

IHS Earnings Call Transcript

Date: 2025-11-12

Quarter: 3

Operator: Good day, and welcome to the IHS Holding Limited Third Quarter 2025 Earnings Results Call for the three-month period ended September 30, 2025. Please note that today's conference is being webcast and recorded. At this time, I'd like to turn the conference over to Robert Berg. Please go ahead, sir.

Robert Berg: Thank you, operator. Thanks to everyone for joining the call today. I'm Robert Berg, of Investor Relations here at IHS. With me today are Sam Darwish, our Chairman and CEO, and Steve Howden, our CFO. This morning, we filed our unaudited condensed consolidated interim financial statements for the three-month and nine-month periods ended September 30, 2025, with the SEC, which can now be found on the Investor Relations section of our website. We issued a related earnings release presentation and supplemental deck. These are the consolidated results of IHS Holding Limited, which is listed on the New York Stock Exchange under the ticker symbol IHS and which comprises the entirety of the group's operations. Before we discuss the results, I would like to draw your attention to the disclaimer set out at the beginning of the presentation on Slide two, which should be read in full along with the cautionary statement regarding forward-looking statements set out in our earnings release and 6-Ks filed as well today. In particular, the information to be discussed may contain forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties, and other important factors that are difficult to predict and that may be beyond our control, including those discussed in the risk factors section of our Form 20-F filed with the Securities and Exchange Commission and our other filings with the SEC. As a result, actual results, performance, or achievements or industry results may be materially different from any future results, performance, or achievements or industry results expressed or implied by these forward-looking statements. We'll also refer to non-IFRS measures, including adjusted EBITDA, that we view as important in assessing the performance of our business, ALFCF, that we view as important in assessing the liquidity of our business, and consolidated net leverage ratio that we view as important in managing the capital resources of our business. A reconciliation of non-IFRS metrics to the nearest IFRS metrics can be found in our earnings presentation, which is available on the Investor Relations section of our website. And with that, I'd like to turn the call over to Sam Darwish, our Chairman and CEO.

Sam Darwish: Thanks, Rob. Good morning, everyone, and welcome to our third quarter 2025 earnings results call. I'm pleased to report that we've delivered another quarter of strong results, ahead of expectations, with strong performance across all our key metrics: revenue, adjusted EBITDA, and ALFCF, while at the same time continuing to delever our balance sheet. This performance again underscores the effectiveness of our strategy, which is centered on driving organic growth, enhancing efficiency through continued cost controls, and maximizing cash flow generation. The operating environment is also providing a tailwind, particularly from favorable foreign exchange movements but also from a strong fundamental telecom market performance, especially in Nigeria and Brazil. Given the strong year-to-date performance, we are again raising our full-year 2025 outlook for revenue, adjusted EBITDA, and ALFCF. Steve will take you through the details shortly, but the headline is clear. Our top-line momentum is strong, our focus on profitability is yielding results, our cash generation is accelerating, and we continue to delever the balance sheet as planned. Let me walk you through the quarter's highlights, which saw our strongest quarterly financial performance since 2023. Despite a

large naira devaluation in quarter one 2024 and with us selling our Kuwait and Peru businesses over that period, revenue came at \$455 million ahead of plan, with constant currency revenue growth of almost 9% driven by CPI escalators, colocation lease amendments, and new sites. Adjusted EBITDA came at \$261 million with a margin of 57.5%, an increase of over 6% reflecting our ongoing commitment to cost control and driving profitability. ALFCF came at \$158 million, a very strong result driven by targeted actions to enhance cash generation. And total CapEx came at \$77 million, up 16% year on year, reflecting the quarterly phasing of CapEx predominantly in Nigeria. During the third quarter, we also continued to advance our deleveraging efforts, reducing our consolidated net leverage ratio to 3.3 times, down 0.6x year on year and well within our three to four times target range. This improvement has been further supported by the initial \$175 million of proceeds received from the Rwanda disposal shortly after quarter end. Liquidity remains strong, over \$950 million, again excluding the Rwanda proceeds received in October, which will take it to well over \$1 billion. So looking ahead, our priorities remain clear: First, maintain our focus on reducing debt while driving continued organic growth across the business. Second, remain disciplined in how we allocate capital, and as we near the lower end of our leverage target, consider introducing dividends and/or share buybacks. Third, accelerate efficiency gains by integrating more technology and AI into our operations. Fourth, proactively identify and pursue the most attractive organic growth opportunities in response to strong customer demand, prioritizing opportunities with the highest returns. And finally, further disposal activity remains under consideration, and we are continuing to assess additional value-creative disposal opportunities. We remain excited by the substantial opportunities for organic growth across our markets, especially Brazil and Nigeria. Our expanded partnership with TIM in Brazil, up to 3,000 new sites, highlights how well-positioned we are to take advantage of the ongoing rollout of 5G within our footprint. In Nigeria, carrier tariff hikes and strengthening naira are underpinning our growth story. With robust demand across our footprint, we're set for sustained growth and strong returns. As we move forward, we'll stay disciplined, building the business, boosting free cash flow, and strengthening the balance sheet, all with a clear focus on delivering shareholder value while we continue to grow. With this in mind, we expect to share a comprehensive update on our capital allocation priorities at the full-year 2025 results. So we look forward to sharing that with you soon. And with that, I'll hand it over to Steve.

