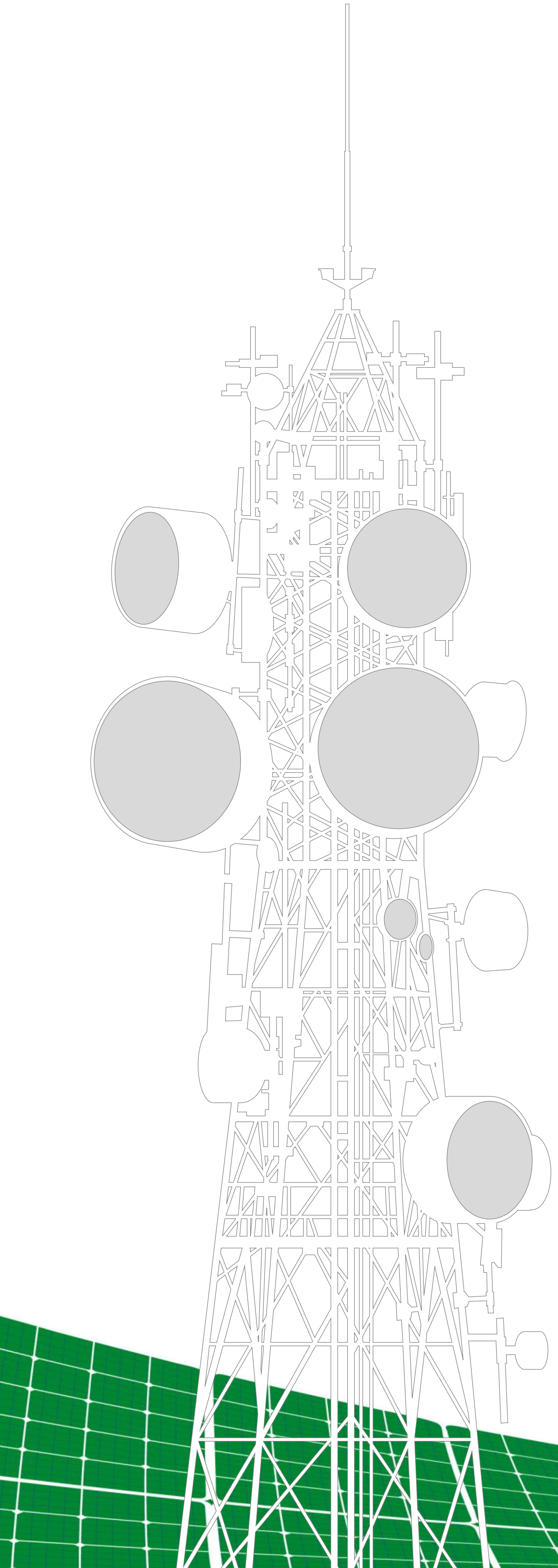
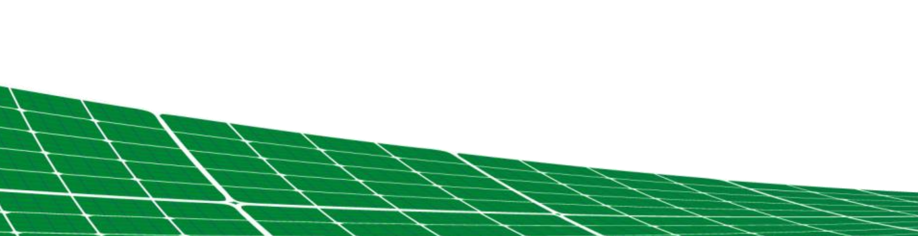


IHS NETHERLANDS HOLDCO B.V.

Unaudited Interim Condensed Consolidated Financial Statements for the 3 month period ended 31 March 2021



Directors

Mr. DARWISH Mohamad
Mr. VAN SPALL Gerard Jan
Mr. KLEIN Laurentius Ireneus Winfridus
Mr. ORDMAN David Andrew

Registered office

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Contents

INFORMATION ON THE COMPANY

Information on the Company and the Group

IHS Netherlands Holdco B.V. (the "Company") and its subsidiaries form the "Restricted Group" for the purposes of the $510 million 7.125% Senior Notes due 2025 (the "2025 Notes") and the $940 million 8.0% Senior Notes due 2027 (the "2027 Notes"), together "the Notes", each issued in US Dollars, and listed on The International Stock Exchange (TISE). Each of the Company's subsidiaries, other than Tower Infrastructure Company Limited, which is an immaterial subsidiary, is a Guarantor of those notes. The Company and its subsidiaries are hereinafter referred to as the "Group" or "Restricted Group".

On 18 September 2019, the Company issued $1.3 billion in aggregate principal amount across its 2027 Notes and 2025 Notes, split as $800 million in aggregate principal amount in respect of its 2027 Notes and $500 million in aggregate principal amount in respect of its 2025 Notes. On 31 July 2020, the Company issued an additional $150 million in aggregate principal amount across its 2027 Notes and 2025 Notes, split as $140 million in aggregate principal amount in respect of its 2027 Notes and $10 million in aggregate principal amount in respect of its 2025 Notes.

The Company was incorporated on 12 May 2016 and shares in the Company were subscribed for by its immediate parent entity, IHS Netherlands (Interco) Coöperatief U.A., as a result of which the Company became part of the "IHS Group", a group whose ultimate parent company is IHS Holding Limited ("IHS Holding"), a private company incorporated under the laws of Mauritius.

On 13 May 2016, the Company subscribed for the entire share capital in two special purpose vehicles, IHS Netherlands NG1 B.V. ("NG1") and IHS Netherlands NG2 B.V. ("NG2").

On 15 September 2016, IHS Holding transferred the shares it held (representing 100% ownership[1]) in IHS Nigeria Limited ("IHSN") and IHS Towers NG Limited (formerly Helios Towers Nigeria Limited) ("ITNG") to NG1 and NG2, respectively.

On 18 September 2019 IHS Netherlands (Interco) Coöperatief U.A. transferred the shares it held (representing 100% ownership) in Nigeria Tower Interco B.V. ("Tower Interco") to IHS Netherlands Holdco B.V., thereby bringing INT Towers Limited ("INT"), a fully owned subsidiary[1] of Tower Interco, into the Group.

Basis of preparation

These unaudited interim condensed consolidated financial statements do not constitute statutory accounts.

The preparation of the unaudited interim condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported numbers. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period of the revision and future periods if the revision affects both current and future periods.

[1] Less one share in each of IHS Nigeria Limited, IHS Towers NG Limited and INT Towers Limited which are held by a nominee shareholder, for local legal reasons.

