]	**22.3**	7.4
Less: Loss allowance	**(5.9)**	(6.0)
Less: Deferred income[3]	**(48.0)**	(27.4)
Net Receivables	**78.7**	57.1
Revenue	**265.4**	449.1
Debtor days	**54**	46

[1]Trade receivables, including related parties.

[2] Reported within other receivables.

[3] Deferred income, as per Note 14, has been adjusted for US$9.8m (2021: US$18.4m) in respect of amounts settled by customers at the balance sheet date.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

At 30 June 2022, US$12.2m (2021: US$11.0m) of services had been provided to customers which had yet to meet the Group's probability criterion for revenue recognition under the Group's accounting policies. Revenue for these services will be recognised in the future as and when all recognition criteria are met.

11. Cash and cash equivalents

	30 June 2022 US$m	31 December 2021 US$m
Bank balances	**388.7**	528.9
	388.7	528.9

12. Share capital

	30 June 2022		31 December 2021	
	Number of shares	**US$m**	Number of shares	US$m
Authorised, issued and fully paid				
Ordinary share capital class A of £0.01	**1,048,000,000**	**13.5**	1,048,000,000	13.5
	1,048,000,000	**13.5**	1,048,000,000	13.5

13. Loans

	30 June 2022 US$m	31 December 2021 US$m
Loans	**1,289.8**	1,295.5
Total borrowings	**1,289.8**	1,295.5
Current	**7.7**	2.8
Non-current	**1,282.1**	1,292.7
	1,289.8	1,295.5

Loans are classified as financial liabilities and measured at amortised cost.

14. Trade and other payables

	30 June 2022 US$m	31 December 2021 US$m
Trade payables	**35.8**	13.5
Deferred income	**57.7**	45.8
Deferred consideration	**64.0**	63.5
Other payables and accruals	**116.7**	104.7
VAT, Withholding and other tax payable	**16.1**	21.5
	290.3	249.0

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 31 days (2021: 25 days). Payable days are calculated as trade payables and payables to related parties, divided by cost of sales plus administration expenses less staff costs and depreciation and amortisation. No interest is charged on trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The Directors consider the carrying amount of trade payables approximates to their fair value due to their short-term nature.

15. Lease liabilities

	30 June 2022 US$m	31 December 2021 US$m
Short-term lease liabilities		
Land	**23.3**	30.0
Buildings	**2.0**	2.8
Motor vehicles	**0.2**	0.2
	25.5	33.0
Long-term lease liabilities		
Land	**153.1**	146.7
Buildings	**2.6**	2.1
Motor vehicles	**0.1**	0.1
	155.8	148.9

The below undiscounted cash flows do not include escalations based on CPI or other indexes which change over time. Renewal options are considered on a case by case basis with judgements around the lease term being based on management's contractual rights and their current intentions.

The profile of the outstanding undiscounted contractual payments fall due as follows:

	Within 1 year US$m	2–5 years US$m	6–10 years US$m	10+ years US$m	Total US$m
30 June 2022	**33.8**	**116.0**	**112.6**	**293.2**	**555.6**
31 December 2021	33.0	110.2	111.4	278.9	533.5

16. Other gains and (losses)

	6 months ended	
	30 June 2022 US$m	30 June 2021 US$m
Fair value loss on derivative financial instruments	**(57.7)**	(6.2)
	(57.7)	(6.2)

The fair value loss of US$57.7m in H1 2022 was driven by a fair value movement in the embedded derivative within the terms of the Group's Senior Notes, due to quoted bond prices moving from above par at 31 December 2021 to below par at 30 June 2022.

17. Uncompleted performance obligations

The table below represents undiscounted uncompleted performance obligations at the end of the reporting period. This is total revenue which is contractually due to the Group, subject to the performance of the obligation of the Group related to these revenues.

	30 June 2022 US$m	31 December 2021 US$m
Total contracted revenue	**4,167.7**	3,916.6

Contracted revenue

The following table provides our total undiscounted contracted revenue by country as of 30 June 2022 for each of the periods from 2022 to 2026, with local currency amounts converted at the applicable average rate for US Dollars for the period ended 30 June 2022 held constant. Our contracted revenue calculation for each year presented assumes: (i) no escalation in fee rates, (ii) no increases in sites or tenancies other than our committed tenancies, (iii) our customers do not utilise any cancellation allowances set forth in their MLAs, (iv) our customers do not terminate MLAs early for any reason and (v) no automatic renewal. The average remaining life of customer contracts is 7.2 years.