Steve Howden: Thanks, Sam, and hello, everyone. Let's take a look at Slide eight, where we show our 3Q 2025 performance. We're really pleased with our third quarter results, which again came in ahead of expectations with positive operating and financial progress supported by the continued favorable macroeconomic environment in Nigeria. As we look at the results, please note the year-over-year comparisons are impacted by some items. Firstly, the Kuwait disposal in December 2024 means there's no meaner contribution this year. For context, Kuwait added \$13 million of revenue and \$8 million of adjusted EBITDA in the third quarter of last year. Secondly, we saw tenancy churn of 2,576 sites, following an updated agreement with our smallest key customer in Nigeria, Nine Mobile. Under this agreement, they began vacating sites in 2025 in exchange for a contractual commitment to settle portions of their historic overdue balances through till July 2027. To be clear, we expect this to have only a limited financial impact over the coming years. And then thirdly, there's the ongoing impact of the near-term site churn linked to the renewed and extended contracts with MTN Nigeria in August. In terms of the results, year-over-year Towers and Tenants both decreased approximately 4% reflecting the impact of the Kuwait disposal while tenant count also reflects the Nine Mobile tenancy churn we just addressed. Excluding the impact of these two items, we added 1,652 net new tenants year on year. Lease amendments increased by more than 2,800 driven by continued incremental demand for ancillary services. On a reported basis in the third quarter, revenue was 8.3% up despite a 3% inorganic revenue headwind from the Kuwait disposal. Organic growth was approximately 7%, driven by almost 9% constant currency growth and favorable movements in FX as the naira continued to appreciate against the dollar. As a reminder, the naira average FX rate was N601 to the dollar in 2024 and was N1,523 to the dollar in 2025. Following the end of the quarter, the naira has continued to appreciate. As previously mentioned, adjusted EBITDA came in ahead of our expectations, ranging between approximately \$14.30 and NIS \$14.70 to the dollar, increasing more than 6% year on year despite no longer owning our Kuwait asset which contributed \$8 million back in the third quarter of last

