MTN Group Limited Financial results

for the six months ended 30 June 2024

MTN | 30 Years

Contents

Any forward-looking financial information disclosed in these interim results, including the dividend guidance, has not been reviewed or audited or otherwise reported on by our external auditor.

Certain information presented in these interim results constitutes pro forma financial information and constant currency information. This pro forma financial information and constant currency information has not been audited or reviewed or otherwise reported on by MTN's external auditor. The responsibility for preparing and presenting the pro forma financial information and constant currency information for the completeness and accuracy of the pro forma financial information and constant currency information is that of the directors of MTN. This is presented for illustrative purposes only. Because of its nature, the pro forma financial information and constant currency financial information may not fairly present MTN's financial position, changes in equity, and results of operations or cash flows.

The pro forma financial information presented in the interim financial results for the period ended 30 June 2024, has been prepared excluding the impact of impairment of goodwill, PPE, intangibles and associates, impairment loss on remeasurement of disposal group, gain on disposal/dilution of investment in JV/associate/ subsidiary and fair value gain on acquisition of subsidiary, net gain (after tax) on disposal of SA towers, net profit on disposal of PPE and intangibles, hyperinflation, impact of foreign exchange losses and gains, deferred tax asset remeasurement and other non-operational items (collectively the "Pro forma adjustments") and constitutes pro forma financial information to the extent that it is not extracted from the segmental information included in the reviewed consolidated financial results for the six months ended 30 June 2024. This pro forma financial information has been presented to eliminate the impact of the pro forma adjustments from the consolidated results for the period ended 30 June 2024 to achieve a comparable year-on-year (YoY) analysis. The pro forma adjustments have been calculated in terms of the Group accounting policies disclosed in the consolidated financial statements for the year ended 31 December 2023.

Constant currency information has been presented to remove the impact of movement in currency rates on the Group's results and has been calculated by translating the prior financial reporting period's results at the current period's average rates. The measurement has been performed for each of the Group's currencies, materially being that of the US dollar and Nigerian naira. The constant currency growth percentage has been calculated after translating prior year results at current year rates. In addition, in respect of MTN Irancell, MTN Sudan and MTN South Sudan the constant currency information has been prepared excluding the impact of hyperinflation. The economies of Sudan, South Sudan and Iran were assessed to be hyperinflationary for the period under review and hyperinflation accounting was applied.

The Group's results and segmental report are presented in line with the Group's operational structure. The Group's underlying operations are clustered as follows: South Africa (SA), Nigeria, the Southern and East Africa (SEA) region, the West and Central Africa (WECA) region and the Middle East and North Africa (MENA) region and their respective underlying operations.

The SEA region includes Uganda, Zambia, Rwanda, South Sudan, Botswana (joint venture-equity accounted), eSwatini (joint venture-equity accounted) and Business Group. The WECA region includes Ghana, Cameroon, Côte d'Ivoire, Benin, Congo-Brazzaville, Liberia, Guinea Conakry and Guinea Bissau. The MENA region includes Iran (joint venture-equity accounted) and Sudan.

Although Iran, Botswana and eSwatini form part of their respective regions geographically and operationally, they are excluded from their respective regional results because they are equity accounted for by the Group.

Results overview

for the six months ended 30 June 2024

MTN is a pan-African mobile operator with the strategic intent of
'Leading digital solutions for Africa's progress'

We have 288 million customers in 18 markets and are inspired by our belief that everyone deserves the benefits of a modern connected life.

H1 2024 Key messages

- Strong commercial momentum underpinned solid growth within the portfolio.
- Continued expansion of fintech platform drove robust advanced services growth.
- Executed key strategic initiatives, including localisations and orderly market exit.
- Resilient underlying performance masked by macro impacts on financials.
- Sustained balance sheet resilience and flexibility.
- Medium-term guidance maintained.

Rm	**H1 24**	H1 23	% change Reported	% change Constant currency
Group service revenue	**85 323**	107 735	(20.8)	12.1
– South Africa	**21 110**	20 431	3.3	3.3
– Nigeria	**20 523**	43 583	(52.9)	32.4
Group EBITDA~ (before once-off items)	**29 046**	49 407	(41.2)	(0.4)
– South Africa#	**9 566**	9 173	4.3	4.3
– Nigeria^	**7 377**	23 260	(68.3)	(10.8)
Group EBITDA margin	**32.0%**	43.6%	(11.6pp)	(4.4pp)
– South Africa#	**36.5%**	36.1%	0.4pp	0.4pp
– Nigeria^	**35.7%**	53.1%	(17.4pp)	(17.4pp)
Capital expenditure (capex, IFRS 16)	**19 220**	33 764		
– Capex (ex-leases)	**13 433**	17 232		
– Capex intensity (ex-leases)	**14.8%**	15.2%		

~ Earnings before interest, tax, depreciation and amortisation.
^ MTN Nigeria performance impacted by material naira devaluation against the US$.
# Excludes once-offs, including gains and losses on disposals. Includes exceptional sale of insurance receivable.

Unless otherwise stated, financial and non-financial growth rates are presented on a constant currency basis and are year-on-year (YoY, 6M to June 2024 versus 6M to June 2023).

Service revenue excludes device and SIM card revenue. Data revenue is mobile and fixed access data and excludes roaming and wholesale. Fintech includes MoMo, insurance, airtime lending and e-commerce. Active data users are a count of all subscribers at a point in time who had a revenue-generating event in the specified period (90 days) prior to that point in time and during the past 30 days had data usage greater than or equal to 5 megabytes. MoMo users are 30-day active users.

Non-financial numbers included in these interim results are reported excluding Afghanistan in the base year following the Group's exit in February 2024. MTN Afghanistan results have been disclosed up to February for 2024. As a result, the 2023 comparatives include the results for the two months ending February 2023.

Results salient points

Total subscribers increased by
0.8% to 288m

Active data subscribers increased by
9.2% to 150.2m

Data traffic increased by
35.7% to 9 054PB

Active Mobile Money (MoMo) monthly active users (MAU) increased by
9.1% to 66.0m

Fintech transaction volumes increased by
18.0% to 9.7bn

Group service revenue decreased by
20.8% (up 12.1%*, in constant currency) to R85.3bn
(H1 2023: R107.7bn)

Voice revenue decreased by
33.7% (down 0.4%*, in constant currency)

Data revenue decreased by
17.2% (up 21.0%*, in constant currency)

Fintech revenue increased by
7.3% (up 27.2%*, in constant currency)

EBITDA (before once-off items) decreased by
41.2% (down 0.4%*, in constant currency) to R29.0bn
(H1 2023: R49.4bn)

EBITDA margin lower by 11.6 percentage points (pp) to
32.0% (4.4pp* lower to 36.5%*, in constant currency)

Reported headline earnings per share (HEPS) decreased by
198.5% to -256cps
(restated H1 2023: 260cps)

Basic earnings per share (EPS) decreased by
278.6% to -409cps
(restated H1 2023: 229cps)

Return of equity (ROE) declined by
4.2pp to 20.2%

No interim dividend declared (H1 2023: 0)

Capex of
R19.2bn including IFRS 16 leases
(R13.4bn ex-leases, with capex intensity of 14.8%)

Holdco leverage
increased to 1.6x
(December 2023: 1.4x)

Holdco net debt
up to R40.3bn
(December 2023: R31.9bn)

* Constant currency information after accounting for the impact of the *pro forma* adjustments as defined and included throughout these interim results. Constant currency view is shown at 2024 rates and excludes the impact of hyperinflation.

Commencing 1 January 2024, MoMo PSB Nigeria discloses MAU which includes only active MoMo wallet users and now excludes over-the-counter (OTC) customers. For comparative purposes, a total monthly active MoMo user figure has been disclosed showing MAU including and excluding OTC customers.

Results overview

Group President and CEO Ralph Mupita comments:

Encouraging underlying operational momentum

"The momentum of our business was reflected in the continued growth of our ecosystem, with data traffic and fintech volumes up by 35.7% (36.7% excluding JVs) and 18.0%, respectively. In H1, we deployed R13.4 billion of capex, reflecting a capex intensity of 14.8%, largely reflecting lower spend by MTN Nigeria, as the Opco focused on reducing its exposure to US dollar denominated obligations. In the period, we rolled out 1 556 4G and 829 5G sites. Our focus on network quality and competitiveness has underpinned the NPS position in our consolidated markets.

"MTN delivered a solid underlying performance in H1 2024, with pleasing progress in some key markets. This result, achieved against a challenging macro backdrop, was underpinned by the continued execution of our commercial initiatives and ***Ambition 2025*** strategy."

Ralph Mupita
Group President and CEO

Focus on execution as we navigate the macro headwinds impacting our business

Although the underlying commercial momentum and strategy execution were solid in the period, macro headwinds impacted operating results. The further devaluation in the naira against the US dollar, the translation impact on reporting currency (rands) of the naira and the ongoing conflict in Sudan had the most significant impact on reported results.

Notwithstanding, we are encouraged by the strong operational performance in other key markets in H1. MTN South Africa (MTN SA), which completed its network resilience plan in the period, demonstrated encouraging progress in key areas of the business. This helped to drive some acceleration in overall service revenue.

MTN Nigeria delivered a strong reported underlying performance, despite the severe macro impacts on its financial performance. The Opco made good progress in key initiatives in the period, including acceleration of its topline, optimisation of capex and reduction of its US dollar denominated obligations.

MTN Ghana and MTN Uganda reported strong results, while the broader Southern and East Africa (SEA region) delivered a solid overall performance, with service revenue growth ahead of blended regional inflation. Within the West and Central Africa (WECA) portfolio, MTN Cameroon contributed positively as well with topline growth exceeding local inflation.

The fintech business grew its topline in line with medium-term guidance, with solid continued ecosystem development and strong growth in advanced services.

We have also made pleasing progress on some key strategic priorities, particularly localisation initiatives and optimisation of our portfolio.

Solid H1 2024 results achieved in challenging operating environment

In the above context, our subscriber base ended the period at 288 million with headwinds from subscriber registration regulations in markets such as Ghana and Nigeria, the decline in subscribers in Sudan amid the ongoing conflict and our exit from Afghanistan. In terms of momentum, the underlying growth in our customer base excluding Sudan and Afghanistan was 3.2% YoY (3.1 million net additions in the period). Active data subscribers were up 9.2% to 150.2 million (up 10.0% excluding JVs), while MoMo MAU (excluding OTC customers) rose by 10.6% to 62.6 million.

The Group delivered solid service revenue growth of 12.1%, with pleasing expansion in data (up 21.0%*) and fintech (up 27.2%*) revenues. Within fintech, advanced services continued to grow strongly and reported an increase of 58.2%*. The EBITDA margin of our fintech business was achieved within our target range of mid to high-30%.*

EBITDA softened marginally by 0.4%, reflecting an EBITDA margin of 36.5%* (H1 2023: 40.9%*), which was impacted by the overall headwinds to topline and upward cost pressures from macro factors headwinds. We partially mitigated these with the execution of our expense efficiency programme, with savings of R2.4 billion realised in the period. Adjusting for MTN Sudan, service revenue would have grown by 13.6%* (H1 2023: 14.7%*), with an EBITDA margin of 36.9%* (H1 2023: 40.9%*).*

Resilient balance sheet and liquidity positions

The Group net-debt-to-EBITDA of 0.8x, as at 30 June 2024 (December 2023: 0.4x), remained within our loan covenant limit of 2.5x. In the period, we paid down debt of approximately R16.3 billion, including R8.4 billion by MTN Nigeria.

Our holding company (Holdco) leverage ratio ended the period at 1.6x (December 2023: 1.4x). This included some unfavourable effects from foreign exchange movements, however, our Holdco leverage position was supported by R6.5 billion in cash upstreamed from operations in H1. Over and above this, we repatriated R1.7 billion of localisation gross proceeds from MTN Ghana (R0.7 billion) and MTN Uganda (R1.0 billion) in the period.

We successfully refinanced R1.5 billion in 2024 maturities and raised an additional R1 billion to strengthen liquidity at the Holdco. We maintained a positive liquidity position, with headroom of R30.4 billion as at 30 June 2024.

Our Holdco debt currency mix ratio (US$:ZAR) improved to 22:78 (31 December 2023: 23:77), well within our medium-term objective of maintaining foreign currency denominated debt to below 40%.

Renegotiation of IHS leases in Nigeria

On 7 August 2024, we announced the successful renegotiation with IHS to amend the binding commercial terms of the existing infrastructure sharing and master lease agreements in Nigeria. The revised terms meaningfully reduce the US dollar indexed component of the leases linked to a discounted US consumer price index (CPI), and remove technology-based pricing, allowing payments for new upgrades based on tower space and power. The renegotiated agreements incorporate an energy cost component indexed to the cost of providing diesel power; however, the terms also provide for some discounts and incentives over the life of the contracts.