DISCLAIMER

The information in this document may contain forward-looking statements. Forward-looking statements include, but are not limited to, all statements other than statements of historical fact included in the information, including, without limitation, those regarding the Group's future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets in which it operates or intends to operate. Forward-looking statements can be identified, in some instances, by the use of words such as "target", "believe", "expect", "aim", "intend", "continue", "forecast", "seek", "may", "anticipate", "estimate", "plan", "project", "will", "can have", "likely", "should", "would", "could" and other words and terms of similar meaning or the negative thereof, or by the forward-looking nature of discussions of strategy, plans or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which it will operate in the future. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or developments or otherwise. For the avoidance of doubt, the Company does not accept any liability in respect of any such forward-looking statements.

Certain data included in the information are "non-IFRS measures". These non-IFRS measures may not be comparable to similarly titled financial measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with International Financial Reporting Standards. Although the Company believes these non-IFRS financial measures provide useful information to users in measuring the financial performance and condition of its business, users are cautioned not to place undue reliance on any non-IFRS financial measures and ratios included in this document.

OPERATING AND FINANCIAL REVIEW

Overview

All financial information provided in this 'Operating and Financial Review' represents the consolidated position of the Group. A glossary of terms used is provided at the end of this document. The functional and presentation currency of the Company is the United States dollar ("USD", "US dollar" or "$").

The Group is a leading independent telecommunications tower infrastructure owner and operator in Nigeria. Its primary business is leasing tower space for communications equipment to Mobile Network Operators ("MNOs") and other customers, who in turn provide wireless, voice and data services to their end users. The Group provides its customers with opportunities to lease space on existing towers alongside current tenants, known as colocation, or to commission new towers for construction to the customer's specifications, known as build-to-suit ("BTS"). The Group also provides managed services in limited situations, such as maintenance, operations, marketing and leasing services, for certain towers owned by third parties. Services are provided based on long-term contracts with annual contractual escalations. A significant proportion of contracted tenant lease revenues are linked to US dollars.

The Group predominantly serves three of the four main Nigerian mobile network operators. As of 31 March 2021, the Group owned 16,585 towers, with a colocation rate of 1.48x, based on 24,601 tenants.

Highlights for the quarter

- Revenue increased year-on-year by 5.0%.
- Adjusted EBITDA increased year-on-year by 11.9%.
- 2,084 lease amendments added and a net decrease of 233 tenants in the quarter.

	3 month period ended 31 Mar		
	2021 $'000	2020 $'000	Change %
Revenue	**261,129**	248,793	5.0%
Operating profit	**107,774**	50,563	113.1%
Profit/(loss) for the period	**26,902**	(200,443)	n.a
*Alternative measures**			
Adjusted EBITDA	**183,958**	164,393	11.9%
Adjusted EBITDA margin	**70.4%**	66.1%	4.3pt

*Alternative performance measures are non-IFRS measures that are presented to provide readers with additional information that is regularly reviewed by management. They should not be viewed in isolation or as an alternative to the equivalent IFRS measure. See reconciliations of Adjusted EBITDA in note 11 to the closest equivalent IFRS measure and Non-IFRS measures definitions on page 23 for further details.

Trading results

In Q1 2021 the Group constructed 81 towers while the net increase in number of towers was 48, as some sites were decommissioned as planned, resulting in a total of 16,585 live owned towers at 31 March 2021. Tenants decreased by 233 in the quarter as a result of the addition of 202 new tenants and a churn of 435 tenants, mainly as a result of the churn of the tenancies of non-performing customers. The Group had a colocation rate of 1.48x at 31 March 2021 and also added 2,084 lease amendments during Q1 2021, resulting in a total of 19,432 lease amendments at 31 March 2021.

Revenue

Revenue increased by 5.0% to $261.1m in Q1 2021 compared to $248.8m in Q1 2020. Underlying Naira revenue increased by 15.4% in Q1 2021, year-on-year.

The $12.3m increase in revenue for Q1 2021 compared to Q1 2020 is mainly driven by the aggregate impact of increases in towers, tenancies and lease amendments of $25.5m, and the impact of CPI escalations and foreign exchange resets in our contracts amounting to an aggregate increase of $39.7m.These increases in revenues are partially offset by year-on-year reductions in revenue for defaulting customers of $16.1m, a reduction in revenue from managed services of $1.1m, an unfavourable foreign exchange translation impact of $26.1m, and no repeat of the $9.4m in revenue benefit from reaching agreement with a customer on the application of certain contractual terms, which occurred in Q1 2020.

The Group continued not to recognise revenue which is contingent upon receipt of funds from defaulting customers. The Group assesses the probability that such customers will not settle amounts billed and accordingly treats any component which it deems may not be collected as variable consideration, contingent upon the receipt of funds from the customer; an event which is not wholly within the control of the Group.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Trading results (continued)

Cost of sales

Cost of sales decreased by 21.9% to $127.0m in Q1 2021 from $162.6m in Q1 2020. The decrease for Q1 2021 is mainly due to lower depreciation and impairment of property, plant and equipment and lower power generation costs, partially offset by higher regulatory permit fees and higher tower maintenance costs and security services.

Depreciation for Q1 2021 was lower than Q1 2020 primarily because the useful lives of batteries was re-assessed downward with effect from 1 January 2020, resulting in an increase in depreciation for Q1 2020 which was not repeated in Q1 2021. Impairment of property, plant and equipment decreased year-on-year due to higher net asset values of decommissioned sites in Q1 2020 compared to Q1 2021.

Power generation costs for Q1 2021 decreased by 19.1% year-on-year from $39.5m in Q1 2020 to $31.9m in Q1 2021. The movements in power generation costs are primarily driven by price. The USD denominated cost of diesel was 22.7% lower in Q1 2021 compared to Q1 2020. The impact of the decrease in USD denominated cost of diesel is partially offset by increased consumption which was 0.7% higher in Q1 2021 compared to Q1 2020. The increase in consumption is primarily driven by increased tenancies.

Administrative expenses

Administrative expenses decreased year-on-year to $30.2m in Q1 2021, from $35.9m in Q1 2020. The year-on year decrease is primarily due to a lower impairment of withholding tax assets which was $15.1m in Q1 2021 compared to $22.5m in Q1 2020. This lower impairment is due to a larger portion of withholding tax assets being deemed to be recoverable as they can be applied against tax liabilities due, mainly due to the impact of the Nigeria Finance Act of 2019 (“FA2019”), which is described in more detail in the taxation section below.

The decrease in the impairment of withholding tax assets is partially offset by increased staff costs, which increased to $7.7m in Q1 2021, from $6.5m in Q1 2020, primarily as a result of costs associated with remote working, bonuses, and an increased headcount.