year. Adjusted EBITDA margin was down 100 basis points year over year reflecting a now normalized cost level in our Sub-Saharan African segment and higher power generation costs, albeit the margin was up 20 basis points versus last quarter. Meanwhile, ALFCF increased by more than 80% versus third quarter 2024, with the comparison again distorted by a very different interest rate profile quarter to quarter in 2025 versus 2024, which emanates from the November 2024 bond refinancing. As a reminder, following that refinancing, our bond interest payments are now primarily due in the second and fourth quarters of the year, whereas in 2024, they were more evenly spread. Our level of CapEx investment increased by approximately 16% in the quarter, largely driven by our Nigeria segment reflecting the phasing of maintenance CapEx and augmentation CapEx for colocation and lease amendments. Finally, our consolidated net leverage ratio is 3.3 times, down 0.6x versus the third quarter of last year. And as Sam mentioned, we're well within our target range of three to four times, and expect to be at the low end of the range by the end of 2025. The 3.3x does not yet reflect the sale of our Rwanda business that closed this past October and therefore excludes the initial payment of \$175 million that we received post quarter end. Slide nine shows the components of our 3Q 2025 revenue on a consolidated basis, where you can see how the business delivered organic growth of almost 7% with more than 8% growth on a reported basis despite the impact of the Kuwait disposal. From a constant currency perspective, revenue grew approximately 9% driven primarily by CPI escalations, new colocations, new lease amendments, and new sites. Continued positive signs of the fundamental underlying tenancy growth continuing across our key markets. Our revenue from power indexation declined due to falling diesel prices during the period, the associated fall in diesel costs largely offsets this impact, resulting in minimal effect on our adjusted EBITDA and cash flow. And that was more than offset by FX tailwinds mostly from Nigeria. The right side of the page shows the organic growth rates of each of our segments for the quarter, with our Nigeria segment having grown 5% despite the near-term churn from MTN Nigeria after last year's renewal and LATAM growing more than 11%, which is mostly Brazil. As Sam mentioned, we recently signed a new site agreement with TIM that aims to build up to 3,000 sites over five years in Brazil with an initial minimum deployment of 500 sites over two years across multiple regions of the country. An exciting development which will help underpin our growth in the LATAM segment over the coming years. On Slide ten, you can see our consolidated revenue, adjusted EBITDA, and adjusted EBITDA margins for 3Q 2025 as we've already discussed, and specifically in 3Q '25 our adjusted EBITDA was \$261 million and our adjusted EBITDA margin was 57.5%. Continuing the trend of higher margins we've seen in recent quarters. On Slide 11, we show our adjusted leverage free cash flow. In the third quarter 2025, we generated ALFCF of \$158 million, an 81% increase year on year reflecting actions taken to improve free cash flow generation and the lower interest payment in the quarter. As previously said, our ALFCF cash conversion rate was 60.4%. On to CapEx and in the quarter CapEx of \$77 million increased 16% year on year primarily reflecting the phasing of maintenance CapEx and augmentation CapEx in Nigeria. And as Sam said, we will update you on our next phase of capital allocation strategy at the full-year 2025 results. On the segment review on Slide 12 and I'll start with Nigeria. Revenue in the Nigerian segment was \$268 million in the quarter. During the quarter, we added over 220 new colocations. And lease amendments continue to be an important driver of growth as we integrated over 1,750 new lease amendments since June, with our customers continuing to add additional equipment to our sites. This helped lead to organic growth of 5% year on year despite an approximate \$8 million reduction in revenue from the approximately 510 vacated tenants and 980 vacated lease amendments related to the ongoing 1,050 MTN Nigeria site churn. On a reported basis, revenue increased approximately 11% year on year driven by a combination of healthy MNO activity and FX tailwinds. Third quarter 2025 segment adjusted EBITDA in Nigeria was \$170 million, a 7% increase from a year ago. Primarily reflecting the increase in revenue I just mentioned. Segment adjusted EBITDA margin was down 230 basis points to 63.3% primarily reflecting an increase in cost of sales and admin expenses reflecting an adjustment associated with the updated agreement with Nine Mobile. As well as increases in the cost of diesel and electricity. With costs also enhanced by the appreciation of the naira. From a macroeconomic perspective in Nigeria, trends remain encouraging. The naira continued to appreciate against the dollar including post quarter end. And USD liquidity remains available. Inflation eased for the sixth consecutive month to 18%, its lowest level in more than three years. And real GDP grew again in 2025 both year on year and quarter

