INVESTOR HOSTING CENTRE

WHAT INVESTORS LOOK FOR IN TELECOMS FINANCE

1 CLARITY OF THE TELECOMS ASSET & REVENUE MODEL

Investors typically have 3 foundational questions. Which layer of the telecoms stack is it? How is revenue generated & how consistently? What is the pricing architecture? All in all, details regarding capital structure, revenue model, risk profile & investor type are a must!

2 MARKET CERTAINTY, NOT CONNECTIVITY PROJECTIONS

Telecoms projections are built on national broadband penetration targets or regional mobile growth forecasts. Granular, verified proof of actual & committed demand are imperative. Who is paying, on what terms & with what demonstrated willingness to pay?

3 EXECUTION CAPABILITY

Who is building it, licensing it & running it? Execution must detail technical, regulatory & operational dimensions. The team must have commercial backgrounds, preferably with a credentialled CTO or Head of Engineering. Telecoms entail engineered infrastructure, with licensing & precision needs.

4 SPECTRUM, INFRASTRUCTURE ASSETS & SCALABILITY

Spectrum is the finite raw material of telecoms. Infrastructure is the durable capital base. Neither of those can be improvised later. The pathway from current network footprint to the coverage & capacity required to serve the addressable market must be clear.

5 NUMBERS THAT HOLD UNDER COMPETITIVE PRESSURE

Telecoms financial modelling is built on operator-grade metrics that reflect the competitive, capital-intensive & churn-driven nature of the sector. Investors want to see revenue metrics, EBITDA margins, CAPEX intensity, FCF conversion & sensitivity analysis etc.

6 RISK AWARENESS & MITIGATION

Sector faces regulatory, technological, competitive, cybersecurity & currency risks. Each risk must be identified, named & built into the operating model. Sovereign & political risk is also material here. Data localization, breach notification & data protection officer obligations are mandatory.

7 FINANCIAL DISCIPLINE & TRANSPARENCY

Investors require audited financial statements, spectrum asset valuation, network asset register, interconnection & roaming accounts, capital structure & vendor financing and Universal Service Fund (USF) levy obligations. All these aspects must be disaggregated, something often omitted entirely.

8 INFRASTRUCTURE POSITIONING & WHOLESALE STRATEGY

Infrastructure investors often prefer the passive infrastructure (e.g. towers, fiber) over the volatile & competitively exposed services layer. Owning the infrastructure layer is often more fundable. Awareness of regulatory instruments is competitively strategic.

9 IMPACT WITH PROFITABILITY

Digital inclusion, rural connectivity, economic digitalization & cybersecurity enablement are impact metrics & capital access mechanisms. Telecoms investors align with connectivity impact, economic digitalization, digital inclusion & gender, cybersecurity & digital trust and ICT skills & local employment.

10 SKIN IN THE GAME

Commitment in telecoms is seen via regulatory milestones, spectrum secured & network deployed. Investors back telecoms operators & developers who have already navigated the licensing process, deployed capital & demonstrated that they can execute in the regulatory environment.