Operating profit

Operating profit was $108.7m in Q1 2021, an increase of 113.1% compared to $50.6m in Q1 2020. This year-on-year increase is due to the increase in revenue and the decrease in cost of sales and administrative expenses as described above.

Adjusted EBITDA

Q1 2021 Adjusted EBITDA increased by 11.9% year-on-year, from $164.4m in Q1 2020 to $184.0m in Q1 2021, with the Adjusted EBITDA margin increasing by 4.3pts from 66.1% to 70.4% in the same period. The increase in Adjusted EBITDA is primarily as a result of increased revenues and decreased power generation costs as discussed above.

Underlying Naira Adjusted EBITDA for the quarter increased by 23.0% to ₦74.2bn in Q1 2021 compared to ₦60.3bn in Q1 2020.

Net financing cost

In Q1 2021 the year-on-year net financing costs decreased by $155.1m. The decrease is the combined impact of:

- a decrease in interest expense of $10.4m;
- a decrease in net foreign exchange losses from financing of $148.8m;
- an aggregate decrease in net finance costs of $0.4m resulting from year-on-year movements in interest income, interest on finance lease liabilities and fees on loans and financial derivatives; partially offset by
- a decrease in net foreign exchange gains from non-deliverable forward instruments of $4.5m.

The year-on-year decrease in interest expense of $10.4m in Q1 2021 is comprised of a decrease of $6.9m in interest expense on external borrowings and a decrease of $3.5m in interest expense on related party borrowings. The decrease in interest expense on external borrowings is primarily due to a decrease in the LIBOR and NIBOR rates applicable to the USD denominated bank loan and Naira denominated bank loan respectively. The applicable LIBOR rate decreased from 1.9% in Q1 2020 to 0.2% in Q1 2021 while the applicable NIBOR rate decreased from 13.2% in Q1 2020 to 2.1% in Q1 2021. Furthermore, the margin applicable to the USD denominated bank loan decreased from 4.25% in Q1 2020 to 3.75% in Q1 2021, in line with the terms of the facility agreement.

Interest on related party borrowings decreased due to lower loan balances as a result of repayments during the year ended 31 December 2020.

The Group had net foreign exchange losses from financing of $5.4m in Q1 2021 compared to net foreign exchange losses from financing in Q1 2020 of $154.2m. The foreign exchange losses in both periods result primarily from foreign exchange revaluations on US dollar debt held by the Nigerian subsidiaries, owing to the movement in the Naira (“NGN”)/US dollar exchange rate. The NGN/US dollar exchange rate moved from NGN410.25:USD1 at 31 December 2020, to NGN409.00:USD1 at 31 March 2021, compared to a movement from NGN364.66:USD1 at 31 December 2019, to NGN392.18:USD1 at 31 March 2020, resulting in higher exchange rate losses for Q1 2020.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Net financing cost (continued)

Net foreign exchange gains on non-deliverable forward instruments in Q1 2021 are comprised of realised gains of $26.9m on non-deliverable forward instruments which matured in the quarter, and unrealised losses of $21.5m on non-deliverable forward instruments which were contracted during the quarter, owing to the strengthening in the NGN/USD exchange rate relative to the contractual exchange rates applied to these non-deliverable forward instruments. Net foreign exchange gains on non-deliverable forward instruments in Q1 2020 are primarily comprised of unrealised losses owing to the weakening in the NGN/USD rate of NGN27.52:USD1 in Q1 2020.

Fair valuation losses on the embedded derivatives within the 2025 Notes and 2027 Notes were $21.7m in Q1 2021 compared to fair valuation losses of $42.6m for Q1 2020. In both periods, this is primarily due to a decrease in the market trading price of the Notes during the relevant quarter ended 31 March; the market trading price being an indicator of the potential for the Group to refinance on similar terms should the call option be exercised at the end of the quarter.

Taxation

The Group recognised a tax expense of $7.9m in Q1 2021 compared to $3.8m in Q1 2020, a year-on-year increase of $4.1m resulting primarily from an increase in corporate income tax expense. The tax expense in both periods is comprised of current taxes, while the expense in Q1 2021 also includes a deferred tax credit. These are described in more detail below.

Current taxes

The year-on-year increase in the corporate income tax expense is primarily due to the impact of the application of amendments in the Nigeria Finance Act of 2019 (“FA2019”), signed into law on 13 January 2020, which limit the deductibility of interest expense and realised foreign exchange losses for companies in Nigeria to a proportion of earnings before interest, taxes, depreciation and amortisation of the Nigerian company in that accounting period (as defined by the FA2019). This results in the disallowance of a portion of such costs incurred by the Group’s Nigerian subsidiaries, which are carried forward to be applied against taxable income in future periods, subject to the same limitations and within a 5 year period.

The tax expense for Q1 2021 reflects the impact of the application of amendments in the FA2019 as described above, whereas the tax expense for Q1 2020 does not, owing to the act only having been enacted in early 2020. The majority of the year-on-year increase in the corporate income tax expense is not expected to result in cash outflows as withholding tax receivable assets are applied in settlement thereof.

Deferred taxes

Aggregate deferred tax liabilities relating to property, plant and equipment and intangible assets and derivative financial instruments have decreased. The impact of the decreased deferred tax liabilities is partially offset by the derecognition of deferred tax assets relating to unutilised tax losses and unutilised capital allowances, resulting in a net decrease in deferred tax liabilities during Q1 2021. Deferred tax assets are recognised to the extent they are deemed recoverable and therefore do not exceed deferred tax liabilities, owing to the impacts of the application of amendments in the FA2019.

Cash flows and funding

Net change in cash position

Cash decreased by $82.9m in Q1 2021 compared to a decrease of $27.7m in Q1 2020. This is mainly due to a year-on-year increase in cash outflows from financing activities of $81.6m (as described in more detail below), partially offset by a year-on-year increase in cash inflows from operating activities of $30.0m. As at 31 March 2021 the Group had $231.0m (31 Dec 2020: $313.9m) of cash and cash equivalents.

Changes in cash from operations, financing and investment

Net cash inflows from operating activities totalled $177.0m in Q1 2021 compared to net cash inflows of $147.0m in Q1 2020, an increase of $30.0m. The increase is primarily driven by higher cash operating profits as reflected in the year-on-year increase in Adjusted EBITDA of $19.6m as described above, and lower net cash outflows of $20.1m, from working capital movements (which result from a cash inflow from working capital movements of $0.6m in Q1 2021 compared to a cash outflow from working capital movements in Q1 2020 of $19.5m).