on quarter. And the Central Bank cut interest rates by 50 basis points to 27%. These are all positive signs that monetary policy is gaining traction though still more work remains. Nigeria's FX market was a tailwind for our business through the quarter with an average naira to dollar rate of 1,523. Although current levels are lower. Overall, the country continues to make macroeconomic progress and investor confidence appears to be returning. In our Sub-Saharan African segment, revenue increased 13%, while segment adjusted EBITDA decreased just over 1% year on year. This revenue growth was driven by new tenants and colocations, and partially offset by lower revenues from FX resets. The year-over-year decline in adjusted EBITDA reflects an increase in cost primarily driven by increases in regulatory fees. And that's due to a regulatory free cost accrual release in 2024 compared to a more normalized cost level in the third quarter of this year. In our LATAM segment, towers and tenants grew by 68.9%, respectively, versus third quarter 2024 as we added over 300 colocations and 280 new sites during the year. Which helped lead to 11% organic growth year on year. On a reported basis, revenue increased by 13% year on year. Driven by that continued tenant growth and lease amendment activity as well. In Brazil, our second largest market with 8,506 towers, macroeconomic conditions were favorable in the third quarter as the Brazilian real appreciated against the U.S. Dollar. And the Brazilian Central Bank held rates steady with the benchmark select rate at 15%. Moving to LATAM profitability, segment adjusted EBITDA increased by almost 22% while segment adjusted EBITDA margin increased 560 basis points versus 2024 which mostly reflects a reduction in expenses from various cost-saving initiatives. On Slide 14, our capital structure and related items. At 09/30/2025, we had approximately \$3.9 billion of external debt and IFRS 16 lease liabilities. And that's broadly stable with last quarter. Of the \$3.9 billion, approximately \$2.2 billion represents our bond financings. And our weighted average cost of debt remained 8.3% following the 100 basis point reduction we saw last quarter stemming from the high-interest debt that we paid down in Nigeria and Brazil. Following the end of the quarter, we closed the Rwanda transaction and therefore our 3Q balance sheet and consolidated net leverage do not yet reflect the \$175 million of initial proceeds that we have received. Cash and cash equivalents were \$651 million as of September 30, bringing our total liquidity to \$951 million of which \$300 million is the undrawn group RCF. In terms of where that cash is held, approximately 18% was held in naira at our Nigeria business, though we have continued to upstream since the quarter end. Consequently, our consolidated net debt was less than \$3.3 billion at the September. Our consolidated net leverage ratio was 3.3 times, down 0.1 times since June and down 0.6 times year on year. We expect leverage to be at the low end of our target three to four times net leverage ratio by the end of the year with our position now supplemented by the cash proceeds that we received from the Rwanda disposal post quarter end. And on to Slide 15, as Sam mentioned at the beginning, given the strong performance across our business in the third quarter, and our continued positive view on the remainder of the year, we're again raising our full-year 2025 guidance. We now expect revenue in the range of \$1.72 to \$1.75 billion and that's a \$20 million uplift from our previous guidance. We expect adjusted EBITDA in the range of \$995 million to \$1.015 billion. That's a \$10 million uplift. We expect ALFCF in the range of \$400 million to \$420 million and that's a \$10 million uplift as well. While total CapEx remains unchanged in the range of \$240 million to \$270 million including an assumption of 600 new sites. Our consolidated net leverage ratio target of three to four times still remains unchanged as of now. Our guidance continues to show solid revenue growth in 2025 versus 2024, especially when excluding the impact of our disposals as well as very strong growth in adjusted EBITDA and ALFCF. Our year-to-date performance has been ahead of expectations driven by strong operating and financial performance. Our new guidance factors in strong constant currency growth assumptions and now reflects a more favorable FX environment. The new guidance implies an organic revenue growth rate of 10% at the midpoint. The stronger FX assumptions I'll outline shortly provide translation tailwinds that support our reported numbers. However, this benefit is partly offset by a lower contribution from FX resets, which is reflected within organic revenue. We are also now assuming a lower benefit from power indexation driven by lower diesel prices although as a reminder, given our power prices will also fall these movements will have limited impact on our adjusted EBITDA and ALFCF. Our guidance is inclusive of the contribution from the company's Rwanda operations up until the completion of its disposal on 10/09/2025. Moving to FX. The bottom of the slide shows the average annual FX rate assumptions in our 2025 guidance. For the full year, we're now assuming a rate of dollars to the U.S.

Dollar compared to our previous assumption of N595 to the dollar. And that includes an assumption of N5500 flat for the fourth quarter. We are also now using stronger FX assumptions to varying degrees. For other FX rates on this slide. Helping to support our expected 2025 overall financial performance. This now brings us to the end of our formal presentation. We thank you for your time today. And operator, please now open the line for questions.

Operator: Thank you. Our first question for today comes from Richard Choe of JPMorgan. Your line is now open. Please go ahead.

Richard Choe: Hi. I wanted to ask about your carrier customers in Nigeria. Now that they have been able to have the quarters of the tariff increases and hitting their financials, what are their or have they communicated to you their kind of CapEx plans for the long term? With the new rates in place?

