

LIQUID
INTELLIGENT TECHNOLOGIES

Q1 FY22 Results

15 July 2021



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Presenter



Kate Hennessy
Group Chief Financial Officer

Q122 highlights

Good start to the year with growth delivered across all regions

Strategic highlights

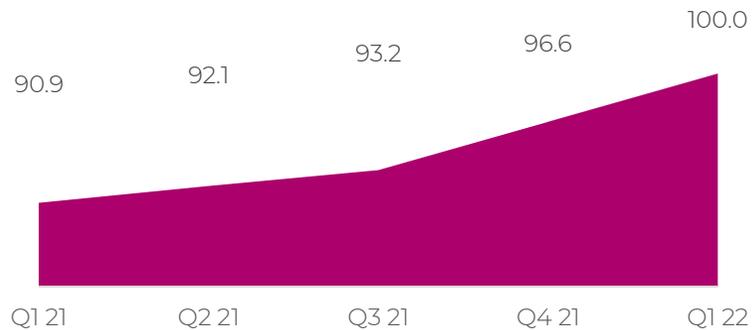
- Completed the rebrand to Liquid Intelligent Technologies in all operating territories
- Our fibre network surpassed 100,000 kilometres at the end of the quarter
- Delivered strong growth in new digital solutions such as Cloud and Cybersecurity

Financial highlights

- Revenue of USD 162.0 million, up 14.3% year-on-year, with good growth across the Group
- Adjusted EBITDA¹ of USD 59.1 million, up 25.7% year-on-year, benefiting from the revenue growth and improved gross margin
- Net debt² of USD 821.4 million and leverage ratio of 3.25x