Based on current assumptions for 2024 we anticipate that the renegotiated terms will result in a benefit to MTN Nigeria's EBITDA margin of between 3-4pp for FY 2024; on an annualised basis, this approximates to 4-5pp. In terms of cash flow effects, we estimate that the new terms will result in a benefit of between NGN75-85 billion for FY 2024. On an annualised basis, this approximates to NGN100-110 billion.

Ambition 2025 execution

We are pleased to have concluded a number of strategic initiatives in the period, including the signing of definitive agreements with Mastercard for a minority investment and the sale of MTN Afghanistan in February 2024. The latter completed our exit from consolidated Middle East operations.

In terms of localisation priorities, we achieved the 25.0% localisation requirement in MTN Ghana for its 4G licence, with local ownership now at 27.9% by the end of H1. Also in H1, we announced successfully executed the further sell-down of 7% of MTN Uganda, achieving compliance with local listings requirements of a minimum public float of 20%. On 7 August 2024, we announced the sale of MTN Guinea-Bissau as part of our portfolio optimisation programme.

*These developments underscore the pleasing progress in our execution of **Ambition 2025** priorities amid headwinds in our operating, regulatory and capital markets environments.*

Outlook, priorities and medium-term guidance

Notwithstanding the prevailing macroeconomic and geopolitical conditions affecting our trading environment and business, we remain resolute in executing on our commercial and strategic priorities. We are working to accelerate expense efficiencies to help manage the prevailing macro headwinds, in terms of which we continue to target R7-8 billion in cost savings over the next three years.

The completion of its network resilience plan during H1 provides a strong foundation for MTN SA to support growth against the macroeconomic headwinds, which continue to place pressure on consumer spend. This is also driving the ongoing evolution in customer behaviour to optimise consumption of bundles. Notwithstanding, we will continue the work to accelerate topline and deliver a healthy EBITDA, PAT and cash flow profile.

MTN Nigeria will press ahead with the initiatives outlined to restore its profitability and balance sheet profile, particularly in resolving its negative equity position. Tariff increases remain critical to the recovery and sustainability of the industry in Nigeria and sector engagements with the relevant authorities are ongoing.

In our Markets portfolio, the priority is to sustain the strong growth in markets like Ghana, Uganda and Cameroon; while implementing the necessary initiatives to turn around the performances in Côte d'Ivoire Rwanda and Zambia.

In our platform businesses, we will leverage partnerships to accelerate growth and commercial monetisation. In fintech, we are scaling the business through sequential launches of commercial initiatives with Mastercard across various markets in the remainder of the year, with a focus on maintaining the strong momentum in advanced services growth.

We are making good progress in the commercial roll-out of our card issuance and acceptance in line with our partnership with Mastercard. We are prioritising seven markets in our card issuance roadmap and four markets for card acceptance during 2024.

*We maintain our overall medium-term guidance framework, with capex for FY 2024 anticipated to be in the R28-33 billion range. We will continue on the execution of our **Ambition 2025** strategy to drive growth and unlock value for all our stakeholders over the medium term. The Board anticipates paying a minimum ordinary final dividend of 330 cents per share for FY 2024."*

BUSINESS OVERVIEW

Operating context

In H1, blended inflation across our footprint averaged 14.1% (H1 2023: 17.8%), ticking up slightly in Q2 by 0.5pp). In terms of our larger markets: trends in South Africa, Ghana and Uganda moderated in the first half with average inflation rates of 5.3%, 23.9% and 3.4% respectively (H1 2023: 6.8%, 46.2% and 8.0%). H1 inflation in Nigeria ticked up to an average of 32.8% (H1 2023: 22.1%), exacerbated by local currency weakness.

Local currencies remained volatile in H1, with constrained availability of foreign exchange in some markets. In particular, the further weakening of the naira against the US dollar had a major impact on the MTN Nigeria and Group financial performances, especially costs. The naira averaged N1 393/US$ in H1 (H1 2023: N481/US$) and closed the period with a rate of N1 505/US$ as at 30 June 2024 (31 December 2023: N907/US$). Furthermore, the weakness of the naira and some of the other local currencies in our portfolio against the rand also negatively affected our reported results on translation.

We maintained our focus on implementing SIM registration regulations in some markets, which impacted our overall subscriber evolution in the short term. Importantly, engagements and initiatives regarding tariff increases remained a priority in H1. Notably, MTN SA and MTN Ghana implemented pricing initiatives in some product lines in the period to mitigate against macro headwinds. MTN Nigeria continues to engage authorities in Nigeria, through the telecom industry body; this remains an ongoing process hampered by the intensification of macro pressures on consumers.

The ongoing conflict in Sudan reduced our ability to operate in the country, with fuel shortages, power outages and disruptions to network availability. However, due to network topology, MTN Sudan was able to recover the network availability at the end of May 2024. MTN maintained its efforts to ensure the safety of our people as well as infrastructure as far as possible. We offer our sincere sympathies to everyone affected by the conflict in the country.

The business also felt the effects of the well-documented cable cuts – especially in Q1 – which resulted in downtime for significant subsea cables connecting the African continent. Several key subsea cables, including ACE, SAT-3, WACS and MainOne, were affected simultaneously, leading to widespread disruption. While other parts of Africa experienced some disruptions due to other cable outages, the concentrated impact on West Africa made it the epicentre of the crisis. This led to negative effects on revenue performance in some of our markets – particularly in WECA – as well as Bayobab.

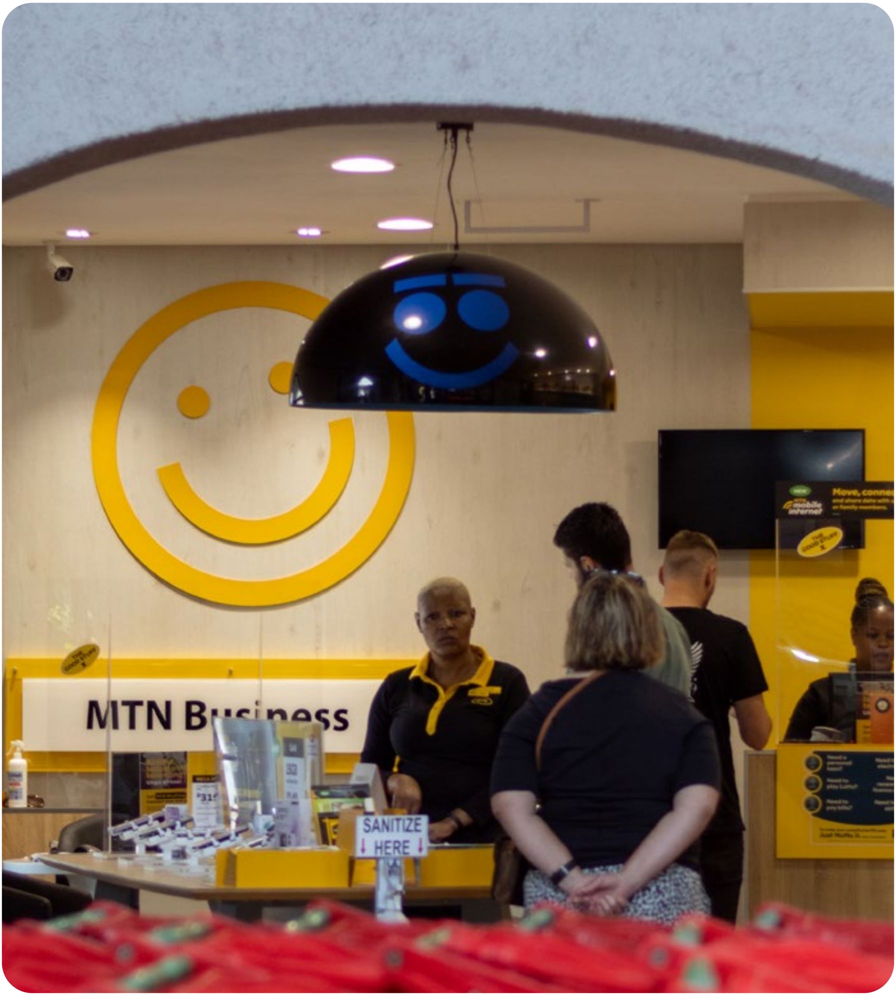
Resilient underlying performance with continued momentum in data

Against a challenging macro backdrop, MTN delivered a solid underlying set of results in the six months ended 30 June 2024. Group **service revenue** declined by 20.8% (up 12.1%* on constant currency) to R85.3 billion (H1 2023: R107.7 billion), with growth of 3.3% in MTN SA, 32.4%* in MTN Nigeria, 31.3%* in MTN Ghana and 20.4%* in MTN Uganda. Excluding MTN Sudan, service revenue would have been up by 13.6%*.

Voice revenue was 0.4%* lower with voice traffic down by 8.9% YoY (11.9% excluding JVs). Performance in MTN SA remained under pressure as customers are substituting voice usage with over-the-top (OTT) platforms. There was also a drag from MTN Ghana, as customers migrated to lower value packages. The performance of voice in other markets remained resilient, largely underpinned by pricing initiatives and base growth initiatives. Excluding MTN SA – the more mature voice market within our portfolio – and MTN Sudan, overall voice revenue increased by 2.6%*.

Data revenue revenue rose by 21.0%*. The overall performance was attributable to growth in active data subscribers which grew 9.2% YoY (10.0% excluding JVs), coupled with double-digit usage growth of 24.3% YoY to 10.4GB per user per month (24.3% to 7.5GB excluding JVs) and pricing optimisation. Data traffic rose by 35.7% (up 36.7% excluding JVs) during H1, underpinned by our continued investment in network quality and capacity. Excluding MTN Sudan, data revenue would have been up by 23.3%*.

The population covered by our 3G and 4G networks grew by 1.0 million and 4.8 million respectively. We recorded 185 million smartphones on our network, representing 64.5% penetration of our customer base (H1 2023: 59.8%) and reduced the average effective rate per megabyte of data by 40.0% YoY.



SCALING OUR PLATFORMS

Building the largest and most valuable fintech platform

Fintech **revenue** increased by 27.2%* YoY, in line with our medium-term guidance, with strong performances in Ghana, Uganda and Cameroon. We sustained the strong growth in advanced services revenue (up 58.2%*) relative to basic services (up 20.6%*), in line with our strategy. The contribution of advanced services to total fintech revenue rose to 24.9% in H1 (up 4.9pp). This performance underpinned an EBITDA margin for the business in the mid to high-30% range, which is in line with our target.

MoMo active users increased by 9.1% to 66.0 million; excluding OTC customers in Nigeria, MAU increased by 10.6% YoY to 62.6 million, largely driven by Ghana, Uganda and Rwanda. The growth in aur active agent network was relatively moderate (2.4% to 1.3 million), as our distribution initiatives focused on the recruitment of more sustainable agents. Active merchants grew by 49.8% to 2.3 million.

The overall development of our fintech ecosystem continued to exhibit strength and resilience with a 18.0% increase in **transaction volumes** to 9.7 billion transactions, and **transaction value** up by 19.1%* to US$146.6 billion.

Key fintech verticals

Our **payments and e-commerce** ecosystem continued to expand strongly, supported by the growth in merchants and unique payer's activity. The total value of MoMo merchant payments rose by 31.1%* YoY to US$9.0 billion.

In **BankTech**, we facilitated a total loan disbursement value of US$731.6 million^ (up 72.0%*). This outcome was underpinned by robust growth in loan disbursements and unique users utilising the service; particularly in Ghana, Uganda and Rwanda. We are pleased with the evolution of our partner-led lending products in more established operations and the contribution from the newly introduced markets, which underpinned the performance.

The total value of **remittances** grew strongly by 42.4%* YoY to US$1.9 billion in H1. This was driven by growth in enhanced customer experience, operational optimisation to reinforce real time service availability and investment in digital marketing activities. We also activated services in new markets, including eSwatini, South Africa and South Sudan. The number of outbound corridors expanded to 174 and inbound to 577.

Our **InsurTech** platform aYo's performance, within our strategic alliance, was driven by our higher-average-revenue-per-policy focus, positive performance of the MTN SA device insurance book, and stronger focus on high-priority markets.

Bayobab

The first half of the year presented significant headwinds including the conflict in Sudan, local currency volatility and the cable cuts that resulted in downtime for eight significant subsea cables connecting the African continent. The impacts from these cuts included major simultaneous outages on the west coast of Africa of four main cables, which we successfully restored within a few days. This was achieved using existing redundant capacity links, as well as the newly installed Equiano cable.