	6 months to 31 December 2022 US$m	Year ended 31 December 2023 US$m	2024 US$m	2025 US$m	2026 US$m
Tanzania	98.0	193.8	193.8	193.8	130.5
DRC	99.0	198.9	198.5	171.7	145.8
Congo Brazzaville	14.0	28.0	28.0	18.8	12.1
Ghana	19.1	33.5	31.6	32.0	31.8
South Africa	3.9	7.6	8.1	8.0	7.8
Senegal	19.0	39.1	40.8	42.5	47.0
Madagascar	7.7	12.2	12.8	15.7	15.7
Malawi	11.5	23.0	23.0	25.0	25.0
	272.2	**536.1**	**536.6**	**507.5**	**415.7**

18. Related party transactions

During the period and comparative period there were no discloseable related party transactions.

19. Contingencies

The Group exercises judgement to determine whether to recognise provisions and make disclosures for contingent liabilities.

In the year ended 31 December 2021, the Tanzania Revenue Authority issued an initial assessment on a number of taxes including corporate income tax, withholding tax and stamp duty for the financial years ending 2015 to 2018 inclusive. Of the initial claim, US$81m relates to corporate income tax, US$7.5m for withholding tax and US$0.4m stamp duty. The initial assessments are in early stages of review with local tax experts and as such the impact, if any, is unknown at this time. A separate assessment was made for VAT and payroll taxes which have been agreed with the tax authority and fully settled at the balance sheet date.

The Directors are working with their advisers and are in discussion with the tax authorities to bring the matter to conclusion based on the facts. At this time, the Directors have identified no present obligations in relation to this tax audit that would lead to material probable future cash outflows and therefore no provision has been made for these amounts. The balances above represent the Group's assessment of the maximum possible exposure for the years assessed.

Other individually immaterial tax, and regulatory proceedings, claims and unresolved disputes are pending against Helios Towers in a number of jurisdictions. The timing of resolution and potential outcome (including any future financial obligations) of these are uncertain, but not considered probable and therefore no provision has been recognised in relation to these matters.

20. Acquisitions

On 24 March 2022, the Group completed the acquisition of Malawi Towers Ltd of the previously announced transaction with Airtel Africa. The group has acquired 100% of the share capital of Malawi Towers Limited which includes the passive infrastructure on 723 sites, colocation contracts and certain supplier contracts. The Group has treated this as a single business combination transaction and accounted for it in accordance with IFRS 3 – Business Combinations ('IFRS 3') using the acquisition method. The total consideration in respect of the transaction was US$57.7m. Goodwill arising on this business combination has been allocated to the Malawi CGU. This acquisition is in line with the Group's strategy. On the same date, a 20% stake in the business was sold as part of the same agreement. See section ii) for the transactions with minority shareholders on the acquisition date. Non-controlling interest is recognised under the proportionate share of net assets method as permitted under IFRS 3.

i) Acquisition of 100% of the share capital of Malawi Towers Ltd

The breakdown of the acquisition price and goodwill generated by the acquisition is as follows:

Acquisition price and goodwill	**24 March 2022 US$m**
Consideration paid in cash	44.8
Deferred consideration	12.9
Total acquisition price (100%)	**57.7**
Net assets acquired (100%)	**(47.4)**
Resulting goodwill	**10.3**

The business combination had the following effect on the Group's assets and liabilities:

Identifiable assets acquired	**24 March 2022 US$m**
Assets	
Fair value of property, plant and equipment	37.6
Fair value of intangible assets	20.7
Right of use assets	2.8
Other assets	2.6
Cash	0.6
Total assets	**64.3**
Liabilities	
Other liabilities	(6.6)
Lease liabilities	(2.1)
Deferred taxation	(8.2)
Total liabilities	**(16.9)**
Total net identifiable assets acquired	**47.4**

The identified goodwill reflects the lease-up potential of the asset base. Deferred consideration is payable subject to timing of future closings of sites and to the committed build-to-suit rollout up to March 2025. This has been discounted to reflect the present value of future payments. The Group has assessed the fair value of net assets acquired at US$47.4m, based on appropriate valuation methodology. The valuation techniques used for measuring fair value of material assets acquired were as follows:

Assets acquired	**Valuation technique**
Property, plant & equipment	Depreciated replacement cost adjusted for physical deterioration as well as functional and economic obsolescence.
Intangible assets (Customer relationships)	Multi-period excess earnings method which considered the present value of net cash flows expected to be generated by the customer relationships.