Q122 key performance indicators

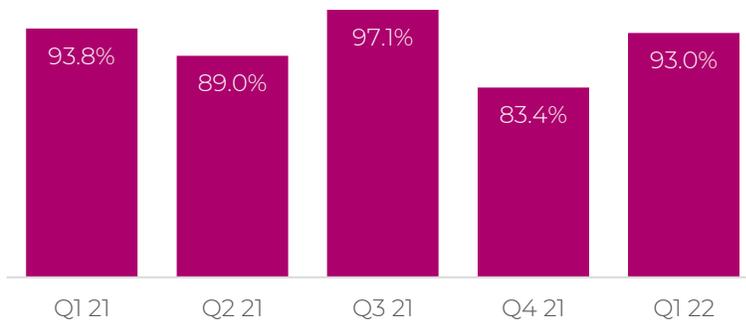
Total fibre network (kms 000)¹



Average churn rate²



Monthly recurring revenue³



Subsea capacity (Gbps)⁴



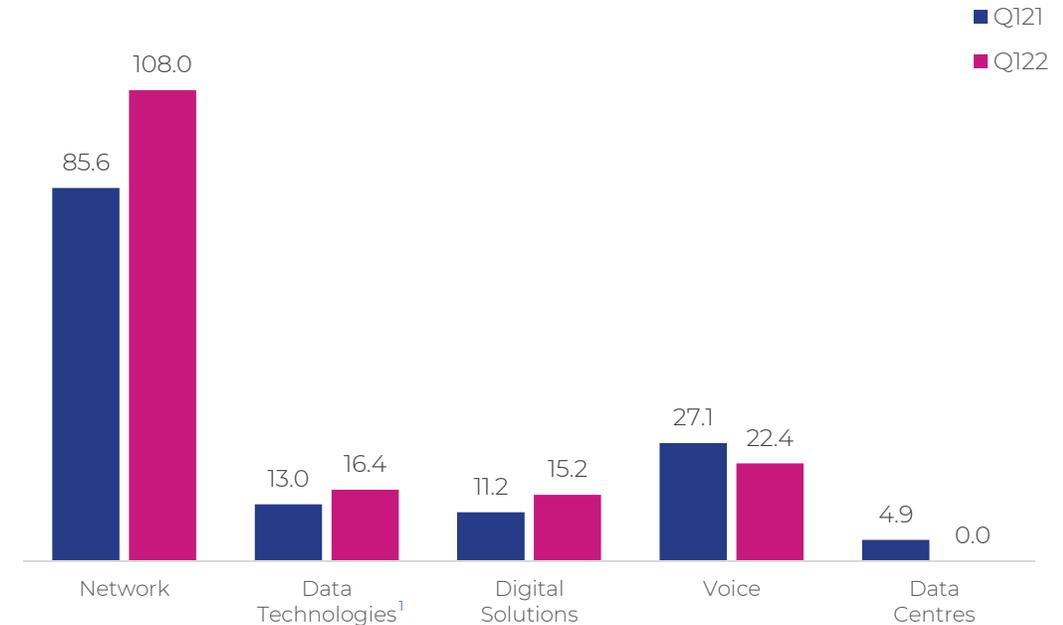
Source: Company information

¹ Total fibre network in kilometres (incl. backbone, metro and FTTX) through which fibre is installed. Multiple kilometres of fibre cables or ducts within the same trench/overhead line are counted individually. Includes both owned and leased capacity through partnerships. ² Average churn rate represents the monthly recurring revenue that was lost during the month following a price reduction or termination of service due to disconnections, downgrades, price reduction and non-renewals, divided by the total revenue for the month. ³ Monthly recurring revenue is the total of all recurring revenue in the period normalised into a monthly amount and expressed as a percentage of total revenue in the same period. ⁴ Capacity, in gigabits per second, purchased by, activated by, or reserved for, Liquid Intelligent Technologies on subsea cables (incl. IRUs).

Q122 revenue by segment