In this context, Bayobab delivered a resilient financial performance with consolidated external revenue increasing by 4.9%* to R3.4 billion. The conflict in Sudan and the depreciation of the naira (which influenced pricing and traffic) negatively affected the Communication Platforms' external revenue, which increased by 5.0%* YoY. The Fibre segment's external revenue was 4.6%* higher, with cable cuts impacting the conclusion and implementation of certain contracts.

In H1, Bayobab secured new fixed connectivity infrastructure deals amounting to US$9.4 million.

^ Prior year adjusted to incorporate correct foreign exchange translations.

Growing our other platforms

Digital revenue increased by 19.3%* YoY to R1.6 billion, underpinned by expansion into new business segments. The adoption of digital products continued to expand, supported by revamped offers, particularly in Nigeria and Ghana. We maintained our focus on scaling the Gaming and Video verticals, which delivered pleasing revenue growth in the period.

In H1, our super app platform **ayoba** grew its user base by 28.6% YoY to 36 million MAU, with higher adoption and retention rates achieved as a result of enhanced communication features. We have established a 11.6 million MAU base in countries where MTN does not offer GSM service, illustrating the super app platform's potential to expand as an OTT offering across the African continent.

The focus of ayoba was on launching new B2B services to foster greater ayoba awareness, with strategic introductions to key advertising industry partners paving the way to increased sales and continuing to ramp up commercial monetisation. Key advertising products were launched in South Africa and Ghana, with Nigeria and Cameroon to follow in August. We also grew the partner ecosystem with over 80 new partners launching in the first half of the year.

Enterprise service revenue increased by 25.9%* YoY, supported by double-digit growth in three of our top six markets and enabled by the Group's strategic platform transformation, focusing on ICT solutions. MTN SA, which delivered growth of 15.0% (boosted by some once-off revenues in ICT), benefited from strong data product propositions as well as distribution channel expansion in the digital mobile advertising and core mobile businesses. Enterprise revenue for MTN Nigeria grew by 64.3%*, led by a significant increase in the adoption of mobile and fixed connectivity services.

Our enterprise business has achieved remarkable progress driven by our Core Mobile Portfolio, Fixed Connectivity services, ICT and Converged Solutions. We made significant strides in expanding our offerings in Microsoft, Cloud, IoT, and Unified Communications. These achievements underscore our commitment to innovation and excellence, positioning MTN Enterprise as a leader in the industry.

Wholesale revenue increased by 6.9%*, with MTN SA's wholesale revenue decreasing by 0.1% (including incoming voice). Excluding incoming voice, MTN SA's wholesale revenue increased by 2.5% off the strong base of H1 2023.

FINANCIAL PERFORMANCE

The Group's **EBITDA margin** in constant currency terms, which also excludes the effects of once-off items, narrowed by 4.4pp* to 36.5%* (down 0.4pp* to 36.9%*, excluding MTN Sudan), reflecting of the pressures on the topline as well as the impacts of increased inflation and naira devaluation on operating expenses.

The Group's reported EBITDA margin before once-off items was 32.0% compared to 43.6% in June 2023. This outcome excluded a number of non-operational items totalling a net -R883 million. This comprises a gain on the sale of SA towers of R11 million, gain on disposal of Afghanistan of R1 018 million, offset by the impairment of Afghanistan assets of R146 million.

The H1 2023 margin excluded a number of non-operational items totalling a net -R539 million. This comprised a gain on sale of SA towers of R53 million, impairment of Afghanistan fixed assets of R385 million and million and the impairment of Sudan fixed assets of R207 million.

Our Stock Exchange News Service (SENS) announcement for financial results for the year ended 31 December 2023, dated 25 March 2024, detailed the restatements to our H1 2023 results. In this context basic **earnings per share** (EPS) decreased to a 409 cents loss per share (restated H1 2023: 229 cents).

H1 2024 EPS includes impairment losses of -203 cents that mainly relate to property, plant and equipment; impairment loss on remeasurement of disposal groups of -8 cents; gain on disposal of subsidiary of 56 cents and the net profit on disposal of property, plant and equipment and intangible assets of 2 cents.

Adjusting for the above factors, totalling a net of -153 cents, reported **headline earnings per share** (HEPS) decreased to a loss of 256 cents (restated H1 2023: 260 cents).

HEPS was negatively impacted by some non-operational and once-off items of approximately -629 cents (restated H1 2023: -493 cents) for the six-month period. These include: hyperinflation adjustments of -57 cents (H1 2023: -38 cents); foreign exchange losses of -519 cents (restated H1 2023: -455 cents), which includes naira depreciation impact of -389 cents (restated H1 2023: -409 cents); deferred tax charge/asset reversal of -28 cents (H1 2023: nil); and other non-operational items of -25 cents (H1 2023: nil).

Adjusted HEPS decreased by 50.5% to 373 cents (restated H1 2023: 753 cents), impacted by the previously-noted effects of naira devaluation, translation to reporting currency and conflict in Sudan.

The effects of naira devaluation reduced AHEPS by total of -90 cents (H1 2023: -4 cents); the translation impacts of key markets MTN Nigeria, MTN Ghana and MTN South Sudan by a combined -310 cents and the performance of MTN Sudan by -16 cents (H1 2023: 19 cents profit). Excluding these effects, underlying AHEPS would have been 789 cents (up 6.9%).

We continued to invest in the capacity of our networks, investing **capex** of R19.2 billion on an IFRS 16 reported basis, which is 43.1% lower YoY. Capex (ex-leases) declined by 22.0% to R13.4 billion, largely reflecting lower deployment in Nigeria, and includes a hyperinflation impact of -R45 million (H1 2023: R51 million).

In the period, we rolled out 1 053 3G and 1 556 4G sites with capex intensity decreasing by 8.6pp to 21.2% on a reported basis (down 0.4pp to 14.8%, ex-leases), as we sustained our investments in the capacity and resilience of our networks.

Group **operating free cash flow** (OpFCF) was 51.8% lower to R9.1 billion, including the impacts of spectrum and licence acquisitions. Adjusting for payments made for spectrum acquisitions and licence renewals, OpFCF would have been R9.9 billion.

ROE (adjusted for non-operational items, including hyperinflation) declined by 4.2pp to 20.2%, from 24.4% in December 2023 (H1 2023: 24.4%). This is a reflection of the impact of macroeconomic headwinds, particularly the Naira devaluation, on our financial performance.

PROGRESS ON KEY STRATEGIC INITIATIVES

We are pleased with the progress in our key strategic priorities, particularly given the challenges in our operating and capital markets. Following the conclusion of the minority equity investment by Mastercard into our Group Fintech business and exit of MTN Afghanistan in February 2024, we made further strides in our localisation and portfolio optimisation programmes.

By the end of Q2 2024, MTN Ghana achieved the 25.0% localisation requirement for its 4G licence, with local ownership now at 27.9%. In June 2024, we successfully completed the further sell-down of a further 7% in MTN Uganda. This was undertaken in compliance with regulatory licence conditions in Uganda and, importantly, in accordance with our objective to broaden the local shareholding in MTN Uganda. The offer was 2.3 times oversubscribed and MTN Uganda has now attained the 20% minimum public float required by the Uganda Securities Exchange Listing Rules 2021 as well as the regulations issued by the Uganda Communications Commission.

We realised gross proceeds of R1.7 billion from these localisations.

In terms of our broader endeavours to streamline and optimise the portfolio, on 7 August 2024, we announced the completion of the sale of MTN Guinea-Bissau to Telecel Group Mobile.

These initiatives support our priorities to reduce risk within our business and create shared value for our stakeholders in the markets we serve. We remain committed to the ongoing execution of our ARP and portfolio transformation programmes, with efforts in MTN Nigeria and MTN Cameroon still underway, subject to conducive market conditions.

DIVIDEND

In line with our policy, there is no interim dividend being declared for H1 2024 (H1 2023: nil). The Board of Directors (Board) anticipates paying a minimum ordinary final dividend of 330cps for FY 2024.

OPERATIONAL REVIEW

Listed Opcos' published H1 2024 results

The published H1 results of our listed Opcos can be viewed at:

- MTN Nigeria:
  https://www.mtn.ng/about-us/investor/financial-reporting/quarterly-results/
- MTN Ghana:
  https://mtn.com.gh/investors/
- MTN Uganda:
  https://www.mtn.co.ug/investors/financial-reports/
- MTN Rwanda:
  https://www.mtn.co.rw/investors-financial-reporting/

MTN South Africa

- Service revenue increased by 3.3%
- Outgoing voice revenue declined by 5.5%
- Data revenue increased by 2.4%
- Enterprise revenue increased by 15.0%
- Wholesale revenue decreased by 0.1% (including incoming voice revenue)
- Fintech revenue increased by 59.1%
- Digital revenue increased by 10.2%
- EBITDA increased by 3.8% (up 4.3%, excluding gain on disposal of towers)
- EBITDA margin increased by 0.3pp to 36.6% (up 0.4pp to 36.5%, excluding gain on disposal of towers)
- Capex of R5.8 billion on IFRS 16 reported basis (R4.6 billion, ex-leases)

MTN SA continued to navigate the challenging operating environment in South Africa, benefiting from a slight easing of forex volatility and consumer price inflation. Nevertheless, inflation for the period ended at 5.1%, remaining towards the upper end of the South African Reserve Bank's (SARB) target range. Despite the macro headwinds, MTN SA delivered a resilient performance in the first half of 2024, with encouraging momentum in the second quarter. Service revenue growth accelerated to 3.6% in Q2 2024, from 3.0% in Q1.

MTN SA successfully completed its network resilience initiatives in Q1 2024. This strategic investment positioned the business to provide an average network availability of over 95%, under stage 6 loadshedding. The improved network availability in H1 as supported an improvement in customer satisfaction, as evidenced by the uplift in MTN SA's net promoter score (NPS) to the leading position in South Africa since March 2024.

Solid operational result with improved Q2 momentum

On the back of investment and commercial interventions, the business delivered solid **service revenue** growth of 3.3% in H1 (up 3.6% YoY in Q2).

The result was underpinned by a 4.7% increase in the number of subscribers to 38.5 million, a net addition of 1.0 million in the period. Postpaid subscribers grew by 9.2% to 9.4 million, driven by stronger uptake of integrated voice and data plans as well as home propositions.

Prepaid customers increased by 3.3% to 29.0 million in H1. MTN SA made further progress in driving its CVM strategy, with the contribution of CVM-driven bundles to service revenue rising by 8.3pp YoY to 32.6% in H1 2024.

Outgoing **voice** revenue was 5.5% lower in H1, reflecting a continued improvement in trend during the period. This outcome was supported by the significant improvement in network availability driven by the investments made in resilience.

Total **data** revenue grew by 2.4% in H1, contributing 47.6% of MTN SA's total service revenue. This was driven by a 10.5% increase in active data subscribers, reaching 21.6 million, with a 36.5% rise in data traffic in H1.

Traffic growth was boosted by increased data consumption per active postpaid data subscriber, which amounted to approximately 21.9GB per month (up 51.0% YTD); with the bulk of this advancement attributable to fixed wireless access (FWA). An active prepaid data subscriber's consumption increased to around 3.1GB (up 9.9% YTD).

The **consumer postpaid** business saw a 3.2% increase in service revenue in H1 – with an uptick in momentum in Q2 – driven by higher subscriber numbers, continued strong data usage and price adjustments effected in February 2024. The overall performance was tempered by reduced out-of-bundle spend as customers continued to optimize their spending, given the ongoing economic pressures.

Furthermore, MTN SA revitalised FTTH, FWA Home Internet and Mobile Internet offerings, which were well-received by customers. These services contributed to a 37.9% YoY increase in residential customers, to 928k.

The **consumer prepaid** business recorded service revenue growth of 0.6% in H1, as customers continued to streamline how they consume different-validity voice, data and integrated bundles. While this outcome reflected a slight slowdown in momentum in Q2 (up 0.1% YoY), price increases implemented towards the end of Q2 for prepaid data are anticipated to support an improvement in growth in H2.

The **enterprise** business remained robust and supported overall, with service revenue up by 15.0% for H1 2024 and 20.0% in Q2 2024, which included once-off benefits within ICT. Normalising for once-offs, Q2 underlying growth was strong at 13.6%, compared to Q1 growth of 10.1% .

Wholesale revenue (including incoming voice revenue) declined marginally by 0.1%, on a strong H1 2023 base, affected by lower interconnect.

The **fintech** ecosystem continued to grow strongly with total service revenue up by 59.1% in H1, underpinned by effective airtime advance initiatives. Notwithstanding a decline in MAU as a result of a base clean-up, MoMo revenue scaled rapidly from a low base and more than doubled in the period. This was driven by the ongoing expansion of the product portfolio, including insurance and lending services (personal and micro loans). Fintech revenue contributed 4.1% to total service revenue (H1 2023: 2.6%).