In Q1 2021 the Group had net cash outflows from investing activities of $45.7m compared to net cash outflows from investing activities of $44.7m in Q1 2020. The larger outflow is primarily driven by higher amounts spent on property, plant and equipment (including advance payments) of $50.0m in Q1 2021 compared to $45.2m in Q1 2020, partially offset by an increase of $3.7m in insurance claim receipts.

In Q1 2021 the Group had a net outflow from financing activities of $201.2m compared to net outflow from financing activities of $119.6m in Q1 2020. The year-on-year increase in net outflow from financing activities of $81.6m is primarily due to increases of $147.4m and $15.7m in cash outflows from principal repayments to related parties and interest repayments to related parties respectively. These increased cash outflows are partially offset by a decrease of $5.2m in cash outflows from interest paid to third parties, owing mainly to the decreased LIBOR and NIBOR rates as discussed above, and an aggregate increase in cash inflows of $76.6m, related to receipts of gains and refunds of margin deposits, both in respect of non-deliverable forwards.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Indebtedness

At 31 March 2021, the book value of total outstanding loans and borrowings was $2.4bn (31 Dec 2020: $2.6bn), of which $500.9m (31 Dec 2020: $666.2m) is in the form of subordinated shareholder loans from the Company's immediate parent entity (with a principal value of $488.1m (31 Dec 2020: $646.9m)).

For more information on borrowings, see note 15.

At 31 March 2021 lease liabilities arising on land leases total $40.8m (31 Dec 2020: $38.7m). For more information on lease liabilities, see note 16.

Events after the reporting period

There were no disclosable events after the reporting period.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three month period ended 31 March 2021

	Note	31 Mar 2021 $'000	31 Mar 2020 $'000
Revenue	3	**261,129**	**248,793**
Cost of sales	4	(126,964)	(162,599)
Gross profit		**134,165**	**86,194**
Administrative expenses	5	(30,245)	(35,923)
Other income	6	3,854	292
Operating profit		**107,774**	**50,563**
Finance income	7	35,048	10,317
Finance costs	8	(84,579)	(214,903)
Changes in fair value through profit or loss	9	(23,393)	(42,604)
Profit/(loss) before taxation		**34,850**	**(196,627)**
Taxation	10	(7,948)	(3,816)
Profit/(loss) for the period		**26,902**	**(200,443)**
Other comprehensive (loss)/income:			
Items that may be subsequently reclassified to profit or loss:			
Changes in fair value of available-for-sale financial assets		(4)	-
Exchange differences on translation		(3,696)	40,715
Other comprehensive (loss)/income for the period		**(3,700)**	**40,715**
Total comprehensive income/(loss) for the period		**23,202**	**(159,728)**

The notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2021

	Note	At 31 Mar 2021 $'000	At 31 Dec 2020 $'000
ASSETS			
Non-current assets			
Property, plant and equipment	12	815,544	829,525
Right of use assets	12	200,884	199,388
Intangible assets	13	617,006	619,029
Investments		8	9
Derivative financial instruments	14	133,510	155,196
Trade and other receivables		36,276	17,678
		1,803,228	**1,820,825**
Current assets			
Inventories		34,887	39,208
Trade and other receivables		142,064	183,962
Amounts due from related parties	19	622	602
Derivative financial instruments	14	6,226	27,495
Cash and cash equivalents		230,967	313,903
		414,766	**565,170**
Total assets		**2,217,994**	**2,385,995**
LIABILITIES			
Current liabilities			
Trade and other payables		219,362	220,000
Income tax payable		21,971	21,525
Borrowings	15	90,503	90,095
Lease liabilities	16	6,327	6,714
Amounts due to related parties	19	13,902	10,396
Provisions for liabilities and other charges	17	3,613	3,796
Derivative financial instruments	14	9,019	7,285
		364,697	**359,811**
Non-current liabilities			
Borrowings	15	1,800,814	1,827,512
Lease liabilities	16	34,428	31,947
Amounts due to related parties	19	500,885	666,170
Provisions for liabilities and other charges	17	4,191	3,831
Deferred tax liabilities		52,824	59,771
		2,393,142	**2,589,231**
Total liabilities		**2,757,839**	**2,949,042**
Net liabilities		**(539,845)**	**(563,047)**
EQUITY			
Share capital		10	10
Accumulated losses		(236,847)	(263,749)
Other reserves		(303,008)	(299,308)
Total equity		**(539,845)**	**(563,047)**

The notes are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENTS

For the three month period ended 31 March 2021

	Note	3 month period ended 31 Mar 2021 $'000	31 Mar 2020 $'000
Cash flows from operating activities			
Cash generated from operations	18	179,388	147,183
Payment for rent*		(148)	-
Income taxes paid		(2,205)	(210)
Net cash flows generated from operating activities		**177,035**	**146,973**
Cash flows from investing activities			
Purchase of property, plant and equipment		(2,543)	(861)
Purchase of property, plant and equipment - capital work in progress		(4,405)	(11,125)
Payments in advance for property, plant and equipment		(43,018)	(33,200)
Purchase of software and licences		(107)	(108)
Proceeds from the sale of property, plant and equipment		2	-
Insurance claims received		3,789	121
Interest income received		537	476
Net cash used in investing activities		**(45,745)**	**(44,697)**
Cash flows from financing activities			
Fees on loans and financial derivatives		(527)	(983)
Principal repayment to related parties		(158,861)	(11,479)
Payment of lease liabilities±*		(7,302)	(6,538)
Refund/(payment) of margin deposit for non-deliverable forwards		18,705	(31,253)
Foreign exchange derivative gains received		26,861	236
Interest paid to third parties		(60,772)	(65,988)
Interest paid to related parties		(19,339)	(3,622)
Net cash used in financing activities		**(201,235)**	**(119,627)**
Decrease in cash and cash equivalents		**(69,945)**	**(17,351)**
Cash and cash equivalents at beginning of the period		313,903	140,250
Exchange losses on cash and cash equivalents		(12,991)	(10,392)
Cash and cash equivalents at period end		**230,967**	**112,507**

*Payment for rent represents amounts paid on short-term leases.

±*Payment of lease liabilities includes the payment for principal of the lease liabilities and the interest on lease liabilities.

The notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

IHS Netherlands Holdco B.V. is a private Company with limited liability incorporated under the laws of the Netherlands on 12 May 2016.

The Company owns 100% of the shares in IHS Netherlands NG1 B.V. ("NG1"), IHS Netherlands NG2 B.V ("NG2") and Nigeria Tower Interco B.V. ("Tower Interco") who in turn own 100%[2] of the shares in IHS Nigeria Limited ("IHSN"), IHS Towers NG Limited ("ITNG") and INT Towers Limited ("INT") respectively. IHS Netherlands Holdco B.V. therefore indirectly owns 100% of IHS Nigeria Limited and IHS Towers NG Limited and INT Towers Limited, the three main operating subsidiaries of the Company.