- **Network revenue up 26.2% year-on-year, driven by new connections in Kenya and the DRC, a strong Enterprise performance in Zimbabwe and an FX tailwind**
- **Data Technologies grew 26.2% year-on-year driven by strong demand on the western coast and in the DRC as well as a full quarter of the roaming contracts and favourable FX movements**
- **Digital Solutions delivered another quarter of encouraging growth, up 35.7% year-on-year, including a strong performance in Cybersecurity**
- **Voice revenue continued to decline, down 17.2% year-on-year as activity continues to move to data services**

Q122 revenue by segment
(USD m)



Revenue reclassification by new segment

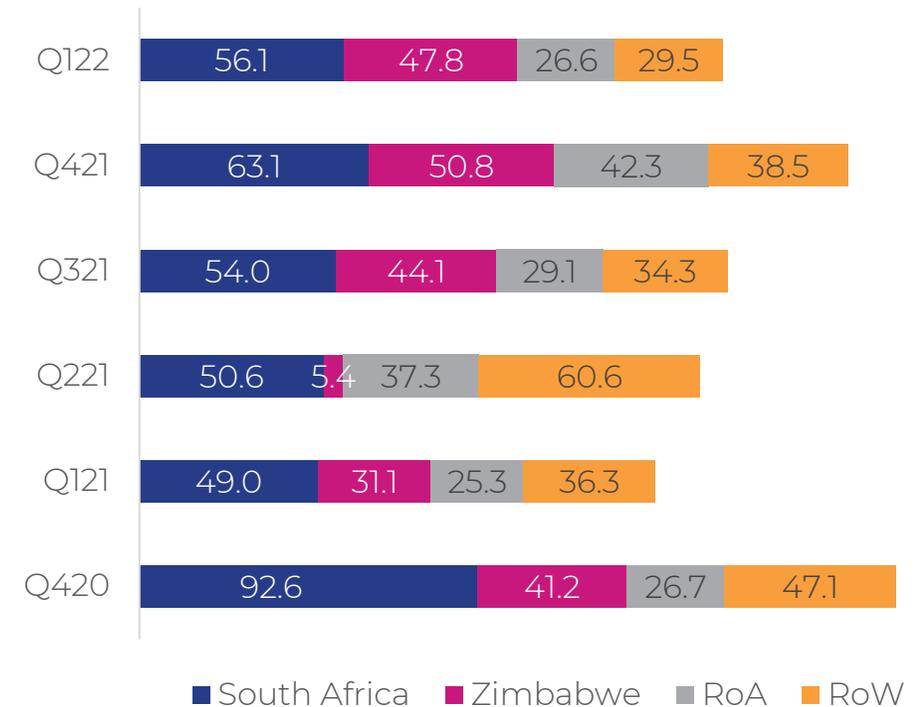
USDm	Q120	Q220	Q320	Q420	FY20	Q121	Q221	Q321	Q421	FY21
Network	86.6	87.7	109.0	141.8	425.1	85.6	85.7	110.5	139.0	420.8
Data Technologies	4.8	8.1	24.9	7.5	45.2	13.0	7.2	10.7	11.3	42.2
Digital Solutions	12.1	16.5	11.6	13.1	53.3	11.2	7.6	13.4	14.1	46.3
Voice	36.0	38.0	32.5	38.4	145.0	27.1	47.4	20.6	23.6	118.9
Data Centres	6.0	6.7	6.9	6.7	26.3	4.9	5.8	6.3	6.7	23.7
Total revenue	145.5	157.0	184.9	207.5	694.9	141.7	154.0	161.5	194.6	651.9