The Group incurred acquisition related costs of US$2.0m in 2022 and US$3.1m in previous financial years. These costs have been included in deal costs in the Group's consolidated income statement when incurred. For the period from 24 March to 30 June 2022 this acquisition contributed revenue of US$6.9m and EBITDA of US$2.4m.

The business combination had the following effect on the Group's statement of cash flows:

Total cash outflow	**US$m**
Consideration paid in cash	44.8
Less: cash acquired	(0.6)
Total cash outflow	**44.2**

ii) Contribution from minority shareholders

On 24 March 2022 in tandem with but immediately subsequent to the acquisition, the minority shareholder contributed US$5.3m for a 20% stake in the business. On the same date the minority shareholder also contributed a loan of US$3.5m to the entity.

21. Loss per share

Basic loss per share has been calculated by dividing the total loss for the period by the weighted average number of shares in issue during the period after adjusting for shares held in employee benefit trusts.

To calculate diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential shares. Share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year are considered to be dilutive potential shares. Where share options are exercisable based on performance criteria and those performance criteria have been met during the period, these options are included in the calculation of dilutive potential shares. The Directors believe that Adjusted EBITDA per share is representative of the operations of the business, refer to Note 4.

Earnings per share is based on:

	2022 US$m	2021 US$m
Loss after tax for the period attributable to owners of the Company	**(124.2)**	(51.1)
Adjusted EBITDA (Note 4)	**136.1**	114.2

	6 months ended 30 June	
	2022 Number	2021 Number
Weighted average number of ordinary shares used to calculate basic earnings per share	**1,046,948,396**	1,001,462,251
Weighted average number of dilutive potential shares	**112,629,231**	57,786,113
Weighted average number of ordinary shares used to calculate diluted earnings per share	**1,159,577,627**	1,059,248,364

Loss per share

	6 months ended 30 June	
	2022 cents	2021 cents
Basic	**(11.9)**	(5.1)
Diluted	**(11.9)**	(5.1)

Adjusted EBITDA per share

	6 months ended 30 June	
	2022 Cents	2021 cents
Basic	**13.0**	11.4
Diluted	**11.7**	10.8

The calculation of basic and diluted earnings per share is based on the net loss attributable to equity holders of the Company entity for the period US$124.2m (2021: US$51.1m). Basic and diluted earnings per share amounts are calculated by dividing the net loss attributable to equity shareholders of the Company entity by the weighted average number of shares outstanding during the year. Dilutive potential shares are anti-dilutive due to the loss after tax attributable to ordinary shareholders reported.

The calculation of Adjusted EBITDA per share and diluted EBITDA per share are based on the Adjusted EBITDA earnings for the period of US$136.1m (2021: US$114.2m). Refer to Note 4 for a reconciliation of Adjusted EBITDA to net loss before tax.

22. Subsequent events

There were no reportable subsequent events after the balance sheet date.

23. Directors' responsibility statement

The Directors confirm that, to the best of their knowledge this condensed set of financial statements has been prepared in accordance with IAS 34 gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, or the undertakings included in the consolidation as a whole as required by DTR 4.2.4R and that this Interim Report includes a fair review of the information required by content of the Interim Management section in the Disclosure Guidance and Transparency Rules 4.2.7R and Disclosure Guidance and Transparency Rules 4.2.8R.

The interim financial statements for the period ended 30 June 2022 have been authorised for issue on 18 August 2022.

Tom Greenwood
Chief Executive Officer

Manjit Dhillon
Chief Financial Officer

Certain defined terms and conventions

We have prepared the trading update using a number of conventions, which you should consider when reading information contained herein as follows:
All references to "we", "us", "our", "HT Group", our "Group" and the "Group" are references to Helios Towers plc and its subsidiaries taken as a whole.