These unaudited interim condensed consolidated financial statements ("financial statements") as at and for the 3 months ended 31 March 2021 comprise the Company and its subsidiaries (together referred to as the "Group"). They include the consolidated statements of comprehensive income, the consolidated statement of financial position, the consolidated statements of cash flows, and the accompanying selected notes.

The Group is principally involved in the managing and leasing of telecommunications infrastructure to telecommunications and other service providers.

2. BASIS OF PREPARATION

These financial statements do not constitute statutory accounts. These financial statements include the consolidated financial information of IHSN, ITNG, NG1, NG2, Tower Infrastructure Company Limited, INT, Tower Interco, and the Company.

The principal accounting policies applied in the preparation of these financial statements are consistent with those of the Group's audited consolidated financial statements for the year ended 31 December 2021. The disclosures made in these financial statements are not complete disclosures as required by International Financial Reporting Standards "IFRS" (IAS 34).

The preparation of the unaudited condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported numbers. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.1 FUNCTIONAL AND PRESENTATION CURRENCY

The functional and presentation currency of the Company is the US dollar. Unless otherwise indicated, financial information presented in US dollar has been rounded to the nearest thousand.

The functional currency for IHS Nigeria Limited, IHS Towers NG Limited and INT Towers Limited is Nigerian Naira ("₦" or "NGN"). The financial statements were translated to US dollar (the reporting currency) at ₦409.00 (31 December 2020: ₦410.25) per US dollar for the consolidated statement of financial position, and monthly average rates ranging from ₦396.13 to ₦410.01 per US dollar (Q1 2020: ₦363.21 to ₦371.88) for the consolidated statements of comprehensive income and consolidated statements of cash flows.

2.2 APPROVAL

These interim condensed consolidated financial statements were authorised and approved for issue on 12 May 2021.

3. REVENUE

The Group's revenue accrues primarily from providing telecommunication support services. The Group provides services in respect of telecommunication towers ranging from infrastructure sharing and leasing (colocation) and managed services. For the sale of colocation and managed services, revenue is recognised in the accounting period in which the services are rendered.

[2] Less one share in each of IHS Nigeria Limited IHS Towers NG Limited and INT Towers Limited which are held by a nominee shareholder, for local legal reasons

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. COST OF SALES BY NATURE

	3 month period ended	
	31 Mar 2021 $'000	31 Mar 2020 $'000
Tower repairs and maintenance	14,281	13,361
Power generation	31,947	39,511
Regulatory permits	5,138	2,768
Site rent	95	666
Security services	6,624	5,730
Staff costs	4,938	3,501
Depreciation and amortisation	58,518	88,993
Impairment of property, plant and equipment	-	1,868
Other expenses†	5,423	6,201
	126,964	**162,599**

† Other expenses include non-site rent, vehicle maintenance and repairs, insurance, travel and logistics costs, professional fees and other non-routine and sundry costs.

5. ADMINISTRATIVE EXPENSES

	3 month period ended	
	31 Mar 2021 $'000	31 Mar 2020 $'000
Staff costs	7,678	6,497
Rent	273	445
Repairs and maintenance	802	769
Travel cost	338	691
Professional fees	1,172	908
Depreciation and amortisation	718	566
Impairment of withholding tax assets	15,064	22,544
Loss on disposal of property, plant and equipment	338	29
Other expenses	3,862	3,474
	30,245	**35,923**

Included in 'Other expenses' for the 3 month period ended 31 March 2021 are non-recurring professional costs of $1.5m, related to financing. Included in 'Other expenses' for the 3 month period ended 31 March 2020 are allowances for doubtful debts of $1.8m.

6. OTHER INCOME

Other income for the three month period ended 31 March 2021 is mainly comprised of income from insurance claims.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. FINANCE INCOME

	3 month period ended	
	31 Mar 2021	31 Mar 2020
	$'000	$'000
Interest income - bank deposits	537	476
Foreign exchange gains from non-deliverable forward exchange contracts	26,861	9,841
Foreign exchange gains arising from financing	7,650	-
	35,048	**10,317**

8. FINANCE COSTS

	3 month period ended	
	31 Mar 2021	31 Mar 2020
	$'000	$'000
Interest expense	48,251	58,677
Interest on lease liabilities	1,263	1,028
Foreign exchange losses from non-deliverable forward exchange contracts	21,488	-
Foreign exchange losses arising from financing	13,050	154,215
Fees on loans and financial derivatives	527	983
	84,579	**214,903**

9. CHANGES IN FAIR VALUE THROUGH THE PROFIT OR LOSS

	3 month period ended	
	31 Mar 2021	31 Mar 2020
	$'000	$'000
Embedded derivatives in bond – change in fair value	(21,686)	(42,604)
Embedded derivatives in revenue contracts – change in fair value	(1,707)	-
	(23,393)	**(42,604)**

10. TAXATION

	3 month period ended	
	31 Mar 2021	31 Mar 2020
	$'000	$'000
Company income tax	(12,476)	(1,330)
Education tax	(2,583)	(2,486)
Deferred tax	7,111	-
	(7,948)	**(3,816)**

Tax expense is comprised of corporate income tax and education tax in Q1 2021 and Q1 2020, while Q1 2021 also includes a deferred tax credit of $7.1m.

The corporate income tax expense and education tax expense for Q1 2021 are related to taxable profits generated in the period which were not offset by allowable deductions, mostly as a result of the amendments to the Nigeria Finance Act of 2019 (FA2019) which limit the deductibility of interest expense and realised foreign exchange losses for companies in Nigeria to a proportion of earnings before interest, taxes, depreciation and amortisation of the Nigerian company in that accounting period (as defined by the FA2019).

The income tax expenses for Q1 2021 and Q1 2020 also include a small income tax charge for IHS Netherlands Holdco B.V. and both periods include current income tax and education tax charges in so far as these are related to ITNG's subsidiary, Tower Infrastructure Company Limited (TICL), which does not have assessed losses or withholding tax credits which it can offset against taxable income.

The education tax charge represents a 2% charge on the taxable profits of IHSN, ITNG and INT, before the application of any assessed losses brought forward.

The deferred tax credit for Q1 2021 relates primarily to the reversal of deferred tax liabilities recognised at 31 December 2020 in respect of the $26.9m realised gains on non-deliverable forward exchange contracts.