Quarterly revenue by geography

Good growth across Africa

- **All African regions reported year-on-year growth in the quarter**
- **South Africa revenue benefited from favourable FX movements**
- **Zimbabwe experienced another strong quarter**
- **Rest of Africa Q1 revenue increased 5% year-on-year despite FX headwinds in Zambia**
- **Rest of World declined year-on-year due to reducing voice volumes**

Quarterly revenue progression by geography
(USD m)

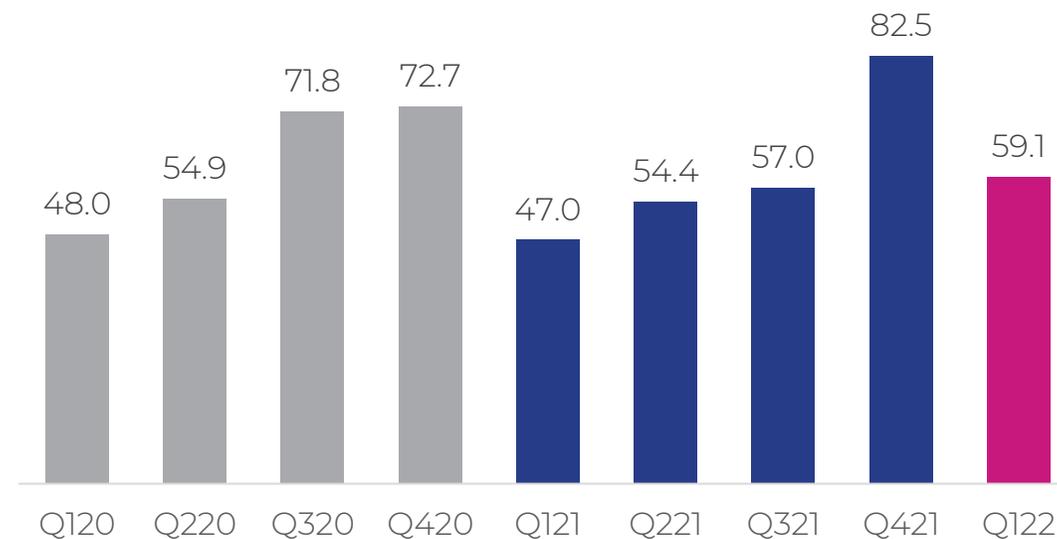


Adjusted EBITDA

Good start to the year

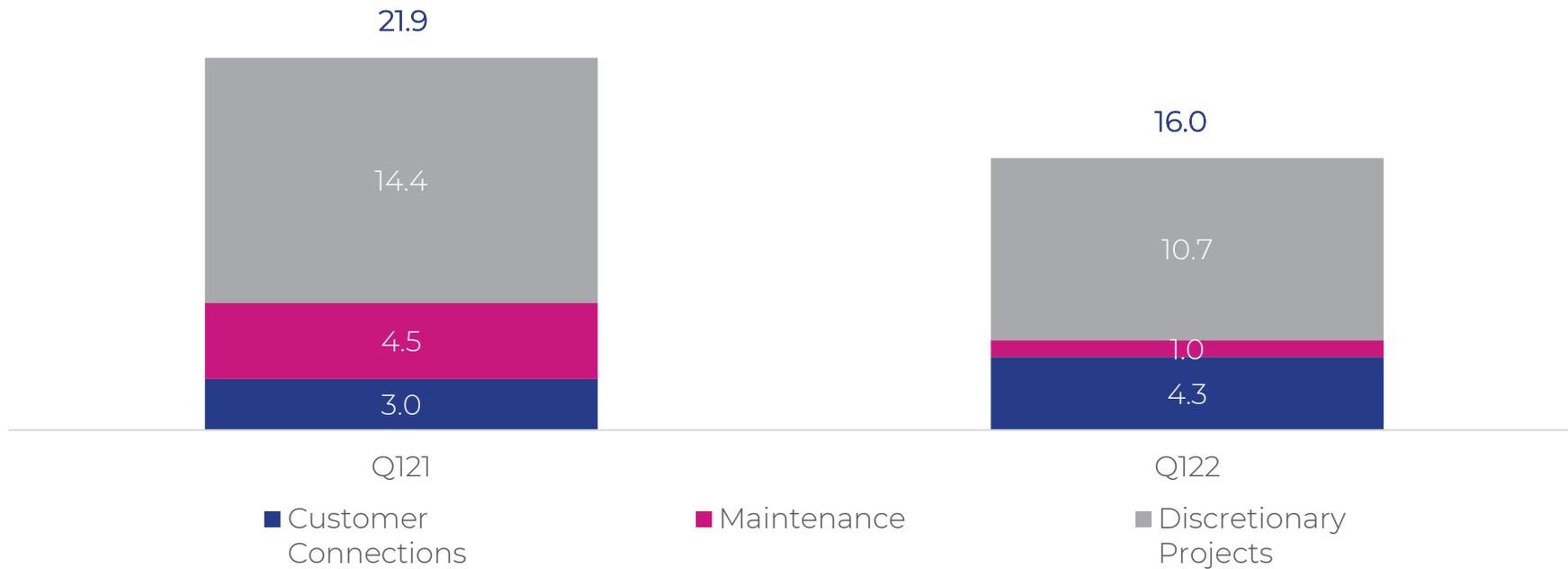
All figures USD m unless stated	Q122	Q121	YoY
Revenue	162.0	141.7	14.3%
Gross profit	118.9	93.7	26.9%
<i>Gross profit margin (%)</i>	<i>73.4%</i>	<i>66.1%</i>	<i>730bp</i>
Overheads and other income	(59.8)	(46.7)	(28.1)%
Adjusted EBITDA ¹	59.1	47.0	25.7
<i>Adjusted EBITDA margin (%)</i>	<i>36.5%</i>	<i>33.2%</i>	<i>330bp</i>

Quarterly adjusted EBITDA¹ trend
(USD m)