Steve Howden: Hi, Richard. So a few points on that. So firstly, what we're seeing from the likes of MTN Nigeria, from Airtel Nigeria, is really strong financial results as you might expect having passed through the 50% carrier increase or carrier tariff increase. So MTN Nigeria reported a couple of weeks ago, their 63% up on revenue, EBITDA even more than that and they're at a 53% margin now. Airtel Nigeria not too far behind, 56% revenue growth and a 57% margin. So both those carriers really strong, really healthy. In terms of CapEx, they both spent a reasonable amount over the past few quarters and particularly around densification coverage and quality of service. They're starting to say that some of that CapEx has now been spent and it moderated a little bit into Q4. But we've obviously seen quite a tick up in business. We've had a good number of quarters in terms of colocations. You'll see from our earnings material, put on another 1,700 lease amendments in Nigeria as well. And you'll remember that we're still pushing through the big air rollout that we agreed eighteen months or so ago. So we have seen some of that benefit and we'll continue to see a bit of that benefit as we exit the year. And some into next year as well. In terms of their longer-term plans, not at this stage, but obviously, we're pretty familiar with what they're thinking about for next year given it goes to our plans and we'll obviously cover the impact of that on guidance at our year-end call. But that's we're pleased with where we are.

Richard Choe: And not trying to look too far ahead, but it seems like the opportunity in Brazil is pretty significant. I guess, also kind of keeping in mind wanting to be mindful of the capital allocation. How much should we expect kind of the firm's willingness to invest in Latin America as the growth driver over the next few years?

Steve Howden: Yes. Definitely right to call that out and something that we've obviously put a little bit of spotlight on. Throughout the pullback on capital allocation, over the last couple of years. Brazil, particularly on the tower side, was one area that we really wanted to continue growing. That thesis very much continues. People have seen the announcement around our new rollout with Tim. That's 500 sites in the next couple of years, but up to 3,000 sites in totality. So I think that really underpins growth forecast that we've always had with that market. We hope to add some more around that as well. And Brazil will continue to be an avenue for growth CapEx for us, particularly on the tower side. So we're really positive about that market.

Sam Darwish: Richard, this is Sam. If I may add, we've never frozen the growth in Brazil. And at the moment, despite global headwinds, Brazil's economy remains solid. And GDP is up 0.3%. The real is stronger today at 5.3% to the dollar and the telecom sector is growing 6% to 7% year on year with margins nearing 50%. I mean, it's an amazing performance even stronger than what we have here in The United States in terms of growth and margins. With again currency strengthening against the dollar. And as the carriers densify 5G networks and grow their coverage, our infrastructure sites sit at the center of that growth. They're benefiting from both volume expansion and higher tenancy efficiency. Again, this is evidenced by what we just announced the 3,000 tower build with TIM over the next few years. And potentially other rollout projects that could be announced in the future. So we are very excited about Brazil. I mean, have been and we remain excited about Brazil.

Richard Choe: Seems like a great market longer term. Thank you.

Operator: Thank you. Our next question comes from Michael Rollins of Citi. Your line is now open. Please go ahead.

Michael Rollins: Thanks and good morning. Wanted to follow-up on your comments about maybe updating capital allocation and possible returns to shareholders with the year-end results. Can you give us an update on how you're thinking about dividends versus buybacks? Versus financial leverage? And

within that context, I don't believe you shared a number, but where does leverage sit pro forma for the completed transactions that were done early in the fourth quarter, but not included in the end of 3Q leverage ratios? Then I may have one other follow-up. Thanks.

Steve Howden: Hey, Mike. Take that altogether. The last point on pro forma leverage is about 0.1 down. So 0.1 reduction on leverage. And as we've been saying for a quarter or two now, we expect our leverage to be times to 3.1 times by the end of the year. So we're very much on track to deliver that. That obviously goes into the wider capital allocation question, which we said earlier on the call, we will update fully at the year-end results in terms of what we intend to do. Just to put a little bit more color around that, so we're really thinking in three buckets. We just started on the previous question to talk about some growth CapEx. So we're looking at that as to whether we think there's some really attractive return opportunities across our markets. I would expect us to possibly do a little bit more growth CapEx in the last couple of years, but moderately so. Keeping in mind, our focus continues to be on profitability and cash flow generation. But we are seeing lots of potentially good growth around the business. So potentially moderately moderate change that portion. Debt, as I just said, will be at three times plus or minus by the end of the year. We think that's a pretty good jump-off point to be thinking about different types of capital allocation. That may include reducing our three to four times target range, but we'll cover that at the year-end. And from a debt perspective, we're pretty focused on some nearer-term dollar maturities and we've got some bonds due at the end of next year, some bonds due at the end of the following year. And a bilateral USD term loan due 2027 as well. So that's kind of in our thinking around debt. But we feel pretty good about the balance sheet where it's going to be by the end of the year, and then continuing to delever organically, if you like, after that. And all of that leaves kind of plenty of opportunity, let's say, to think through some direct shareholder returns and whether that's dividends or share buybacks. I don't want to go into that at this stage. We'll cover that at the year-end results. But certainly, there's ample room for that given the cash generation of the business.