The digital business delivered growth of 10.2% in H1, driven by a 26.1% growth in new content subscriptions and 32.3% growth in mobile advertising. MTN SA has signed exclusivity deals with Showmax EPL and Disney+ driving real benefits to customers, which has assisted in customer acquisition and retention.

MTN SA's **EBITDA** increased by 3.8%, including the once-off gain from the disposal of SA towers; excluding this effect, EBITDA increased by 4.3% YoY. The EBITDA margin of 36.6% was 0.3pp higher YoY (up 0.4pp to 36.5%, excluding the gain on disposal of SA towers).

The result also benefited from exceptional proceeds of R212 million (2023: nil) – reported within 'other income' of R384 million (2023: R103 million) – from the sale of an insurance receivables. Excluding both the effects of gain from disposal of towers and the impact of sale proceeds from the sale of the insurance receivable, H1 2024 EBITDA would have increased by 2.0% and margin would have been 0.4pp lower at 35.7%.

PAT grew by 10.9% to R1.2 billion in H1, while adjusted FCF held broadly flat at R3.1 billion, with the improvement in earnings offset by higher capex.

MTN SA deployed capex of R4.6 billion (ex-leases) in H1, including the completion of the comprehensive network resilience plan in Q1.

Results overview continued

MTN Nigeria

- Service revenue increased by 32.4%*
- Voice revenue increased by 12.1%*
- Data revenue increased by 54.7%*
- Fintech revenue increased by 10.4%*
- Digital revenue increased by 98.1%*
- EBITDA decreased by 10.8%*
- EBITDA margin decreased by 17.4pp to 35.7%*
- Capex of R4.5 billion on IFRS reported basis (R1.9 billion, ex-leases)

MTN Nigeria's H1 results – published on 30 July 2024 – demonstrated the solid underlying performance of its commercial operations in the face of rising inflation and the continued depreciation of the naira against the US dollar. Despite the barring of subscribers, in line with NCC directives, the subscriber base increased by 2.9% to 79.4 million. Voice and data traffic increased by 6.4% and 42.6%, respectively.

Service revenue grew by 32.4%*, in line with the average local inflation rate in H1. This result was driven by the strong performance in data and supported by solid voice, fintech and digital services.

Voice revenue grew by 12.1%*, underpinned by revamped voice propositions, CVM initiatives and enhanced service quality. **Data** revenue rose by 54.7%* on increased data usage and an 11.1% increase in active data subscribers to 45.6 million. Growth was also supported by smartphone penetration, which increased to 55.9% (up by 2.9pp YoY).

Fintech revenue grew by 10.4%*, with encouraging growth in the adoption of MoMo services. The number of active wallet users increased by approximately 135 000 to 5.5 million – with a pleasing acceleration in Q2 following the pressure in Q1 from the NIN requirement for KYC validation. Over 174k new merchants were onboarded in the period, to a total of approximately 498k. **Digital** revenue grew by 98.1%*, supported by the adoption of digital products, expanding partnerships with content providers and the growth of the active base, which was up by 5.6 million to 19.6 million.

Revenue from the **enterprise** business rose by 64.3%*, led by the expansion of offerings in mobile and fixed connectivity services and underpinned by our expanding 5G network.

MTN Nigeria **EBITDA** decreased by 10.8%*, with the EBITDA margin down by 17.4pp to 35.7%*. This was impacted by naira devaluation, a new VAT introduced on tower leases (since September 2023), higher CPI adjustments on lease rental costs and higher energy costs. Adjusting for the combined effects of forex (15.4pp), the VAT on the tower leases (2.7pp) and the impact of higher energy costs (0.8pp), the EBITDA margin would have been 54.6%*.

MTN Nigeria continues to progress the initiatives previously outlined to accelerate its earnings recovery profile, strengthen the balance sheet and restore positive equity position.

Southern and East Africa (SEA)

- Service revenue increased by 19.6%*
- Voice revenue increased by 12.4%*
- Data revenue increased by 30.8%*
- Fintech revenue increased by 24.2%*
- Digital revenue remained flat
- EBITDA increased by 16.6%*
- EBITDA margin decreased by 1.1pp to 44.0%*
- Capex of R3.2 billion on IFRS reported basis (R1.9 billion, ex-leases)

The **SEA** region delivered service revenue growth of 19.6%* YoY, supported by sustained growth in data (+30.8%*), fintech (+24.2%*) and voice revenue (+12.4%*) as well as an increase in subscriber numbers by 8.6% YoY to 41.0 million. SEA's overall topline growth trended well above the blended inflation of the region, which averaged 8.0% in H1 2024 (June 2023: 12.2%). Fintech revenue contributed 29.0%* to total service revenue (H1 2023: 27.9%*).

Overall, the SEA portfolio reported a 1.1pp* decline in the blended EBITDA margin to 44.0%* in H1. This was mainly due to increased network and commissions and distribution costs, particularly in Rwanda and Zambia.

MTN Uganda, which made up 62% of SEA service revenue, published its H1 results on 5 August 2024. The Opco reported service revenue growth of 20.4%* YoY, supported by a 14.6% YoY growth in the subscriber base to 20.7 million. The strong performance in H1 was driven by solid voice growth (up 15.1%*) and continued momentum in the data (+28.6%*) and fintech (23.4%) segments.

Voice revenue benefited from a sustained aggressive customer acquisition strategy coupled with improved all-network bundle packages. Data revenue was supported by a 26.8% increase in active data users to 8.8 million and 5.9pp growth in smartphone penetration to 41.6% (H1 2023: 35.7%). This was boosted by device financing and strategic partnerships with device manufacturers.

Fintech revenue was driven by increased activity with transaction volume up by 25.2% to 2.0 billion and transaction value up by 12.6%. Advanced revenue contribution continued its growth trajectory and increased to 28.2% (H1 2023: 26.3%).

MTN Uganda's EBITDA margin expanded by 1.0pp* to 51.5%* driven by strong top-line growth and operational efficiency.

West and Central Africa (WECA)

- Service revenue increased by 9.5%*
- Voice revenue decreased by 8.8%*
- Data revenue increased by 22.9%*
- Fintech revenue increased by 25.7%*
- Digital revenue decreased by 7.1%*
- EBITDA increased by 15.2%*
- EBITDA margin increased by 2.0pp to 40.3%*
- Capex of R5.3 billion on IFRS reported basis (R4.5 billion, ex-leases)

The **WECA** region delivered service revenue growth of 9.5%*, with overall subscribers down 0.4% to 72.5 million in an environment characterised by regulatory taxes, elevated inflation and increased competition. Further, the cable cuts in Q1 had a negative impact on the performance of our West African operations in particular. The average blended inflation for the region improved to 11.6% over the period from 19.1% in H1 2023. Excluding Ghana, WECA inflation was stable at 4.4% for the period.

Data and fintech revenue growth for the region of 22.9%* and 25.7%* respectively were key drivers of overall performance. Active data subscribers increased by 8.0% to 35.8 million and active MoMo users increased by 5.9% to 34.9 million. Fintech revenue contributed 20.2%* to total service revenue (H1 2023: 17.6%*).

WECA reported a 15.2%* increase in EBITDA and 2.0pp* expansion in blended EBITDA margin to 40.3%*. Excluding MTN Ghana, the WECA markets reported a 0.4pp* improvement in the blended EBITDA margin to 30.3%*.

MTN Ghana, which made up approximately 38% of WECA service revenue, published H1 results on 31 July 2024. MTN Ghana delivered strong service revenue growth of 31.3%*; with data up by 55.3%*, fintech by 38.3%* and digital by 59.6%*. The subscriber base grew by 3.9% YoY to 28.4 million, despite some headwinds from SIM registration regulation in the country.

Data revenue growth was supported by enhanced 4G connectivity and attributable to a 15.9% YoY increase in active data subscribers, with a 7.2% YoY rise in data usage. MTN Ghana's data traffic increased by 24.2% in the period.

The fintech performance was driven by a 16.2% YoY increase in the active user base and enhanced digital financial solutions offerings. Advanced services revenue grew by 71.1%* YoY, while basic services also remained robust with cash-out services up by 32.2%* and peer-to-peer transactions up by 43.2%*.

Digital revenue grew strongly driven by video, gaming and ring-back tones. The enhancement of customer experience and a continued focus on providing locally and internationally relevant digital offerings contributed to this growth. The number of ayoba users increased by 14.8% YoY to reach 2.9 million.

EBITDA increased by 31.4%* YoY with the EBITDA margin steady at 56.1%*. This was achieved despite the continued impacts of elevated inflation on costs, which was mitigated by the ongoing execution of expense efficiency initiatives.

MTN Cameroon reported pleasing service revenue growth of 12.9%* (ahead of local inflation of 6.2%) and maintained leading market share in a challenging and highly competitive environment. CVM initiatives drove solid growth in data (up 19.2%*) and fintech (up 27.4%*) revenue, despite increased pricing competition in the market. The EBITDA margin for MTN Cameroon increased 0.5pp* to 37.0%*.

MTN Côte d'Ivoire's service revenue decreased by 7.9%*, impacted by the large-scale undersea fibre cuts in Q1 2024, which negatively affected voice and data subscriber growth. The regulatory climate also remained challenging, exacerbated by aggressive competition and price wars in the market. Data revenue was 0.8% lower, while fintech revenue (down marginally by 0.2%* YoY) was affected by a declined in MAU and delays in the deployment of new features for Xtratime. More encouragingly, the business delivered strong growth in advanced services of 20.4%*.

In light of the challenging regulatory and competitive environments in the country, MTN Côte d'Ivoire remains in discussions with the appropriate authorities to drive market repair guidelines focused primarily on voice and data. The EBITDA margin increased by 2.1pp* to 33.1%*, a result of the focused execution on the expense efficiency programme.

Middle East and North Africa (MENA)

- Service revenue decreased by 58.9%*
- Voice revenue decreased by 54.1%*
- Data revenue decreased by 62.7%*
- Fintech revenue remained flat
- Digital revenue decreased by 76.6%*
- EBITDA decreased by 112.3%*
- EBITDA margin decreased to -11.3%*
- Capex of R13.0 million on IFRS reported basis (R13.0 million, ex-leases)

The MENA results in constant currency include two months of Afghanistan in both the current and comparative periods

In **MENA** region, we have concluded the exit of the consolidated Middle East subsidiaries following the conclusion in February 2024 of the sale of MTN Afghanistan, which is included for two months in the result. Service revenue for the region declined by 58.9%* YoY, with an EBITDA margin of -11.3%* (down by 49.1pp). This outcome was largely due to the ongoing conflict in Sudan, which broke out in April 2023.

The overall performance of **MTN Sudan** was affected by prolonged network outages, with a shutdown of the network in February 2024 for approximately three months. Although the network was partially restored at the end of May 2024, the business sustained significant loss of revenue, which exceeded cost rationalisation efforts. Against this backdrop, service revenue declined by 81.7% * with an EBITDA loss.

Associates, joint ventures and investments

Telecoms operations

MTN Irancell, our 49%-held equity-accounted investment, delivered service revenue growth of 49.0%, supported by increased data revenue driven by a tariff increase in January 2024 and increased usage. The EBITDA margin decreased by 0.4pp* to 41.4%*, as the price increases mitigated the impacts of currency devaluation.

E-commerce investments

The **Iran Internet Group** continued its strong performance in the six-months to June 2024. Ride-hailing app Snapp remained the market leader, ranking among the top ride-hailing apps globally and reaching 4.6 million daily rides (H1 2023: 4.1 million). Last-mile delivery service Snappbox also remained the market leader with revenue up 90% YoY and daily orders increasing by 39% YoY to almost 460k.

Food delivery app Snappfood grew revenue by 102% YoY and remained the largest player in the country.

OUTLOOK

We are encouraged by the progress in our commercial priorities and initiatives, which position the business to weather the prevailing macro headwinds and deliver on our medium-term growth ambitions. We anticipate that our operating environment will remain challenging in the short term, with inflation headwinds in some markets and local currencies remaining under pressure.

Against this backdrop, we will remain focused on executing on our strategy, guided by disciplined allocation of capital to safeguard the strength and flexibility of our balance sheet.

Accelerating growth in our markets

Looking ahead for **MTN SA**, the local macroeconomic environment appears to be showing signs of stabilising, particularly in terms of inflation trends. The South African consumer, however, remains constrained with continued pressure on spending. This is driving an ongoing shift in how customers consume postpaid and prepaid bundles, with continuous optimisation and streamlining of spend.

While the pressures on its consumer and wholesale businesses are expected to remain in H2, MTN SA will maintain its focus on sustaining the performance in voice and driving data growth, supported by pricing initiatives in consumer and continued steady performance in enterprise. The impact of the recent price revisions is anticipated to benefit revenue growth in the second half of 2024. MTN SA accelerated its device spend in H1 to gain device market share, which benefited consumer postpaid performance.