Deferred tax assets are partially recognised, using deferred tax liabilities as an indicator (and limitation) of future taxable temporary differences which can be offset by the deductible temporary differences represented by the deferred tax assets. The pattern of unwinding of deferred tax liabilities (i.e. realisation of future taxable profits), is such that not all of the deductible temporary differences may be utilised before they exceed their 5 year utilisation period, thereby limiting the value of these deferred tax assets.

11. NON-IFRS PERFORMANCE MEASURES RECONCILIATIONS

Reconciliation of profit/(loss) for the period to Adjusted EBITDA	3 month period ended	
	31 Mar 2021	31 Mar 2020
	$'000	$'000
Profit/(loss) for the period	26,902	(200,443)
Add back:		
Tax charge	7,948	3,816
Change in fair value through the profit or loss	23,393	42,604
Finance costs	84,579	214,903
Finance income	(35,048)	(10,317)
Depreciation and amortisation	59,236	89,559
Impairment of property, plant and equipment and prepaid land rent	-	1,868
Net loss/(profit) on disposal of property, plant and equipment	336	(141)
Impairment of withholding tax assets	15,064	22,544
Other costs*	1,548	-
Adjusted EBITDA	**183,958**	**164,393**

*Other costs includes non-recurring professional costs related to financing.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. PROPERTY, PLANT AND EQUIPMENT

	Tower equipment	Land and buildings	Right-of-use assets	Furniture and office equipment	Motor Vehicles	Capital work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost							
At 1 January 2020	1,731,859	48,852	241,420	11,375	10,732	58,135	2,102,373
Additions during the period	(769)*	431	39,406	1,139	1,564	15,623	57,394
Disposals	(10,156)	-	-	-	(32)	-	(10,188)
Transfers from advanced payments	122,236	620	-	-	-	9,586	132,442
Remeasurement or termination of lease**	-	-	(7,298)	-	-	-	(7,298)
Reclassifications	38,367	(347)	1,203	-	-	(39,223)	-
Effect of movement in exchange rates	(201,076)	(5,528)	(28,802)	(1,348)	(1,287)	(5,735)	(243,776)
At 31 December 2020	**1,680,461**	**44,028**	**245,929**	**11,166**	**10,977**	**38,386**	**2,030,947**
At 1 January 2021	**1,680,461**	**44,028**	**245,929**	**11,166**	**10,977**	**38,386**	**2,030,947**
Additions during the period	**71**	**33**	**8,129**	**869**	**1,641**	**15,121**	**25,864**
Disposals	**(1,284)**	**-**	**-**	**-**	**-**	**-**	**(1,284)**
Transfers from advanced payments	**11,650**	**1,943**	**-**	**-**	**-**	**-**	**13,593**
Remeasurement or termination of lease*	**-**	**-**	**(427)**	**-**	**-**	**-**	**(427)**
Reclassifications	**7,576**	**543**	**-**	**-**	**-**	**(8,119)**	**-**
Effect of movement in exchange rates	**5,095**	**111**	**681**	**30**	**9**	**(38)**	**5,888**
At 31 March 2021	**1,703,569**	**46,658**	**254,312**	**12,065**	**12,627**	**45,350**	**2,074,581**
Accumulated depreciation							
At 1 January 2020	(788,849)	(1,094)	(25,455)	(8,551)	(8,239)	-	(832,188)
Charge for the period	(242,573)	(295)	(30,284)	(1,586)	(993)	-	(275,731)
Disposals	9,389	-	-	-	32	-	9,421
Remeasurement or termination of lease*	-	-	4,573	-	-	-	4,573
Impairment	(20,573)	(421)	-	-	-	-	(20,994)
Effect of movement in exchange rates	106,062	158	4,625	1,059	981	-	112,885
At 31 December 2020	**(936,544)**	**(1,652)**	**(46,541)**	**(9,078)**	**(8,219)**	**-**	**(1,002,034)**
At 1 January 2021	**(936,544)**	**(1,652)**	**(46,541)**	**(9,078)**	**(8,219)**	**-**	**(1,002,034)**
Charge for the period	**(47,167)**	**(71)**	**(7,242)**	**(417)**	**(262)**	**-**	**(55,159)**
Disposals	**946**	**-**	**411**	**-**	**-**	**-**	**1,357**
Impairment	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Effect of movement in exchange rates	**(2,214)**	**(4)**	**(56)**	**(22)**	**(21)**	**-**	**(2,317)**
At 31 March 2021	**(984,979)**	**(1,727)**	**(53,428)**	**(9,517)**	**(8,502)**	**-**	**(1,058,153)**
Net book value							
At 31 December 2020	743,917	42,376	199,388	2,088	2,758	38,386	1,028,913
At 31 March 2021	**718,590**	**44,931**	**200,884**	**2,548**	**4,125**	**45,350**	**1,016,428**

*The negative net additions for the year ended 31 December 2020 result from the remeasurement of the decommissioning provision in the period, resulting in a decrease in the cost of tower equipment.
**This value represents disposals due to terminated leases and the impact of remeasurement of lease assets as a result of changes in lease terms.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13. INTANGIBLE ASSETS

	Goodwill $'000	Software and licences $'000	Customer related intangible assets $'000	Network related intangible assets $'000	Total $'000
Cost					
At 1 January 2020	378,905	8,460	378,117	34,799	800,281
Additions during the period	-	144	-	-	144
Effect of movement in exchange rates	(42,075)	(936)	(41,803)	(3,868)	(88,682)
At 31 December 2020	**336,830**	**7,668**	**336,314**	**30,931**	**711,743**
At 1 January 2021	**336,830**	**7,668**	**336,314**	**30,931**	**711,743**
Additions during the period	**-**	**107**	**-**	**-**	**107**
Effect of movement in exchange rates	**1,029**	**20**	**1,022**	**95**	**2,166**
At 31 March 2021	**337,859**	**7,795**	**337,336**	**31,026**	**714,016**
Accumulated amortisation					
At 1 January 2020	-	(7,371)	(66,618)	(11,803)	(85,792)
Charge for the period	-	(644)	(14,569)	(2,222)	(17,435)
Effect of movement in exchange rates	-	848	8,199	1,466	10,513
At 31 December 2020	**-**	**(7,167)**	**(72,988)**	**(12,559)**	**(92,714)**
At 1 January 2021	**-**	**(7,167)**	**(72,988)**	**(12,559)**	**(92,714)**
Charge for the period	**-**	**(102)**	**(3,449)**	**(526)**	**(4,077)**
Effect of movement in exchange rates	**-**	**(20)**	**(168)**	**(31)**	**(219)**
At 31 March 2021	**-**	**(7,289)**	**(76,605)**	**(13,116)**	**(97,010)**
Net book value					
At 31 December 2020	336,830	501	263,326	18,372	619,029
At 31 March 2021	**337,859**	**506**	**260,731**	**17,910**	**617,006**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14. DERIVATIVE FINANCIAL INSTRUMENTS

	31 Mar 2021	31 Dec 2020
	$'000	$'000
Current		
Non-deliverable forward exchange contracts	6,226	27,495
Embedded derivatives within revenue contracts	(9,019)	(7,285)
	(2,793)	20,210
Non-current		
Embedded derivatives within listed bonds	133,510	155,196
	130,717	**175,406**

The embedded derivatives within the listed bonds represent the fair value of the call options embedded within the terms of the 2025 Notes and 2027 Notes. The call options give the Group the right to redeem the bond instruments at a date prior to the maturity date (18 March 2025 and 18 September 2027 respectively), in certain circumstances and at a premium over the initial notional amount.