We have prepared the interim report using a number of conventions, which you should consider when reading information contained herein as follows:

All references to 'we', 'us', 'our', 'HT Group', 'Helios Towers' our 'Group' and the 'Group' are references to Helios Towers, plc and its subsidiaries, taken as a whole.

'**2G**' means the second-generation cellular telecommunications network commercially launched on the GSM and CDMA standards.

'**3G**' means the third-generation cellular telecommunications networks that allow simultaneous use of voice and data services, and provide high-speed data access using a range of technologies.

'**4G**' means the fourth-generation cellular telecommunications networks that allow simultaneous use of voice and data services, and provide high-speed data access using a range of technologies (these speeds exceed those available for 3G).

'**5G**' means the fifth generation cellular telecommunications networks. 5G does not currently have a publicly agreed upon standard; however, it provides high-speed data access using a range of technologies that exceed those available for 4G.

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

'**Adjusted EBITDA margin**' means Adjusted EBITDA divided by revenue.

'**Adjusted free cash flow**' means portfolio free cash flow less net payment of interest and discretionary capital additions.

'**Adjusted gross margin**' means Adjusted Gross Profit, divided by revenue.

'**Adjusted gross profit**' means gross profit adding back site and warehouse depreciation.

'**Airtel**' means Airtel Africa.

'**ALU**' means average lease-up, the number of colocation tenancies added to our 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.

'**amendment colocation tenant**' means 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 colocations on a weighted basis as compared to the market average rate for a standard tenancy in the month the amendment is added.

'**amendment revenue**' means revenue from amendments to existing site contracts when tenants add or modify equipment, taking up additional vertical space, wind load capacity and/or power consumption under an existing site contract.

'**anchor tenant**' means the primary customer occupying each site.

'**Analysys Mason**' means Analysys Mason Limited.

'**Announced markets/Announced new markets**': Announced markets reflects signed acquisition agreements with Omantel for tower portfolios in Oman, in addition to a memorandum of understanding arrangement for the potential acquisition of Airtel Africa's tower portfolio in Gabon. All are subject to completion.

'Annualised Adjusted EBITDA' means Adjusted EBITDA for the last three months of the respective period, multiplied by four, adjusted to reflect the annualised contribution from acquisitions that have closed in the last three months of the respective period.

'Annualised portfolio free cash flow' means portfolio free cash flow for the respective period, adjusted to annualise for the impact of acquisitions closed during the period.

'**average remaining life**' means the average of the periods through the expiration of the term under certain agreements.

'**APMs**' Alternative Performance Measures are measures of financial performance, financial position or cash flows that are not defined or specified under IFRS but used by the Directors internally to assess the performance of the Group.

'Axian' means Axian Group.

'**build-to-suit/BTS**' means sites constructed by our Group on order by a MNO.

'**CAGR**' means compound annual growth rate.

'**Carbon Reduction Roadmap**' refers to Carbon Reduction Roadmap 2021 presented by Helios Towers, Plc on 25th November 2021.

'**CODM**' means Chief Operating Decision Maker.

'**colocation**' means the sharing of site space by multiple customers or technologies on the same site, equal to the sum of standard colocation tenants and amendment colocation tenants.

‘**colocation tenant**’ means each additional tenant on a site in addition to the primary anchor tenant and is classified as either a standard or amendment colocation tenant.

‘**committed colocation**’ means contractual commitments relating to prospective colocation tenancies with customers.

‘**Company**’ means Helios Towers, Ltd prior to 17 October 2019, and Helios Towers plc on or after 17 October 2019.

‘**Congo Brazzaville**’ otherwise also known as the Republic of Congo.

‘**contracted revenue**’ means total undiscounted revenue as at that date with local currency amounts converted at the applicable average rate for US dollars held constant. Our contracted revenue calculation for each year presented assumes: (i) no escalation in fee rates, (ii) no increases in sites or tenancies other than our committed tenancies (which include committed colocations and/or committed anchor tenancies), (iii) our customers do not utilise any cancellation allowances set forth in their MLAs (iv) our customers do not terminate MLAs early for any reason and (v) no automatic renewal.