Michael Rollins: Then probably just a final point, to be clear, we are not assessing outbound acquisition opportunities at this point in time. So we won't be buying anything.

Michael Rollins: That's very helpful. And just one more if I could. For investors that are trying to compare your financial prospects with other tower companies around the world, can you give us an update on just how to think about the annual financial algorithm in terms of the underlying organic top line that you would expect your business to deliver on average in any given year? And how that can translate into EBITDA and ALFCF per share growth. Thanks.

Steve Howden: Yes. So in each of our quarters, we try to provide something that we think is helpful to folks from a top-line perspective, which is our growth bridge. We show on there, it's Page nine in this quarter's investor press. And that gives us a headline growth. It gives you what we call organic growth. And it gives you a constant currency growth as well. And the reason we differentiate is that power obviously doesn't pass through to EBITDA, so we just highlight that. And the differences around that in revenue. So that gives people a lot of different ways that they can look at our revenue. And then in terms of how that flows down into EBITDA, really the only, I would say, nuances between the revenue growth and EBITDA growth from a mechanism point of view is the power item I just mentioned. Which doesn't affect EBITDA because it's one for one, it's a pass-through. And then obviously FX, if it affects revenue, to some extent, it will affect EBITDA, which is smaller to a smaller extent. But otherwise, people should just track our EBITDA margins as a good way to flow through to EBITDA. And then moving on to ALFCF, probably the only other area of difference other than just tracking through is our interest rate profile, which we've spoken about quite a bit this year. It's low interest in Q1 and Q3 and high interest in Q2 and Q4. Because of the way our bond interest is phased. But other than that, nothing out of the ordinary.

Michael Rollins: Thanks very much.

Operator: Thank you. Our next question comes from Gustavo Campos of Jefferies. Your line is now open. Please go ahead.

Gustavo Campos: Hi, hello. Yes, thank you very much for the presentation and congrats on the results. I had just a few questions here. If I just do some rough calculations here on the Rwanda sale, if I understood correctly, it's \$275 million cash payment. And then you obviously need to make an adjustment on the underlying EBITDA given, I think, like Rwanda has historically contributed \$30 million

to \$40 million EBITDA on an annual basis. I thought it would be a 0.2x effect on the capital structure pro forma. On your net leverage. Do that Yes. Get to these results. Right?

Steve Howden: Yep. Yeah. So the consideration is coming in over a period. So we've received \$175 million in October. And the balance 100 is due to come in over the next couple of years. So in the pro forma impact I gave you, I'm talking about today's pro forma impact using \$175 of proceeds. The balance will come in later and will be additive and that's the difference between your 0.2 and my 0.1.

Gustavo Campos: Okay. Understood. Yeah. For that clarification. And when are you expecting the additional \$100 million?

Steve Howden: So it's up to two and three years away. There's two tranches. You'll see it written in all of our disclosure last quarter and this quarter. So \$70 million out of it comes in the next two years. The balance comes in three years. It could come sooner. Those are out of date.

Gustavo Campos: Understood. Understood. Thank you very much for that. I also wanted to clarify here on your guidance review, is it correct to my understanding correct that the guidance was only because of FX basically? Or was there some other factors being incorporated here? Are you just assuming stronger local effects for the end of the year?

Steve Howden: Yes. I mean, it's obviously year-to-date performance through Q3 but then yes, for the balance of the year, effectively it's FX.

Gustavo Campos: Oh, okay. Okay. Thank you. And, also, I just wanted to clarify on your debt reduction strategy. You mentioned that you are focused on the front-end bonds and maybe your dollar term loan. Are you planning to call the 26s and the twenty-seventh bond? I we understand that you know, for example, the 20 sevens are already callable. That's and the 20 eights are already callable from December 2025. Right? So should we be thinking about this callable date, or should we think about, you know, maybe some redemption closer to maturity? Any visibility on your three front-end bonds would be very helpful here. How we should think about your capital allocation strategy? Thank you.