The embedded derivatives within revenue contracts represents the fair value of the USD linked components of the Group's revenue contracts with customers, where such USD linked components are translated to local currency at the time of billing using a fixed, pre-determined exchange rate or an exchange rate which is not referenced to a liquid market exchange rate. The fair values of these embedded derivatives are determined by reference to the discounted forecast billings under the contractual rates compared to those under the forecast liquid market rates.

The non-deliverable forward exchange contracts (NDFs) give IHS the right to receive a margin gain or loss equal to the Naira to US dollar exchange rate at a future date compared to the agreed fixed exchange rate in the contract; these are measured at fair value. As at the reporting date, the Group had NDF assets carried at $6.2m (31 December 2020: $27.5m).

15. BORROWINGS

	31 Mar 2021	31 Dec 2020
	$'000	$'000
Current		
Bank borrowings	86,260	57,743
Bond borrowings	4,243	32,352
	90,503	**90,095**
Non-current		
Bank borrowings	335,787	391,843
Bond borrowings	1,465,027	1,435,669
	1,800,814	**1,827,512**
Total third party borrowings	**1,891,317**	**1,917,607**
Subordinated shareholder loans (note 19)	500,885	666,170
All borrowings	**2,392,202**	**2,583,777**

Bank borrowings referred to above have been granted pursuant to a senior credit facilities agreement entered into on the 3 September 2019 (the "Senior Credit Facilities") which include a Naira and a USD tranche (the "NGN Tranche" and the "USD Tranche") for which IHSN, ITNG and INT are joint borrowers and guarantors. The NGN Tranche has an original principal amount of ₦141.3 billion provided by a consortium of lenders, has a five-year term, was issued at NIBOR plus a 2.5% margin and is due to be repaid in full by September 2024. The USD Tranche has an original principal amount of USD110.0 million provided by a consortium of lenders, has a five-year term, was issued at LIBOR plus a 4.25% margin and is due to be repaid in full by September 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. BORROWINGS (continued)

Bond borrowings

IHS Netherlands Holdco B.V.

IHS Netherlands Holdco B.V. issued $500 million 7.125% Senior Notes due 2025 (the “2025 Notes”) and $800 million 8.0% Senior Notes due 2027 (the “2027 Notes”) pursuant to a Senior Notes Indenture dated 18 September 2019 between, *inter alios,* the Issuer (IHS Netherlands Holdco B.V.), the Guarantors (each of IHS Netherlands NG1 B.V., IHSN, IHS Netherlands NG2 B.V., ITNG, INT Towers Limited and Nigeria Tower Interco B.V) and the Trustee (Citibank N.A., London branch). The 2025 Notes and 2027 Notes are listed on The International Stock Exchange (TISE).

On 31 July 2020 IHS Netherlands Holdco B.V. issued an additional $150 million in aggregate principal amount across its 2027 Notes and 2025 Notes, split as $140 million in aggregate principal amount of its 2027 Notes and $10 million in aggregate principal amount of its 2025 Notes. The aggregate principal issued amounts in respect of the Notes are currently $940 million in respect of the 2027 Notes and $510 million in respect of the 2025 Notes.

The 2025 Notes and 2027 Notes have a tenor of five and a half years and eight years respectively, from the relevant date of issue, interest is payable semi-annually in arrear and the principal is repayable in full on maturity.

The 2025 Notes and 2027 Notes have early redemption features whereby IHS Netherlands Holdco B.V. has the right to redeem the relevant notes before the maturity date, and the holders hold a right to request the early settlement of the Notes, in certain circumstances. The values of the call options are disclosed in note 14.

Subordinated shareholder loans

As at 31 March 2021, the Group had loans from IHS Netherlands (Interco) Coöperatief U.A. with principal values (including capitalised interest) of $499.6m. At 31 December 2020, the Group had loans from IHS Netherlands (Interco) Coöperatief U.A. with principal values (including capitalised interest) of $663.8m.

Undiscounted contractual cash flows

As at 31 March 2021, the undiscounted contractual cash flows of the Group’s borrowings were as follows:

	Carrying value $'000	Total contractual cash flows $'000	Less than 1 year $'000	Between 2 and 3 years $'000	Between 4 and 5 years $'000	Over 5 years $'000
Bank borrowings	422,047	497,569	102,956	249,655	144,958	-
Bond borrowings	1,469,270	2,084,151	111,538	223,075	696,738	1,052,800
Subordinated shareholder loans	500,885	1,334,823	-	-	-	1,334,823
	2,392,202	**3,916,543**	**214,494**	**472,730**	**841,696**	**2,387,623**

16. LEASE LIABILITIES

	31 Mar 2021 $'000	31 Dec 2020 $'000
Current	6,327	6,714
Non-current	34,428	31,947
Total lease liabilities	**40,755**	**38,661**

Lease liabilities represent the net present value of future payments due under long term land leases for leasehold land on which our towers are located and for other leasehold assets such as warehouses and offices. During the 3 month period ended 31 March 2021, payments to the value of $7.3m (3 month period ended 31 March 2020: $6.5m) were made in respect of recognised lease liabilities. These lease liabilities are unwound using discount rates which represent the credit risk of the lessee entity and the length of the lease agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17. PROVISIONS FOR LIABILITIES AND OTHER CHARGES

	31 Mar 2021	31 Dec 2020
	$'000	$'000
Current	3,613	3,796
Non-current	4,191	3,831
Total decommissioning provision	**7,804**	**7,627**

The provision is for decommissioning and relates to the probable obligation that the Group may incur on the leased land on which its tower equipment is constructed. The amount is recognised initially at the present value of the estimate of the amount that will be required to decommission and restore the leased sites to the original states, discounted using the effective borrowing rate of the Group. The amount provided for each site has been discounted based on the respective lease terms attached to each site.