MTN SA will continue the work to deliver customer value across all segments as well as enhance its revenue streams to deliver a healthy EBITDA, PAT and cash flow profile.

MTN Nigeria continues to implement the interventions outlined at its EGM, held on 30 April 2024, and has made pleasing headway in driving commercial momentum (achieving accelerated data and fintech growth) and reducing exposure to US dollar denominated obligations. These efforts will go some way in reducing the impacts on the business from the risks in the operating environment.

Importantly, we are pleased with the successful renegotiation of tower contracts in Nigeria, which will enable the business to better manage the foreign exchange exposure in its lease costs, in support of MTN Nigeria's margin recovery and resolution of its negative equity position.

We will continue to engage with authorities in Nigeria, through the industry body, regarding tariff increases, which remain critical to the recovery and sustainability of the industry in that country.

MTN Ghana and **MTN Uganda** continue to spearhead growth within our broader Markets portfolio – we have maintained the guidance for these Opcos, underpinned by operational excellence and execution. We will continue to implement our commercial strategies and engage with regulators where necessary to support the growth acceleration ambitions for our markets.

The turnaround of MTN Côte d'Ivoire is a key priority. We are in ongoing engagements with regulators regarding interventions into the regulatory and competitive structure of the market with a view of repairing the performance, particularly voice and data.

In the platform businesses, we will leverage the partnership with Mastercard to continue to scale the **fintech** ecosystem with a focus on accelerating commercial monetisation, particularly in advanced services. This includes MoMo PSB in Nigeria, where we will build on the encouraging Q2 momentum. The priority for ayoba is to progress the initiatives to ramp up commercial monetisation of the business.

Sustaining our financial resilience

We are satisfied with the progress thus far in our expense efficiency programme and maintain our objective to realise R7-8 billion in cost savings over three years from 2024. We are accelerating initiatives where possible to mitigate the effects of the challenging macro environment on the business.

We are maintaining our target to keep Holdco leverage ratio below 1.5x over the medium term, which underpins the resilience and flexibility of our balance sheet. As previously, guided, we anticipate that the ratio may track slightly above our objective in the current financial year, before returning to the range thereafter. We are pleased with the acceleration we have seen in cash upstreaming from our Opcos, particularly Q2, and this will remain a key focus area in H2.

As noted, MTN Nigeria continues to progress the programmes outlined to recover its profitability and balance sheet profile. In particular we remain committed to the work to resolve the negative equity position, which is a key objective.

Medium-term guidance maintained

Despite the current pressures facing our business, we maintain our overall medium-term guidance framework. We anticipate deploying capex of between R28-33 billion for FY 2024.

While the prevailing macro context presents uncertainty to our near-term outlook, we are encouraged by the resilience in our business and its underlying operational momentum. We believe that we remain positioned to deliver on our medium-term objective to accelerate growth and reveal value for our stakeholders.

PROPOSED EXTENSION OF TERMS OF MTN ZAKHELE FUTHI BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE) TRANSACTION

Our Level 1 B-BBEE statuses for both MTN SA and the Group, underscore our dedication to creating shared value in the markets we serve. We remain committed to continuing the important work of improving the lives of our communities.

The MTN Zakhele Futhi BEE scheme (MTNZF) is scheduled to mature on 22 November 2024. As such, MTN Group and MTNZF propose to extend the period of the scheme for a further three years, to November 2027. The proposed extension is in line with MTN's commitment to transformation and creation of shared value for South Africans. B-BBEE is integral to the ethos of MTN and MTN believes that B-BBEE participation is important to the future success of the Group. The proposed terms and structure of the extension are set out in a joint announcement, that has been published on SENS for shareholders of MTN and MTNZF.

H1 2024 FINANCIAL RESULTS TELECONFERENCE

MTN will host a presentation on Monday, 19 August 2024 where we will unpack the Group's results for the six months to 30 June 2024. To participate, please register here:

https://themediaframe.com/mediaframe/webcast.html?webcastid=zqGB3sfQ

19 August 2024
Fairland

Lead sponsor
Tamela Holdings Proprietary Limited

Joint sponsor
J.P. Morgan Equities (SA) Proprietary Limited

ABBREVIATIONS:

- Business Group: Consist of internet service providers in Namibia, Kenya and Botswana
- CVM: Customer value management
- FTTH: Fibre to the Home
- FWA: Fixed wireless access
- GB: Gigabyte
- Holdco leverage: Holdco net debt/SA EBITDA + cash upstreaming
- NIN: National Identification Number
- PB: Petabyte
- PSB: Payment service bank
- SIM: Subscriber Identity/Identification Module
- Towerco: Tower companies

Notes

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Key financial tables

for the six months ended 30 June 2024

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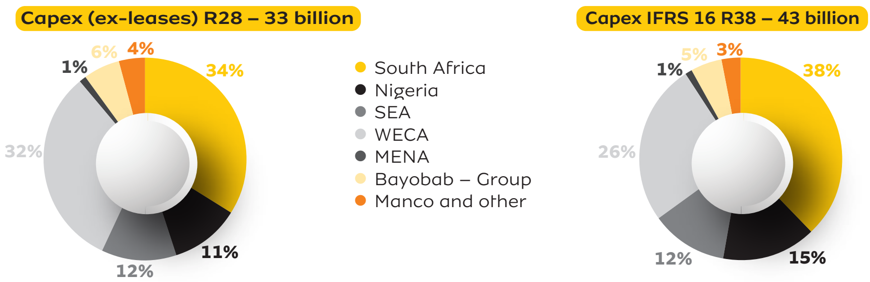
Results overview continued

CAPEX GUIDANCE 2024

We are targeting capex (ex-leases) of R28-33 billion, based on current currency assumptions, for FY 2024 and capex intensity over the medium term in the 15-18% range.



FINANCIAL REVIEW

Headline earnings reconciliation

Rm	IFRS reported 2024	Impairment of goodwill, PPE, intangibles and joint venture impairments[1]	Impairment loss on remeasurement of disposal group[2]	Gain on disposal/ dilution of investment in JV/associate/ subsidiary and fair value gain on acquisition of subsidiary[3]	Net gain (after tax) on disposal of SA towers[4]
2024					
Revenue	**90 842**	–	–	–	
Other income	**1 307**	–		(1 018)	(11)
EBITDA	**29 929**	3 807	146	(1 018)	(11)
Depreciation, amortisation and impairment of goodwill	**(18 189)**	437	–	–	
Profit from operations	**11 740**	4 244	146	(1 018)	(11)
Net finance cost	**(22 956)**	–	–	–	
Hyperinflationary monetary gain	**276**	–	–	–	
Share of results of associates and joint ventures after tax	**1 892**	–	–	–	
Profit before tax	**(9 048)**	4 244	146	(1 018)	(11)
Income tax expense	**(629)**	–	–	–	3
Profit after tax	**(9 677)**	4 244	146	(1 018)	(8)
Non-controlling interests	**2 287**	(580)	–	–	
Attributable profit	**(7 390)**	3 664	146	(1 018)	(8)
EBITDA margin	**32.9%**				
Effective tax rate	**(7.0%)**				

Other[5]	Headline earnings	Hyper-inflation[6]	Impact of net foreign exchange losses and gains[7]	Deferred Tax Asset remea-surement[8]	Other non-operational items[9]	Adjusted 2024	% movement
–	90 842	871	–	–	–	91 713	(18.7%)
–	278	1	–	–	–	279	343.1%
(35)	32 818	606	–	–	454	33 878	(31.8%)
–	(17 752)	1 707	–	–	–	(16 045)	(16.4%)
(35)	15 066	2 313	–	–	454	17 833	(41.5%)
–	(22 956)	88	16 238	–	–	(6 630)	(9.5%)
–	276	(276)	–	–	–	–	0.0%
(4)	1 888	(390)	55	–	–	1 553	18.1%
(39)	(5 726)	1 735	16 293	–	454	12 756	(47.8%)
–	(626)	(377)	(4 700)	500	–	(5 203)	(35.4%)
(39)	(6 352)	1 358	11 593	500	454	7 553	(53.9%)
2	1 709	(325)	(2 214)	–	–	(830)	(70.4%)
(37)	(4 643)	1 033	9 379	500	454	6 723	(50.5%)
	36.1%					36.9%	
	(10.9%)					40.8%	

FINANCIAL REVIEW (continued)

Headline earnings reconciliation (continued)

Rm	IFRS reported 2023 (Restated*)	Impairment of goodwill, PPE, intangibles and joint venture impairments[1]	Impairment loss on remeasurement of disposal group[2]	Gain on disposal/ dilution of investment in JV/associate/ subsidiary and fair value gain on acquisition of subsidiary[3]	Net gain (after tax) on disposal of SA towers[4]
2023					
Revenue	113 203	–	–	–	
Other income	116	–	–	–	(53)
EBITDA	48 868	253	385	–	(53)
Depreciation, amortisation and impairment of goodwill	(19 597)	–	–	–	
Profit from operations	29 271	253	385	–	(53)
Net finance cost	(22 172)	–	–	–	
Hyperinflationary monetary gain	155	–	–	–	
Share of results of associates and joint ventures after tax	1 008	–	–	–	
Profit before tax	8 262	253	385	–	(53)
Income tax expense	(3 827)	–	–	–	14
Profit after tax	4 435	253	385	–	(39)
Non-controlling interests	(294)	(30)			
Attributable profit	4 141	223	385	–	(39)
EBITDA margin	43.2%				
Effective tax rate	46.3%				

Other[5]	Headline earnings	Hyper-inflation[6]	Impact of net foreign exchange losses and gains[7]	Deferred Tax Asset remea-surement[8]	Other non-operational items[9]	Adjusted 2023 (Restated*)
–	113 203	(451)	–	–	–	112 752
–	63	–	–	–	–	63
(22)	49 431	226	–	–	–	49 657
–	(19 597)	401	–	–	–	(19 196)
(22)	29 834	627	–	–	–	30 461
–	(22 172)	30	14 817	–	–	(7 325)
–	155	(155)	–	–	–	–
4	1 012	220	83	–	–	1 315
(18)	8 829	722	14 900	–	–	24 451
–	(3 813)	38	(4 282)	–	–	(8 057)
(18)	5 016	760	10 618	–	–	16 394
(1)	(325)	(72)	(2 412)	–	–	(2 809)
(19)	4 691	688	8 206	–	–	13 585
	43.7%					44.0%
	43.2%					33.0%

[1] Represents the exclusion of the impact of goodwill, PPE, intangibles and joint venture impairments. H1 24: goodwill (Ayo Group: R437 million), PPE (R2 822 million) and intangibles (R405 million); H1 23: PPE (R220 million) and intangibles (R3 million).
[2] Represents the impairment loss on remeasurement of disposal group. H1 24: Afghanistan (R146 million); H1 23: Afghanistan (R385 million).
[3] Represents the gain on disposal/dilution of investment in JV/associate/subsidiary and fair value gain on acquisition of subsidiary (gain on disposal of Afghanistan – H1 24: R1 018 million; H1 23: R0 million).
[4] Represents net gain (after tax) on disposal of SA towers. (H1 24: R8 million; H1 23: R39 million).
[5] Represents the net profit on disposal of PPE and intangibles. H1 24: PPE (R33 million profit) and share of results from Iran (R4 million profit); H1 23: PPE (R15 million profit) and share of results from Iran (R4 million profit).
[6] The impact of hyperinflation is excluded for the operations that are currently accounted for on a hyperinflationary basis (MTN Irancell, MTN Sudan, MTN South Sudan and MTN Ghana), as well as those that have previously been accounted for on a hyperinflationary basis. The economy of Iran was assessed to be hyperinflationary effective 1 January 2020 and hyperinflation accounting has since been applied. The economy of Sudan was assessed to be hyperinflationary during 2018 and hyperinflation accounting has since been applied. The economy of South Sudan was assessed to be hyperinflationary effective 1 January 2016 and hyperinflation accounting has since been applied. The economy of Ghana was assessed to be hyperinflationary effective 1 January 2023 and hyperinflation accounting has since been applied.
[7] Adjustment for the net forex (gains)/losses impacting earnings for the respective periods. (H1 24: forex loss of R9 378 million; H1 23: forex loss of R8 206 million). This includes the impact of forex in Iran.
[8] Represents deferred tax assets remeasurement on Mauritius' prior year recognised tax expense (H1 24: R500 million; H1 23: R0 million).
[9] Represents other non-operational items relating to H1 24: fintech separation costs and ATA matters of R454 million and H1 23: fintech separation costs and ATA matters of R0 million.