Steve Howden: Yes. So you're right. Some are callable now, some are not callable yet. That mix of timing obviously goes into our thinking in terms of what we end up doing. So I don't want to comment on things we haven't done at this point in time, especially on the bond side of things. But you're right in your thinking around the different time periods and the different instruments that we are focused on. So you will hear from us on that as soon as it's ready.

Gustavo Campos: Okay. Yes. Thank you very much. I was final clarification from my side. Could you please give some quick review again on why did your sites in Nigeria drop by 500 towers? Quarter over quarter. I understand that there was, like, I think you mentioned on the call the MTN site churn, and you also mentioned the Nine Mobile. I'm just trying to understand how much of an impact those two factors had? And should we expect that maybe more materialization of this impact in the future or that's it if that's like the one-off?

Steve Howden: Yes. So we said earlier in the call that the MTN churn impact is about \$8 million in the quarter versus this time last year. That gives you an idea of where we're up to with them. As and when we churn tenants, we will assess whether we think that the sites have a good opportunity for other colocations or other tenants to go on them. So you will see an element of us rationalizing towers if we think that that's not the case. And that's really what we are seeing there. So as we go through the MTN churn and a bit of and the Nine Mobile churn, we will tidy up the tower base as well. That's obviously so that we save the cost and running CapEx of monitoring of operating those towers if we haven't got a tenant on.

Sam Darwish: Hi, Gustavo. This is Sam. I mean, this MTN churn is part of is a one-time thing, part of the renewal of the MLAs that we have done with them last year. I mean, it was announced last year with details in terms of how many sites are they moving from as part of kind of like long-term consolidation for them. So this just happened as we renewed the MLAs by another eight, nine years, if I remember correctly. One more thing I do want to add about Nigeria is that Nigeria is also firing on a lot of cylinders at the moment as a country. The current Nigerian administration has done in our opinion a great job in stabilizing and improving the economic outlook of the country as they've increased reserves and they strengthened the currency while reducing red tape for businesses among other fundamental actions. So we are also upbeat about Nigeria at the moment.

Gustavo Campos: Understood, Sam. And thank you very much for the recap here. So we should

basically be done here with, like, reduction of sites in this quarter. Like, this was, kinda, like, the last quarter where we saw some reduction in insights. Is that correct?

Sam Darwish: Yes. It's part of the number that was agreed with them last year.

Gustavo Campos: Okay. Yeah. Thank you very much. Go ahead. Thank you.

Operator: Our next question comes from Stella Cridge of Barclays. Your line is now open. Please go ahead.

Stella Cridge: Hi there. Good morning all. Many thanks for all the updates so far. And there's just a couple of follow-up. So, after you received the Rwanda proceeds, the cash balance would be quite high. I was just wondering, going forward, what do you reckon would be the kind of cushion that you would like to maintain in terms of how much headroom you've got to actually reduce gross debt with the cash, that would be great. And I just would like to get a sense in terms of, you know, capital structure. Your bonds recently have made up, you know, quite a chunk of the overall capital structure but over two-thirds. Is that kind of the right level for you? Or would you like to kind of have a bit more of an equal balance between bonds and loans, just great to get some color on that. Thank you.

Steve Howden: Hi, Stella. So on the cash balance that we really look at the group cash balance as being the key sort of let me say, cash buffer that we're always monitoring. And there, we like to was \$150 million to \$200 million, at any one time at the group level. We're actually materially higher than that at the moment. But that's kind of how we monitor it and otherwise within the businesses themselves, the opcos. We run them based on their own working capital and CapEx requirements. So mainly the one at group that we focus on. So that's kind of how we think about things. And your second question on bonds, to be honest, we'd like to have term loans and bonds at any one time. There are periods in time as we go through cycles where the bond markets are open and doing well. There are periods when they're not open and not doing so well. Within our capital structure. So we like to keep a balance of both of those types of instruments. So we have a good track record and history with our bondholder community. And we also have a really strong pool of banking relationships as well. So we like to have both. In terms of the absolute mix, 85 percent dollar-denominated debt back close to 61%. And then fixed floating, we're just over two-thirds fixed at the moment, and fixed is obviously more preferable providing the rates are good.

Stella Cridge: Super. Thanks.

Operator: Thank you. That brings us to the end of the IHS Holding Limited third quarter 2025 earnings results call. Should you have any more questions, please contact the Investor Relations team via the email address investorrelations@ihstowers.com. Management team, thank you for your participation today, and wish you a good day. You may now disconnect your lines.