18. CASH GENERATED FROM OPERATIONS

Reconciliation:	**3 month period ended**	
	31 Mar 2021	31 Mar 2020
	$'000	$'000
Profit.(loss) before taxation	**34,850**	**(196,627)**
Adjusted for:		
Depreciation of property, plant and equipment	55,159	84,983
Impairment of property, plant and equipment	-	1,868
Amortisation of intangible assets	4,077	4,576
Amortisation of prepaid land rent	130	574
Net loss/(gain) on sale of property, plant and equipment	336	(141)
Impairment of receivables	-	1,821
Impairment of withholding tax assets	15,064	22,544
Finance costs	84,579	214,903
Fair value loss through profit or loss	23,393	42,604
Finance income	(35,048)	(10,317)
Insurance claims income	(3,788)	(121)
Operating profit before working capital changes	**178,752**	**166,667**
Decrease in inventories	3,570	9,226
Increase in trade and other receivables (excluding prepaid rent)	(398)	(80,732)
(Decrease)/increase in trade and other payables	(6,082)	47,647
Net movement in amounts with related parties	3,546	4,375
Net working capital changes	**636**	**(19,484)**
Cash generated from operations	**179,388**	**147,183**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19. RELATED PARTY TRANSACTIONS

	31 Mar 2021	31 Dec 2020
Current	**$'000**	**$'000**
Amounts due from:		
IHS Holding Limited	264	264
Global Independent Connect Limited	27	7
IHS Netherlands (Interco) Coöperatief U.A.	331	331
	622	**602**
Amounts due to:		
IHS Holding Limited	13,286	9,777
Global Independent Connect Limited	443	442
IHS Netherlands (Interco) Coöperatief U.A.	173	177
	13,902	**10,396**
Non-current		
Amounts due to:		
IHS Netherlands (Interco) Coöperatief U.A.	500,885	666,170
	500,885	**666,170**

Non-current amounts due to IHS Netherlands (Interco) Coöperatief U.A. represent subordinated shareholder loans as disclosed in note 15.

20. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Group had contractual, non-cancellable capital commitments of $113.5m for full turnkey site build and upgrade of existing sites as at 31 March 2021 (31 December 2020: $97.6m).

The Group has contingent liabilities in respect of legal claims arising in the ordinary course of business. The Group reviews these matters in consultation with internal and external legal counsel to determine on a case by case basis whether a loss from each of these matters is probable, possible or remote.

The Group’s contingent liabilities in respect of litigations and claims amounted to $0.7m at the end of the reporting period (Dec 2020: $0.2m). Based on legal advice received, the Group’s liability is not likely to crystallise, thus no provisions have been made in these financial statements.

21. EVENTS AFTER THE REPORTING PERIOD

There were no disclosable events after the reporting period.

NON-IFRS MEASURES AND GLOSSARY

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

Adjusted EBITDA: Profit or loss for the period excluding the impact of finance income, finance cost, fair value through profit or loss, depreciation and amortization, impairments of fixed assets and land rent, profit or loss on disposal of assets, impairment of withholding taxes, share-based payment expense, and provision for or benefit from income taxes, less other income plus other expenditures that management considers sufficiently large and unusual as to distort comparisons from one period to the next. Adjusted EBITDA is a component of the calculation that has been used by our lenders to determine compliance with certain covenants under our debt facilities. Adjusted EBITDA is not intended to be an alternative measure of operating income or gross profit margin as determined in accordance with IFRS.

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

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

Colocation Rate: Refers to the average number of tenants per tower that is owned or operated across a tower portfolio at a given point in time, excluding managed services.

Consolidated Net Leverage: Aggregate outstanding net indebtedness on a consolidated basis (excluding subordinated shareholder debt).

Consolidated Net Leverage Ratio: Ratio of Consolidated Net Leverage to LTM Adjusted EBITDA

Group: IHS Netherlands Holdco B.V. and each of its direct and indirect subsidiaries.

Lease Amendments: Refers to the installation of additional equipment on a site or the provision of ancillary services for an existing tenant.

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

LTM Adjusted EBITDA: Adjusted EBITDA for the last twelve months

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

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

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

SUMMARY OF UNAUDITED QUARTERLY RESULTS

For the respective quarters ended:

Statement of profit or loss	31 Mar 2021 $'000	31 Dec 2020 $'000	30 Sep 2020 $'000	30 Jun 2020 $'000
Revenue	261,129	272,866	274,383	241,590
Cost of sales	(126,964)	(141,511)	(137,281)	(146,218)
Gross profit	134,165	**131,355**	**137,102**	**95,372**
Administrative expenses	(30,245)	(31,084)	(23,571)	(6,289)
Other income	3,854	4,582	47	4,220
Operating profit	**107,774**	**104,853**	**113,578**	**93,303**
Net finance cost	(49,531)	(186,960)	(74,818)	(27,592)
Changes in fair value though profit or loss	(23,393)	142,903	(7,064)	17,251
Profit before taxation	34,850	**60,796**	**31,696**	**82,962**
Taxation	(7,948)	(43,972)	(21,802)	(76,060)
Profit for the period	**26,902**	**16,824**	**9,894**	**6,902**
Adjusted EBITDA reconciliation:				
Profit for the period	**26,902**	**16,824**	**9,894**	**6,902**
Add back:				
Tax charge	7,948	43,972	21,802	76,060
Changes in fair value though profit or loss	23,393	(142,903)	7,064	(17,251)
Net finance cost	49,531	186,960	74,818	27,592
Depreciation and amortisation	59,236	61,015	67,868	74,724
Impairment of property, plant and equipment and prepaid land rent	-	10,741	3,097	5,637
Net loss/(profit) on disposal of property, plant and equipment	336	(376)	82	(397)
Impairment/(reversal of impairment) of withholding tax receivable	15,064	6,128	10,747	(7,887)
Other costs*	1,548	-	-	-
Adjusted EBITDA	**183,958**	**182,361**	**195,372**	**165,380**
Adjusted EBITDA margin	70.4%	66.8%	71.2%	68.5%
Capital expenditure in quarter:				
Purchase of property, plant and equipment	(2,543)	(624)	(1,243)	(399)
Construction of property, plant and equipment	(4,405)	(659)	(10,603)	(9,045)
Purchase of software and licences	(107)	(26)	(10)	-
Advance payments for property, plant and equipment	(43,018)	(41,221)	(29,503)	(23,696)
Total capital expenditure	**(50,073)**	**(42,530)**	**(41,359)**	**(33,140)**

*Other costs includes non-recurring professional costs related to financing.