REVENUE AND SERVICE REVENUE

Group total revenue increased by 11.6%* and service revenue increased by 12.1%*, with service revenue growth of 3.3% in MTN SA, 32.4%* in MTN Nigeria, 31.3%* in MTN Ghana and 20.4%* in MTN Uganda. MTN Sudan was a drag on topline growth, owing to the ongoing conflict in that country.

GROUP REVENUE BY COUNTRY

Table 1: Group revenue by country

	Actual (Rm)	Prior (Rm)	Reported % change	Constant currency % change	Contribution to revenue %
South Africa	**26 198**	25 417	3.1	3.1	28.8
Nigeria	**20 667**	43 813	(52.8)	32.7	22.8
SEA	**11 986**	11 088	8.1	19.7	13.2
Uganda	**7 456**	6 200	20.3	20.2	8.2
Rwanda	**1 802**	1 991	(9.5)	2.3	2.0
Other SEA	**2 728**	2 897	(5.8)	33.2	3.0
WECA	**29 524**	27 223	8.5	9.6	32.5
Ghana	**11 347**	9 427	20.4	31.3	12.5
Cameroon	**5 457**	4 689	16.4	13.2	6.0
Côte d'Ivoire	**4 899**	5 165	(5.2)	(7.8)	5.4
Other WECA	**7 821**	7 942	(1.5)	(4.3)	8.6
MENA	**736**	3 493	(78.9)	(58.7)	0.8
Sudan	**238**	2 245	(89.4)	(81.6)	0.3
Afghanistan#	**498**	1 248	(60.1)	1.0	0.5
Bayobab	**5 678**	5 946	(4.5)	(6.6)	6.3
Head offices and eliminations	**(3 076)**	(4 228)			(3.4)
Total	**91 713**	112 752	(18.7)	11.6	101.0
Hyperinflation	**(871)**	451			(1.0)
Total reported	**90 842**	113 203	(19.8)	11.6	100.0

Constant currency includes two months of prior year financial results while reported includes 12 months results.

GROUP SERVICE REVENUE BY COUNTRY

Table 2: Group service revenue by country

	Actual (Rm)	Prior (Rm)	Reported % change	Constant currency % change	Contribution to service revenue %
South Africa	**21 110**	20 431	3.3	3.3	24.7
Nigeria	**20 523**	43 583	(52.9)	32.4	24.1
SEA	**11 822**	10 944	8.0	19.6	13.9
Uganda	**7 371**	6 116	20.5	20.4	8.6
Rwanda	**1 757**	1 969	(10.8)	0.9	2.1
Other SEA	**2 694**	2 859	(5.8)	33.4	3.2
WECA	**29 403**	27 131	8.4	9.5	34.5
Ghana	**11 302**	9 394	20.3	31.3	13.2
Cameroon	**5 424**	4 675	16.0	12.9	6.4
Côte d'Ivoire	**4 878**	5 147	(5.2)	(7.9)	5.7
Other WECA	**7 799**	7 915	(1.5)	(4.2)	9.1
MENA	**730**	3 480	(79.0)	(58.9)	0.9
Sudan	**235**	2 237	(89.5)	(81.7)	0.3
Afghanistan#	**495**	1 243	(60.2)	1.0	0.6
Bayobab	**5 678**	5 946	(4.5)	(6.6)	6.7
Head offices and eliminations	**(3 076)**	(4 228)			(3.6)
Total	**86 190**	107 287	(19.7)	12.1	101.0
Hyperinflation	**(867)**	448			(1.0)
Total reported	**85 323**	107 735	(20.8)	12.1	100.0

Constant currency includes two months of prior year financial results while reported includes 12 months results.

GROUP REVENUE BY SEGMENT

Table 3: Group revenue by segment

	Actual (Rm)	Prior (Rm)	Reported % change	Constant currency % change	Contribution to revenue %
Outgoing voice [1]	**25 150**	37 870	(33.6)	(0.2)	27.7
Incoming voice [2]	**4 423**	6 436	(31.3)	(1.3)	4.9
Data [3]	**35 346**	41 877	(15.6)	21.0	38.9
Digital [4]	**1 599**	1 759	(9.1)	19.3	1.8
Fintech [5]	**10 961**	9 992	9.7	27.2	12.1
SMS	**1 743**	2 750	(36.6)	5.6	1.9
Devices	**5 523**	5 465	1.1	4.3	6.1
Wholesale [6]	**4 355**	4 148	5.0	6.9	4.8
Other	**2 613**	2 455	6.4	13.9	2.9
Total	**91 713**	112 752	(18.7)	11.6	101.0
Hyperinflation	**(871)**	451			(1.0)
Total reported	**90 842**	113 203	(19.8)	11.6	100.0

[1] Excludes international roaming and wholesale.
[2] Includes local and international roaming and excludes wholesale.
[3] Includes mobile and fixed access data and excludes roaming and wholesale.
[4] Includes Rich Media services, content VAS, eCommerce and mobile advertising.
[5] Includes Xtratime and mobile financial services.
[6] Includes domestic wholesale, voice, SMS and data, leased lines and BTS rentals.

GROUP DATA REVENUE BY COUNTRY

Table 4: Group data revenue[1]

	Actual Rm	Prior Rm	Reported % change	Constant currency % change
South Africa	**10 044**	9 811	2.4	2.4
Nigeria	**9 760**	17 753	(45.0)	54.7
SEA	**3 054**	2 625	16.3	30.8
Uganda	**1 828**	1 420	28.7	28.6
Rwanda	**306**	351	(12.8)	(1.6)
Other SEA	**920**	854	7.7	52.8
WECA	**12 046**	9 982	20.7	22.9
Ghana	**5 527**	3 911	41.3	55.3
Cameroon	**2 177**	1 777	22.5	19.2
Côte d'Ivoire	**1 698**	1 664	2.0	(0.8)
Other WECA	**2 644**	2 630	0.5	(2.3)
MENA	**307**	1 575	(80.5)	(62.7)
Sudan	**84**	1 061	(92.1)	(86.5)
Afghanistan[#]	**223**	514	(56.6)	10.4
Bayobab	**4**	3	33.3	33.3
Head offices and eliminations	**131**	128		
Total	**35 346**	41 877	(15.6)	21.0
Hyperinflation	**(465)**	272		
Total reported	**34 881**	42 149	(17.2)	21.0

[1] Includes mobile and fixed access data and excludes roaming and wholesale.
[#] Constant currency includes two months of prior year financial results while reported includes 12 months results.

GROUP FINTECH REVENUE BY COUNTRY

Table 5: Group fintech revenue[2]

	Actual (Rm)	Prior (Rm)	Reported % change	Constant currency % change
South Africa	**859**	540	59.1	59.1
Nigeria	**649**	1 651	(60.7)	10.4
SEA	**3 428**	2 956	16.0	24.2
Uganda	**2 166**	1 754	23.5	23.4
Rwanda	**810**	727	11.4	26.0
Other SEA	**452**	475	(4.8)	24.5
WECA	**5 929**	4 828	22.8	25.7
Ghana	**2 835**	2 230	27.1	38.3
Cameroon	**1 055**	808	30.6	27.4
Côte d'Ivoire	**470**	458	2.6	(0.2)
Other WECA	**1 569**	1 332	17.8	14.6
MENA	**9**	22	(59.1)	0.0
Sudan	**1**	5	(80.0)	(66.7)
Afghanistan[#]	**8**	17	(52.9)	33.3
Bayobab	**1**	–	100.0	100.0
Head offices and eliminations	**87**	(5)		
Total	**10 961**	9 992	9.7	27.2
Hyperinflation	**(242)**	–		
Total reported	**10 719**	9 992	7.3	27.2

[2] Includes Xtratime and mobile financial services.
[#] Constant currency includes two months of prior year financial results while reported includes 12 months results.

GROUP DIGITAL REVENUE BY COUNTRY

Table 6: Group digital revenue[3]

	Actual (Rm)	Prior (Rm)	Reported % change	Constant currency % change
South Africa	**669**	607	10.2	10.2
Nigeria	**408**	579	(29.5)	98.1
SEA	**56**	65	(13.8)	0.0
Uganda	**29**	23	26.1	26.1
Rwanda	**12**	14	(14.3)	0.0
Other SEA	**15**	28	(46.4)	(28.6)
WECA	**452**	421	7.4	7.1
Ghana	**142**	97	46.4	59.6
Cameroon	**124**	123	0.8	(1.6)
Côte d'Ivoire	**158**	160	(1.3)	(4.2)
Other WECA	**28**	41	(31.7)	(33.3)
MENA	**11**	88	(87.5)	(76.6)
Sudan	**4**	66	(93.9)	(89.5)
Afghanistan#	**7**	22	(68.2)	(22.2)
Bayobab	**–**	–	0.0	0.0
Head offices and eliminations	**3**	(1)		
Total	**1 599**	1 759	(9.1)	19.3
Hyperinflation	**(14)**	13		
Total reported	**1 585**	1 772	(10.6)	19.3

[3] Includes rich media services, content VAS, eCommerce and mobile advertising.
Constant currency includes two months of prior year financial results while reported includes 12 months results.

COST ANALYSIS

Table 7: Cost analysis

	Actual (Rm)	Prior (Rm)	Reported % change	Constant currency % change	% of revenue
Handsets and other accessories	**6 016**	6 140	(2.0)	3.8	6.6
Interconnect	**4 330**	5 316	(18.5)	20.1	4.8
Roaming	**983**	672	46.3	68.3	1.1
Commissions	**6 982**	7 046	(0.9)	6.1	7.7
Government and regulatory costs	**3 754**	4 182	(10.2)	13.0	4.1
VAS / Digital revenue share	**1 577**	2 030	(22.3)	(2.9)	1.7
Service provider discounts	**1 612**	2 573	(37.3)	16.4	1.8
Network and IS maintenance	**18 208**	19 077	(4.6)	50.1	20.0
Marketing	**1 741**	2 223	(21.7)	0.3	1.9
Staff costs	**6 867**	7 104	(3.3)	11.1	7.6
Other opex	**6 468**	6 853	(5.6)	13.3	7.1
Total	**58 538**	63 216	(7.4)	20.3	64.4
Impairment loss on remeasurement of disposal group	**146**	385			0.2
Impairment loss on Sudan warehouse due to ongoing conflict	**–**	173			0.0
Hyperinflation	**3 537**	678			3.9
Total reported	**62 219**	64 452	(3.5)	20.3%	68.5%

GROUP EBITDA BY COUNTRY

Table 8: Group EBITDA by country

	Actual (Rm)	Prior (Rm)	Reported % change	Constant currency % change
South Africa	**9 566**	9 173	4.3	4.3
Nigeria	**7 377**	23 260	(68.3)	(10.8)
SEA	**5 268**	4 889	7.8	16.6
Uganda	**3 842**	3 134	22.6	22.6
Rwanda	**565**	897	(37.0)	(28.8)
Other	**861**	858	0.3	46.4
WECA	**11 886**	10 621	11.9	15.2
Ghana	**6 371**	5 293	20.4	31.4
Cameroon	**2 021**	1 716	17.8	15.0
Côte d'Ivoire	**1 621**	1 604	1.1	(1.5)
Other	**1 873**	2 008	(6.7)	(9.6)
MENA	**(83)**	1 239	(106.7)	(112.3)
Sudan	**(241)**	871	(127.7)	(144.5)
Afghanistan#	**158**	368	(57.1)	17.0
Bayobab	**591**	1 195	(50.5)	(51.0)
Head offices and eliminations	**(1 151)**	(778)		
CODM EBITDA	**33 454**	49 599	(32.6)	(0.4)
Gain on disposal of SA towers	**11**	53		
Impairment loss on remeasurement of disposal group	**(146)**	(385)		
Impairment loss on Sudan assets due to war	**–**	(173)		
Profit on sale on Afghanistan	**1 018**	–		
Hyperinflation	**(4 408)**	(226)		
CODM EBITDA before impairment of goodwill and joint ventures	**29 929**	48 868	(38.8)	(0.4)

Constant currency includes two months of prior year financial results while reported includes 12 months results.