‘**corporate capital expenditure**’ primarily relates to furniture, fixtures and equipment.

‘**DRC**’ means Democratic Republic of Congo.

‘**edge data centre**’ means 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.

‘**Free Cash Flow**’ means Adjusted free cash flow less net change in working capital, cash paid for adjusting and EBITDA adjusting items, cash paid in relation to non-recurring taxes and proceeds on disposal of assets.

‘**Free Senegal**’ means Saga Africa Holdings Limited SA (which operates under the ‘Free’ trademark).

‘**Free Senegal MTSA**’ means the MTSA with Free Senegal for the provision of hosting and energy services on the acquired sites and build-to-suit sites.

‘**Free Senegal site acquisition**’ means the acquisition of 1,207 sites in Senegal from Free Senegal and the entry into the Free Senegal MTSA.

‘**Gabon**’ means Gabonese Republic.

‘**Ghana**’ means the Republic of Ghana.

‘**gross debt**’ means non-current loans and current loans and long-term and short-term lease liabilities.

‘**gross leverage**’ means gross debt divided by annualised Adjusted EBITDA.

‘**gross margin**’ means gross profit, adding site and warehouse depreciation, divided by revenue.

‘**growth capex**’ or ‘**growth capital expenditure**’ relates to (i) construction of build-to-suit sites (ii) installation of colocation tenants and (ii) and investments in power management solutions.

‘**GSM**’ means Global System for Mobile Communication, a standard for digital mobile communications.

‘**Group**’ means Helios Towers, Ltd (‘HTL’) and its subsidiaries prior to 17 October 2019, and Helios Towers plc and its subsidiaries on or after 17 October 2019.

‘**Helios Towers Congo Brazzaville**’ or ‘**HT Congo Brazzaville**’ means Helios Towers Congo Brazzaville SASU.

‘**Helios Towers DRC**’ or ‘**HT DRC**’ means HT DRC Infraco SARL.

‘**Helios Towers Ghana**’ or ‘**HT Ghana**’ means HTG Managed Services Limited.

‘**Helios Towers plc**’ means the ultimate Company of the Group.

‘**Helios Towers South Africa**’ or ‘**HTSA**’ means Helios Towers South Africa Holdings (Pty) Ltd and its subsidiaries.

‘**Helios Towers Tanzania**’ or ‘**HT Tanzania**’ means HTT Infraco Limited.

‘**HSE**’ means Health, Safety and Environment.

‘**IBS**’ means in-building cellular enhancement.

‘**ISA**’ means individual site agreement.

‘**ISP**’ means Internet Service Provider.

‘**IFRS**’ means International Financial Reporting Standards as adopted by the European Union.

‘**independent tower company**’ means a tower company that is not affiliated with a telecommunications operator.

‘**lease-up**’ means the addition of colocation tenancies to our sites.

‘**Levered portfolio free cash flow**’ means portfolio free cash flow less net payment of interest.

‘**liquidated damages**’ means provisions that generally require the Group 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.

‘**Madagascar**’ means Republic of Madagascar.

'Malawi' means Republic of Malawi.

'**maintenance capital expenditure**' means capital expenditures for periodic refurbishments and replacement of parts and equipment to keep existing sites in service.

'**maintained sites**' means 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**' means 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**' means the Republic of Mauritius.

'**Middle East**' region includes thirteen countries namely Hashemite Kingdom of Jordan, Kingdom of Bahrain, Kingdom of Saudi Arabia, Republic of Iraq, Republic of Lebanon, State of Kuwait, Sultanate of Oman, State of Palestine, State of Qatar, Syrian Arab Republic, The Republic of Yemen, The Islamic Republic of Iran and The United Arab Emirates.

'**Millicom**' means Millicom International Cellular SA.

'**MLA**' means master lease agreement.

'**MNO**' means mobile network operator.

'**mobile penetration**' means the amount of unique mobile phone subscriptions as a percentage of the total market for active mobile phones.

'**MTN**' means MTN Group Ltd.

'**MTSAs**' means master tower services agreements.

'**net debt**' means gross debt less adjusted cash and cash equivalents.

'**net leverage**' means net debt divided by last quarter annualised Adjusted EBITDA.