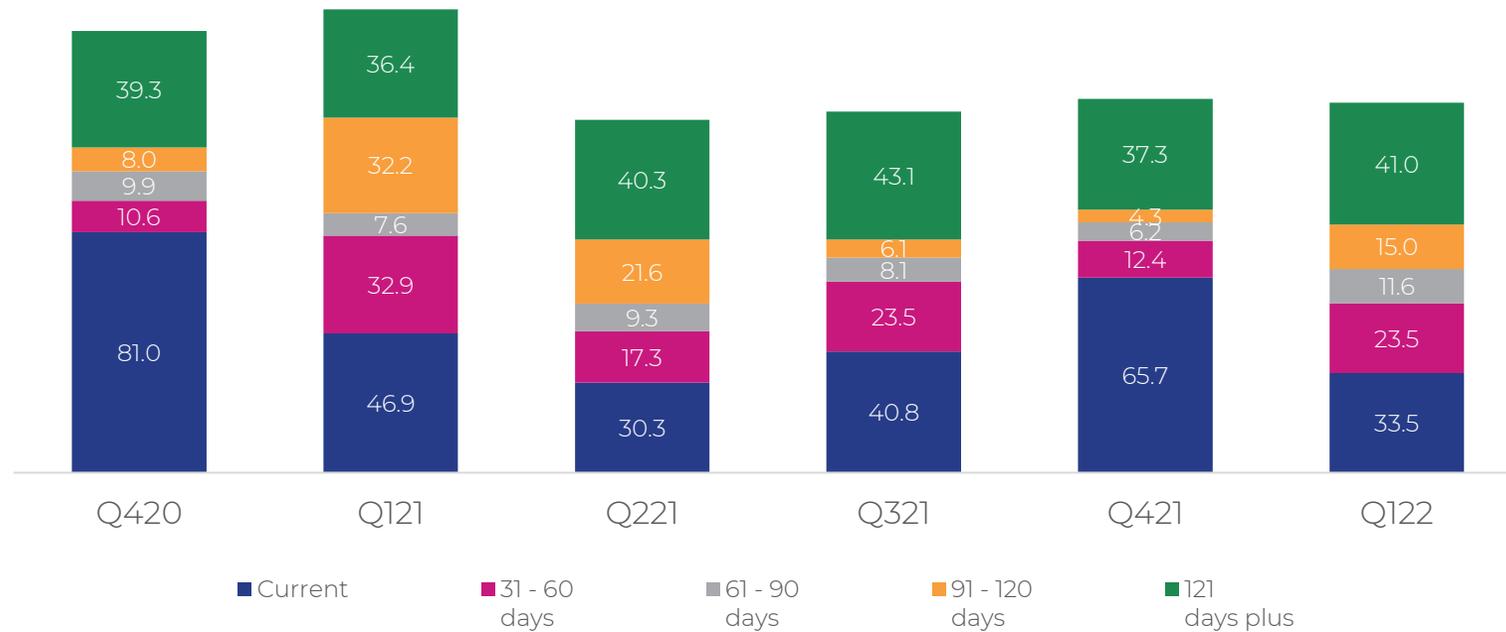
Capex

Capex by type
(USD m)

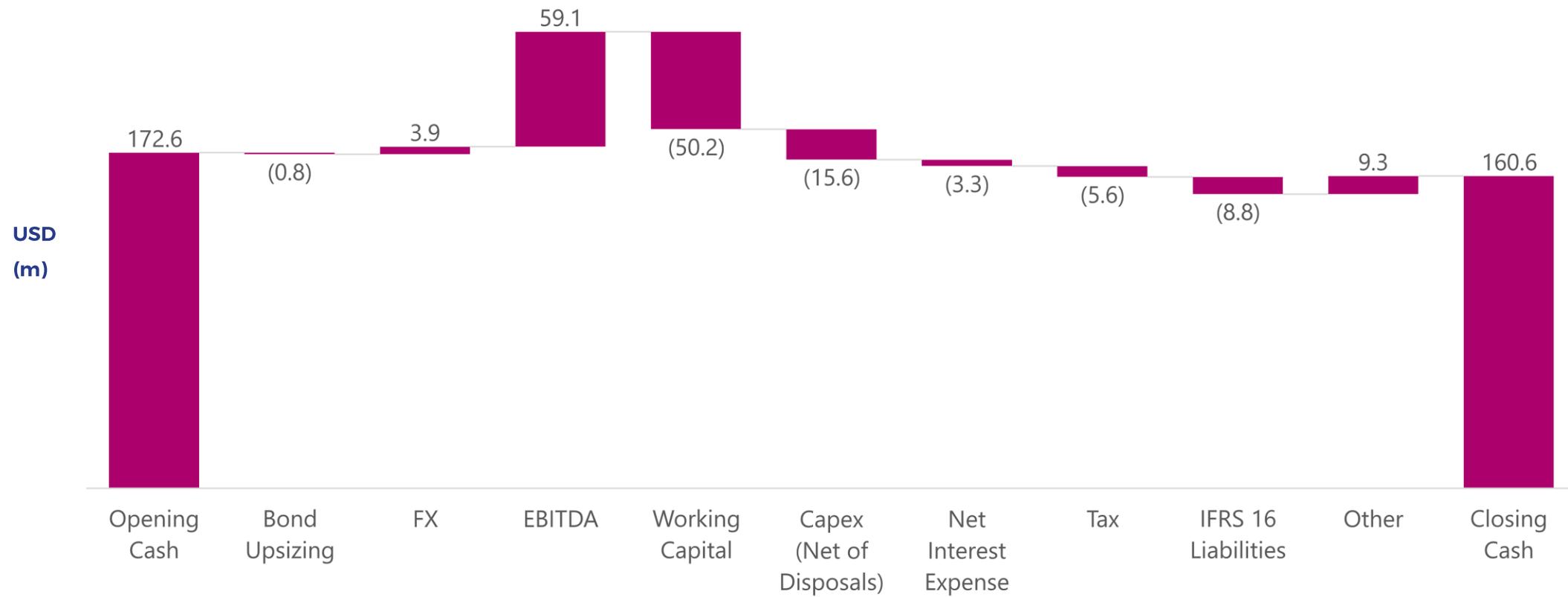


Aged debtor analysis

Aged debtor analysis by quarter
(USD m)