DEPRECIATION AND AMORTISATION

Table 9: Group depreciation and amortisation

	Depreciation restated				Amortisation			
	Actual (Rm)	Prior (Rm)	Reported % change	Constant currency % change	**Actual (Rm)**	Prior (Rm)	Reported % change	Constant currency % change
South Africa	**4 825**	4 462	8.1	8.1	**831**	894	(7.0)	(7.0)
Nigeria†	**2 702**	5 940	(54.5)	28.4	**567**	1 389	(59.2)	15.2
SEA	**1 637**	1 458	12.3	20.8	**441**	335	31.6	45.5
Uganda	**954**	875	9.0	9.2	**217**	160	35.6	35.6
Rwanda	**476**	340	40.0	58.1	**92**	77	19.5	33.3
Other SEA	**207**	243	(14.8)	15.0	**132**	98	34.7	78.4
WECA	**3 560**	3 382	5.3	5.5	**907**	773	17.3	18.4
Ghana	**1 258**	1 004	25.3	36.4	**257**	201	27.9	44.4
Cameroon	**697**	577	20.8	17.3	**166**	103	61.2	55.1
Côte d'Ivoire	**858**	811	5.8	2.6	**262**	216	21.3	19.1
Other WECA	**747**	990	(24.5)	(26.8)	**222**	253	(12.3)	(14.9)
MENA	**26**	51	(49.0)	(3.7)	**19**	29	(34.5)	35.7
Sudan	**26**	51	(49.0)	0.0	**19**	29	(34.5)	35.7
Afghanistan#	**–**	–	0.0	0.0	**–**	–	0.0	0.0
Bayobab	**319**	305	4.5	3.2	**55**	29	89.7	89.7
Head offices and eliminations	**(8)**	18			**163**	130		
Total	**13 061**	15 616	(16.4)	12.2	**2 983**	3 579	(16.7)	13.5
Hyperinflation	**1 537**	347			**171**	55		
Total reported	**14 598**	15 963	(8.5)	12.2	**3 154**	3 634	(13.2)	13.5

† Nigeria's depreciation has been restated to be in line with restated right-of-use asset which was incorrectly accounted for as per IFRS 16 in the prior year.
# Constant currency includes two months of prior year financial results while reported includes 12 months results.

The Group depreciation and amortisation costs increased by 12.2%* and 13.5%*, respectively, largely due to network equipment capex and spectrum additions as well as lease modifications.

NET FINANCE COSTS

Table 10: Net finance cost

	Actual (Rm)	Prior† (Rm)	Reported % change	Constant currency % change	% of revenue
Net interest paid/(received)	**6 630**	7 324	(9.5)	28.1	7.3
Net forex losses/(gains)	**16 238**	14 818	9.6	175.0	17.9
Total	**22 868**	22 142	3.3	106.4	25.2
Hyperinflation	**88**	30			0.1
Total reported	**22 956**	22 172	3.5	106.4	25.3

†Nigeria's net finance costs have been restated to correctly reflect the foreign exchange losses and finance lease costs which were incorrectly accounted for in the prior year.

Net finance costs increased by 106.4%* and 3.5% on a reported basis to R23.0 billion. Higher finance costs were predominantly driven by higher net forex losses (up 175.0%*, and 9.6% on a reported basis to R16.2 billion) due to an increase in net forex losses in Nigeria following significant naira devaluation in that country.

The average cost of borrowing was 12.8% (2023: 10.8%) as a result of global interest rate hikes.

SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES AFTER TAX

We recorded a positive contribution of R1.9 billion from associates and joint ventures up 87.7% (37.7%*) YoY. The contribution for H1 2024 was largely attributable to improved results from the Iran Internet Group (IIG).

TAXATION

Table 11: Taxation

	Actual (Rm)	Prior† (Rm)	Reported % change	Constant currency % change	Contribution to taxation %
Normal tax	**3 455**	4 080	(15.3)	(24.0)	549.3
Deferred tax	**(3 149)**	(786)	(300.6)	(145.4)	(500.6)
Foreign income and withholding taxes	**700**	495	41.4	60.9	111.3
Total	**1 006**	3 789	(73.4)	(72.8)	159.9
Hyperinflation	**(377)**	38			(59.9)
Total reported	**629**	3 827	(83.6)	(72.8)	100.0

† Nigeria's deferred tax has been restated to reflect the tax impact on the restated depreciation and net finance costs.

The Group tax charges amounted to R629 million in H1, against a PBT loss of R9.0 billion. The Group had significantly higher Sudan non-deductible expenses, hyperinflationary adjustments, as well as unrecognised deferred tax assets.

CASH FLOW

Cash inflows generated from operations decreased by 39.4% to R27.5 billion, with key cash outflows including tax paid of R5.8 billion, net interest paid of R5.8 billion and cash capex of R13.7 billion (excluding spectrum and licences).

OpFCF decreased by 55.8%, impacted mainly by the decrease in reported EBITDA due to significant Naira devaluation. Excluding the acquisition of spectrum and licences, underlying OpFCF was down 51.8%.

CAPITAL EXPENDITURE

Table 12: Capital expenditure

	Actual (IFRS 16) (Rm)	Actual (ex-leases) (Rm)	Prior (ex-leases) (Rm)	Reported % change	Constant currency % change
South Africa	**5 757**	**4 625**	4 076	13.5	13.5
Nigeria	**4 459**	**1 948**	6 311	(69.1)	(18.3)
SEA	**3 229**	**1 891**	1 724	9.7	20.0
Uganda	**1 786**	**1 073**	977	9.8	8.6
Rwanda	**477**	**425**	321	32.4	47.9
Other SEA	**966**	**393**	426	(7.7)	30.9
WECA	**5 457**	**4 556**	4 246	7.3	23.6
Ghana	**2 927**	**2 264**	1 473	53.7	61.3
Cameroon	**929**	**533**	812	(34.4)	(36.7)
Côte d'Ivoire	**483**	**640**	851	(24.8)	(26.8)
Other WECA	**1 118**	**1 119**	1 110	0.8	0.4
MENA	**13**	**13**	336	(96.1)	(93.2)
Sudan	**–**	**–**	315	(100.0)	(100.0)
Afghanistan#	**13**	**13**	21	(38.1)	(48.0)
Bayobab	**254**	**254**	302	(15.9)	(16.7)
Head offices and eliminations	**194**	**191**	186		
Total	**19 363**	**13 478**	17 181	(21.6)	8.3
Hyperinflation	**(143)**	**(45)**	51		
Total reported	**19 220**	**13 433**	17 232	(22.0)	8.3

Constant currency includes two months of prior year financial results while reported includes 12 months results.

FINANCIAL POSITION

Table 13: Net debt analysis

Rm	Cash and cash equivalents~	Interest-bearing liabilities	Inter-company eliminations	Net interest-bearing liabilities	**Net debt/ (cash) June 2024**	Net debt/ (cash) December 2023
South Africa	369	28 327	(28 327)	–	**(369)**	(995)
Nigeria	5 169	11 455	–	11 455	**6 286**	8 669
SEA	1 643	4 028	(564)	3 464	**1 821**	783
Uganda	542	1 073	–	1 073	**531**	(234)
Rwanda	271	969	(13)	956	**685**	700
Other SEA	830	1 986	(551)	1 435	**605**	317
WECA	6 877	11 392	(3 725)	7 667	**790**	(2 472)
Ghana	2 221	168	–	168	**(2 053)**	(4 549)
Cameroon	2 730	2 278	–	2 278	**(452)**	(506)
Côte d'Ivoire	540	3 392	–	3 392	**2 852**	2 661
Other WECA	1 386	5 554	(3 725)	1 829	**443**	(78)
MENA	285	4 720	(4 720)	–	**(285)**	(936)
Sudan	285	4 608	(4 608)	–	**(285)**	(936)
Afghanistan	–	112	(112)	–	**–**	–
Bayobab	944	–	116	116	**(828)**	(2 047)
Head offices and eliminations	11 452	53 071	(1 353)	51 718	**40 266**	31 916
Total reported	26 739	112 993	(38 573)	74 420	**47 681**	34 918
Iran	1 063	1 333	–	1 333	**270**	886

~ Includes restricted cash, current investments and excludes cash held for sale in Afghanistan, Conakry and Bissau.

Group net debt increased to R47.7 billion from R34.9 billion, in December 2023, driven mainly by an increase in debt at Holdco level and lower cash balances. In the period, we paid down debt of approximately R16.3 billion, including R8.4 billion by MTN Nigeria.

At the end of June 2024, the Group's net-debt-to-EBITDA ratio of 0.8x (31 December 2023: 0.4x) remained within our loan covenant limit of 2.5x. Our net interest cover stood at 3.6x. Although this is below our covenant threshold in the short term, we have secured accommodations from lenders in this regard and will continue the work to restore this. Our Group cash and cash equivalents balance at the end of June 2024 was R26.7 billion.

Holdco net debt increased to R40.3 billion, from R31.9 billion in December 2023, mostly due to forex impacts on the Eurobonds and new borrowings. Our Holdco debt currency mix ratio (US$:ZAR) improved to 22:78 (31 December 2023: 23:77), well within our medium-term objective of maintaining foreign currency denominated debt to below 40%.

At the end of the period, our Holdco leverage increased to 1.6x, impacted by foreign exchange movements.

Reviewed consolidated interim financial statements

for the six months ended 30 June 2024

The Group interim financial statements have been independently reviewed by the Group's external auditor. The reviewed Group interim financial statements have been prepared by the MTN finance team under the guidance of the Group Finance Executive, S Perumal CA(SA), and were supervised by the Group Chief Financial Officer, TBL Molefe CA(SA).

The results were made available on 19 August 2024.

Independent auditor's review report on the consolidated interim financial statements

TO THE SHAREHOLDERS OF MTN GROUP LIMITED

We have reviewed the consolidated interim financial statements of MTN Group Limited, in the accompanying interim report on pages 51 to 86, which comprise the condensed consolidated statement of financial position as of 30 June 2024 and the related condensed consolidated income statement and condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six months then ended and selected explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE INTERIM FINANCIAL STATEMENTS

The directors are responsible for the preparation and presentation of these consolidated interim financial statements in accordance with the IFRS Accounting Standards as Issued by the International Accounting Standards Board, IAS 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express a conclusion on these consolidated interim financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the consolidated interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these consolidated interim financial statements.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements of MTN Group Limited for the six months ended 30 June 2024 are not prepared, in all material respects, in accordance with the IFRS Accounting Standards as Issued by the International Accounting Standards Board, IAS 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

Ernst & Young Inc.

Ernst & Young Inc.
Director: EAL Botha
Registered Auditor
16 August 2024

Johannesburg, South Africa

Condensed consolidated income statement

for the

	Note	Six months ended 30 June 2024 Reviewed Rm	Six months ended 30 June 2023 Restated[1] Reviewed Rm	Financial year ended 31 December 2023 Audited Rm
Revenue	7	**90 842**	113 203	221 056
Gain on disposal of MTN Afghanistan	19	**1 018**	–	–
Other income		**289**	116	324
Direct network and technology operating costs		**(18 088)**	(19 152)	(38 539)
Costs of handsets and other accessories		**(6 029)**	(6 235)	(12 583)
Interconnect and roaming costs		**(5 292)**	(6 000)	(12 196)
Staff costs		**(6 823)**	(7 136)	(15 099)
Selling, distribution and marketing expenses		**(11 771)**	(13 600)	(27 134)
Government and regulatory costs		**(3 863)**	(4 547)	(8 789)
Impairment and write-down of trade receivables and contract assets		**(510)**	(594)	(1 330)
Impairment loss on MTN Sudan's non-current assets[2]	18	**(3 803)**	(207)	(746)
Other operating expenses		**(5 895)**	(6 595)	(15 284)
Depreciation of property, plant and equipment		**(10 600)**	(11 350)	(24 690)
Depreciation of right-of-use assets		**(3 998)**	(4 613)	(9 440)
Amortisation of intangible assets		**(3 154)**	(3 634)	(8 138)
Impairment of goodwill		**(437)**	–	–
Impairment loss on remeasurement of non-current assets held for sale	19	**(146)**	(385)	(900)
Finance income[3]	8	**1 325**	1 698	3 055
Finance costs[3]	8	**(8 010)**	(9 066)	(18 954)
Net foreign exchange losses[3]	8	**(16 271)**	(14 804)	(23 170)
Net monetary gain		**276**	155	744
Share of results of associates and joint ventures after tax	9	**1 892**	1 008	3 581
(Loss)/profit before tax		**(9 048)**	8 262	11 768
Income tax expense		**(629)**	(3 827)	(7 751)
(Loss)/profit after tax		**(9 677)**	4 435	4 017
Attributable to:				
Equity holders of the Company		**(7 390)**	4 141	4 092
Non-controlling interests		**(2 287)**	294	(75)
		(9 677)	4 435	4 017
Basic (loss)/earnings per share (cents)	10	**(409)**	229	227
Diluted (loss)/earnings per share (cents)	10	**(409)**	225	223

[1] Restated, refer to note 20 for details on the restatement.
[2] Impairment loss on MTN Sudan's non-current assets were previously included in other operating expense and has been disaggregated in the current year and comparative numbers have been re-presented accordingly.
[3] Finance income and foreign exchange losses were previously included in net finance costs and have been disaggregated in the current period and comparative numbers have been re-presented accordingly.