'**net receivables**' means total trade receivables (including related parties) and accrued revenue, less deferred income.

'**NOC**' means network operating centre.

'**Oman**' means Sultanate of Oman.

'**online site**' means a site which is operating and generating revenue.

'**Orange**' means Orange S.A.

'**our established markets**' refers to Tanzania, DRC, Congo Brazzaville, Ghana and South Africa.

'**our markets**' or '**markets in which we operate**' refers to Tanzania, DRC, Congo Brazzaville, Ghana, South Africa, Senegal, Madagascar and Malawi.

'**owned sites**' means freehold or leasehold sites where we own the telecommunications passive infrastructure and any equipment relating to power provision and security. We are responsible for maintaining and securing the site as well as obtaining the relevant permits and, if applicable, ground leases relating to the sites.

'**performance against SLA**' means 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.

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

'**PoS**' means points of service, which is an MNO's antennae equipment configuration located on a site to provide signal coverage to subscribers. At Helios Towers, a standard PoS is equivalent to one tenant on a tower.

'**Principal Shareholders**' means 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.

'**Senegal**' means the Republic of Senegal.

'**Shares**' means the shares in the capital of the Company.

'**Shareholders Agreement**' means the agreement entered into between the Principal Shareholders and the Company on 15 October 2019, which grants certain governance rights to the Principal Shareholders and sets out a mechanism for future sales of shares in the capital of the Company.

'**SHEQ**' means Safety, Health, Environment and Quality.

'**site acquisition**' means a combination of MLAs or MTSAs, which provide the commercial terms governing the provision of site space, and individual ISA, which act as an appendix to the relevant MLA or MTSA, and include site-specific terms for each site.

'**site agreement**' means the MLA and ISA executed by us with our customers, which act as an appendix to the relevant MLA and includes certain site-specific information (for example, location and any grandfathered equipment).

'**SLA**' means service-level agreement.

'**small cells**' means low-powered cellular radio access nodes that operate in licensed and unlicensed spectrum that have a range of ten metres to a few kilometres.

'**South Africa**' means the Republic of South Africa.

'**standard colocation**' means tower space under a standard tenancy site contract rate and configuration with defined limits in terms of the vertical space occupied, the wind load and power consumption.

'**standard colocation tenant**' means a customer occupying tower space under a standard tenancy lease rate and configuration with defined limits in terms of the vertical space occupied, the wind load and power consumption.

'**strategic suppliers**' means suppliers that deliver products or provide us with services deemed critical to executing our strategy such as site maintenance and batteries.

'**Sub-Saharan Africa**' or '**SSA**' means African countries that are fully or partially located south of the Sahara.

'**Tanzania**' means the United Republic of Tanzania.

'**telecommunications operator**' means a company licensed by the government to provide voice and data communications services.

'**tenancy**' means a space leased for installation of a base transmission site and associated antennae.

'**tenancy ratio**' means the total number of tenancies divided by the total number of our sites as of a given date and represents the average number of tenants per site within a portfolio.

'**tenant**' means an MNO that leases vertical space on the tower and portions of the land underneath on which it installs its equipment.

'**Tigo**' refers to one or more subsidiaries of Millicom that operate under the commercial brand 'Tigo'.

'**total colocations**' means standard colocations plus amendment colocations as of a given date.

'**total online sites**' or '**total sites**' means 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 tenancies**' means total anchor, standard and amendment colocation tenants as of a given date.

'**tower contract**' means the MLA and ISA executed by us with our customers, which act as a schedule to the relevant MLA and includes certain site-specific information (for example, location and equipment).

'**tower sites**' means ground-based towers and rooftop towers and installations constructed and owned by us on property (including a rooftop) that is generally owned or leased by us.

'**UK Corporate Governance Code**' means the UK Corporate Governance Code published by the Financial Reporting Council and dated July 2018, as amended from time to time.

'**upgrade capex**' or '**upgrade capital expenditure**' comprises structural, refurbishment and consolidation activities carried out on selected acquired sites.

'**Viettel**' means Viettel Tanzania Limited.

'**Vodacom**' means Vodacom Group Limited.

'**Vodacom Tanzania**' means Vodacom Tanzania plc.

'**Zantel**' means Zantel Telecom plc.