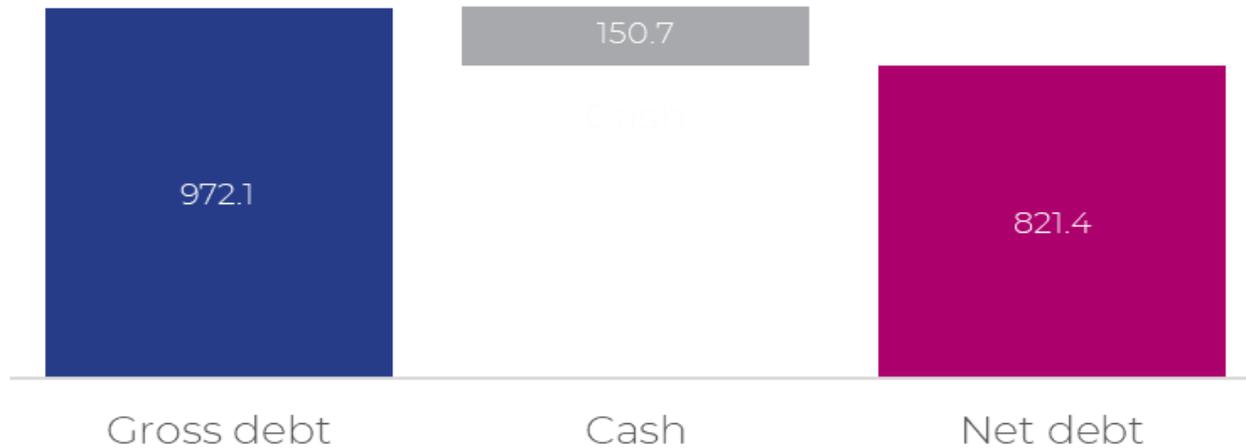


Cash flow



Debt and leverage

Post IFRS16 gross and net debt
(USD m)



Reported leverage	3.25x
Covenant threshold	4.5x

FY22 Outlook considerations

Revenue

- **FX tailwind at existing rates**
- **No ADC contribution: USD 23.5 million in FY21**

Adjusted EBITDA

- **Good margin management and strong cost control**
- **No ADC contribution: USD 11.6 million in FY21**

Capex

- **Material increase year-on-year driven by investment in key growth projects**
- **No ADC Capex: USD 17.3 million in FY21**
- **We anticipate Capex for FY22 to be in the range of USD 150 million to 180 million**



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Q&A

Appendix

Q122 Income statement

All figures USD m unless stated	Q122	Q121	YoY	YoY %
Revenue	162.0	141.7	20.3	14.3%
Adjusted EBITDA	59.1	47.0	12.1	25.7%
<i>Adjusted EBITDA margin %</i>	<i>36.5%</i>	<i>33.2%</i>	<i>330bps</i>	
Depreciation, amortisation and impairment	(29.8)	(26.1)	(3.7)	(14.2%)
Operating profit	29.3	20.6	8.7	42.2%
Finance costs	(17.3)	(19.7)	2.4	12.2%
Net foreign exchange loss	(6.9)	(111.0)	104.1	93.8%
Hyperinflation monetary adjustment	16.9	189.5	(172.6)	(91.1)%
Other ¹	13.9	(12.9)	26.8	(207.8)%
Profit / (loss) for the period	35.9	66.5	(30.6)	(46.0)%

FY21 gross to net reclassification

USD m	Revenue			Data and network related costs		
	Previously reported	Adjustment	Restated	Previously reported	Adjustment	Restated
Q121	166.6	(24.9)	141.7	57.4	(24.9)	32.5
Q221	179.9	(25.9)	154.0	53.7	(25.9)	27.7
Q321	188.7	(27.2)	161.5	70.2	(27.2)	43.0
Q421	224.2	(29.5)	194.6	76.4	(29.5)	46.8
FY21	759.5	(107.6)	651.9	257.6	(107.6)	150.0