Condensed consolidated statement of comprehensive income

for the

	Note	Six months ended 30 June 2024 Reviewed Rm	Six months ended 30 June 2023 Restated[1] Reviewed Rm	Financial year ended 31 December 2023 Audited Rm
(Loss)/profit after tax		**(9 677)**	4 435	4 017
Other comprehensive income after tax				
Items that may be and/or have been reclassified to profit or loss:		**(9 898)**	2 694	12 979
Net investment hedges	16	**9**	(1 238)	(554)
Foreign exchange movement on hedging instruments		**12**	(1 696)	(759)
Normal tax		**(3)**	458	205
Exchange differences on translating foreign operations including the effect of hyperinflation[2]		**(9 907)**	3 932	13 533
(Losses)/gains arising during the year		**(9 907)**	3 932	13 533
Items that will not be reclassified to profit or loss:		**(2 211)**	5 482	(2 726)
(Losses)/gains arising during the year on equity investments at fair value through other comprehensive income[2,3]	11	**(2 212)**	5 516	(2 689)
Remeasurement gain/(loss) on defined benefit obligation[2]		**1**	(34)	(37)
Other comprehensive income for the year		**(12 109)**	8 176	10 253
Attributable to:				
Equity holders of the Company		**(10 425)**	8 386	7 262
Non-controlling interests		**(1 684)**	(210)	2 991
Total comprehensive income for the year		**(21 786)**	12 611	14 270
Attributable to:				
Equity holders of the Company		**(17 815)**	12 527	11 354
Non-controlling interests		**(3 971)**	85	2 916
		(21 786)	12 612	14 270

1 Restated, refer to note 20 for details on the restatement.
2 This component of other comprehensive income (OCI) does not attract any tax.
3 Equity investments at fair value through OCI relates mainly to the Group's investment in IHS Holding Limited (IHS Group).

Condensed consolidated statement of financial position

as at

	Note	30 June 2024 Reviewed Rm	30 June 2023 Restated[1] Reviewed Rm	31 December 2023 Audited Rm
Non-current assets		**259 556**	260 553	289 988
Property, plant and equipment		**98 371**	105 375	117 197
Intangible assets and goodwill		**65 113**	51 432	74 813
Right-of-use assets		**45 086**	50 583	48 207
Investments	11	**5 430**	16 209	7 388
Investment in associates and joint ventures		**26 733**	23 590	24 445
Deferred tax and other non-current assets		**18 823**	13 364	17 938
Current assets		**121 786**	135 885	137 836
Cash and cash equivalents		**17 047**	37 801	37 545
Mobile Money deposits		**48 119**	43 434	49 418
Trade and other receivables		**40 104**	36 897	29 352
Restricted cash		**5 698**	8 568	11 002
Other current assets		**10 818**	9 185	10 519
Non-current assets held for sale	17	**4 539**	3 065	6 890
Total assets		**385 881**	399 503	434 714
Total equity		**121 966**	123 026	150 183
Attributable to equity holders of the Company		**114 206**	120 171	139 205
Non-controlling interests		**7 760**	2 855	10 978
Non-current liabilities		**112 561**	126 221	119 737
Interest-bearing liabilities	13	**51 804**	62 911	55 925
Lease liabilities		**52 015**	60 581	54 378
Deferred tax and other non-current liabilities		**8 742**	2 729	9 434
Current liabilities		**145 293**	147 599	156 802
Interest-bearing liabilities[2]	13	**22 616**	22 784	29 114
Lease liabilities		**9 208**	5 905	9 030
Trade and other payables		**56 295**	56 944	54 678
Mobile Money payables		**48 849**	44 123	50 173
Other current and tax liabilities[2]		**8 325**	17 843	13 807
Liabilities directly associated with non-current assets held for sale	17	**6 061**	2 657	7 992
Total equity and liabilities		**385 881**	399 503	434 714

[1] Restated, refer to note 20 for details on the restatement.
[2] Bank overdrafts have been reclassified from other current and tax liabilities to interest-bearing liabilities and comparatives have been re-presented accordingly.

Condensed consolidated statement of changes in equity

for the

	Six months ended 30 June 2024 Reviewed Rm	Six months ended 30 June 2023 Restated[1] Reviewed Rm	Financial year ended 31 December 2023 Audited Rm
Opening balance at 1 January as previously reported	**139 205**	116 601	116 601
Prior period error[2]	**–**	(2 113)	(2 113)
Restated balance at 1 January	**139 205**	114 488	114 488
Opening reserve adjustment for hyperinflation	**–**	–	22 057
Total comprehensive income	**(17 815)**	12 527	11 354
Profit after tax	**(7 390)**	4 141	4 092
Other comprehensive income after tax	**(10 425)**	8 386	7 262
Transactions with owners of the Company			
Share-based payment transactions	**230**	427	841
Dividends declared	**(5 963)**	(5 963)	(5 963)
Purchase of treasury shares	**(1 237)**	(1 299)	(1 299)
MTN Ghana share localisation	**(685)**	–	(511)
MTN Nigeria scrip dividend	**–**	–	(1 513)
Transaction with non-controlling interests	**(122)**	–	–
MTN Ghana scrip dividend	**–**	–	(284)
MTN Uganda localisation	**564**	–	–
Other movements	**29**	(9)	35
Attributable to equity holders of the Company	**114 206**	120 171	139 205
Non-controlling interests	**7 760**	2 855	10 978
Closing balance	**121 966**	123 026	150 183
Dividends declared during the period (cents per share)	**330**	330	330

[1] Restated, refer to note 20 for details on the restatement.
[2] The opening balance impact of the prior period error was corrected in the Group's results for the year ended 31 December 2023.

Condensed consolidated statement of cash flows

for the

	Note	Six months ended 30 June 2024 Reviewed Rm	Six months ended 30 June 2023 Reviewed Rm	Financial year ended 31 December 2023 Audited Rm
Net cash generated from operating activities		**15 964**	31 226	64 058
Cash generated from operations		**27 452**	45 294	93 127
Interest received		**1 028**	1 649	2 811
Interest paid		**(6 775)**	(8 384)	(16 284)
Dividends received from associates and joint ventures		**43**	4	228
Income tax paid		**(5 784)**	(7 337)	(15 824)
Net cash used in investing activities		**(16 582)**	(22 973)	(52 255)
Acquisition of property, plant and equipment		**(11 391)**	(14 495)	(32 187)
Acquisition of intangible assets		**(2 673)**	(5 620)	(13 710)
Acquisition of right-of-use asset[1]		**(418)**	(251)	(901)
Cash deconsolidated on disposal of MTN Afghanistan, net of proceeds received	19	**(833)**	–	–
Realisation of current investment bonds, treasury bills and foreign deposits		**(3 044)**	184	745
Net decrease/(increase) in restricted cash		**1 708**	(2 699)	(6 593)
Movement in other investing activities		**69**	(92)	391
Net cash used in financing activities		**(16 247)**	(9 090)	(9 485)
Proceeds from borrowings	14	**10 441**	15 667	33 381
Repayment of borrowings	14	**(16 260)**	(10 509)	(26 027)
Repayment of lease liabilities		**(3 837)**	(5 981)	(7 828)
Dividends paid to equity holders of the Company		**(5 963)**	(5 963)	(5 963)
Dividends paid to non-controlling interests		**(955)**	(2 655)	(3 776)
Purchase of treasury shares		**(1 237)**	(1 299)	(1 299)
Consideration received on MTN Ghana share localisation		**750**	215	715
Proceeds from MTN Nigeria secondary offer		**–**	1 175	1 175
Proceeds from MTN Uganda share localisation		**1 036**	–	–
Other financing activities		**(222)**	260	137
Net (decrease)/ increase in cash and cash equivalents		**(16 865)**	(837)	2 318
Net cash and cash equivalents at beginning of the period		**36 555**	43 634	43 634
Exchange losses on cash and cash equivalents		**(4 663)**	(6 226)	(9 730)
Net monetary gains on cash and cash equivalents		**24**	871	916
Decrease/(increase) in cash classified as held for sale		**1 128**	(291)	(583)
Net cash and cash equivalents at end of the period		**16 179**	37 151	36 555

[1] Relates to fully prepaid leases.

Notes to the consolidated interim financial statements

for the six months ended 30 June 2024

1 INDEPENDENT REVIEW

The directors of MTN Group Limited (the Company), its subsidiaries, joint ventures, associates and structured entities (together, the Group) take full responsibility for the preparation of the consolidated interim financial statements. The consolidated interim financial statements have been reviewed by Ernst & Young Inc., who have expressed an unmodified conclusion thereon. The auditor has performed its review in accordance with International Standard on Review Engagements (ISRE) 2410.

2 GENERAL INFORMATION

The Company is a leading pan-African mobile operator that provides a diverse range of voice, data, digital, fintech, wholesale and enterprise services through its subsidiary companies, joint ventures, associates and related investments.

3. BASIS OF PREPARATION

The consolidated interim financial statements for the six months ended 30 June 2024 are prepared in accordance with the requirements of the JSE Limited Listings Requirements for interim financial statements and the requirements of the Companies Act applicable to interim financial statements. The interim financial statements were prepared in accordance with the framework concepts and the measurement and recognition requirements of the IFRS Accounting Standards (IFRS), as issued by the International Accounting Standards Board, SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council (FRSC), and prepared in accordance with and containing the information required by IAS 34 *Interim Financial Reporting*.

The consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with IFRS.

4. PRINCIPAL ACCOUNTING POLICIES

The accounting policies applied in the preparation of the consolidated interim financial statements are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements.

A number of amendments to accounting pronouncements were effective from 1 January 2024, but they do not have a material impact on the Group's interim financial statements.

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

5 CRITICAL ACCOUNTING JUDGEMENTS

5.1 Deferred tax

Source of estimation uncertainty

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences (as applicable) to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be used. The Group is required to make significant estimates in assessing whether future taxable profits will be available.

Future taxable profits are determined based on business plans for individual subsidiaries in the Group and the probable reversal of taxable temporary differences in future. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. The Group's recognised deferred tax assets at the end of the current period amounted to R11 296 million (30 June 2023: R6 260 and 31 December 2023: R10 223 million).

MTN Mauritius recognised a deferred tax asset of R3 886 million (30 June 2023: R4 386 million and 31 December 2023: R4 386 million) mainly resulting from an assessed loss. The Group derecognised R500 million of the previously recognised deferred tax asset as a result of reducing the number of years considered in assessing the recoverability of the recognised deferred tax asset.

The Group considered the following factors in assessing whether it is probable that MTN Mauritius will have future taxable profits available against which the deferred tax asset can be used:

- It is unlikely that the circumstances that resulted in MTN Mauritius incurring assessed losses will recur indefinitely.
- Interest expense and foreign exchange exposures will reduce as MTN Mauritius repays its US$ denominated intercompany debt. The repayments are currently scheduled to occur in 2024 and 2026.
- Technical service fees from subsidiaries are expected to increase as more services are provided centrally.

Based on current business plans and stress scenarios, the Group expects to utilise the deferred tax asset in the next ten to 11 years.

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

6 HYPERINFLATION

The financial statements (including comparative amounts) of the Group entities whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period. The impact of hyperinflation disclosed for Irancell have been proportioned for the Group's shareholding.

MTN South Sudan

As at 31 December 2023, the information available indicated that South Sudan had ceased to be hyperinflationary. However, the latest information indicates that South Sudan remains hyperinflationary. This has been treated as a change in estimate in the current period.

The impact of hyperinflation on the segment analysis is as follows:

	Six months ended 30 June 2024 Reviewed	
	Revenue Rm	**Capital expenditure Rm**
Sudan	**(53)**	**–**
South Sudan (included in other SEA)	**115**	**17**
Ghana	**(933)**	**(161)**
	(871)	**(144)**
Major joint venture - Irancell	**140**	**17**

	Six months ended 30 June 2023 Reviewed	
	Revenue Rm	Capital expenditure Rm
Sudan	584	62
South Sudan (included in other SEA)	(133)	(13)
	451	49
Major joint venture - Irancell	163	(4)

	Financial year ended 31 December 2023 Audited	
	Revenue Rm	Capital expenditure Rm
Sudan	3 126	572
South Sudan (included in other SEA)	(247)	(41)
Ghana	1 836	660
	4 715	1 191
Major joint venture - Irancell	1 124	485

Notes to the consolidated interim financial statements (continued)
for the six months ended 30 June 2024

7 SEGMENT ANALYSIS

The Group has identified reportable segments that are used by the Group Executive Committee (the Chief Operating Decision Maker (CODM)) to make key operating decisions, allocate resources and assess performance. The reportable segments are largely grouped according to their geographic locations and reporting lines to the CODM.

The Group's underlying operations are clustered as follows:
- South Africa.
- Nigeria.
- South and East Africa (SEA).
- West and Central Africa (WECA).
- Middle East and North Africa (MENA).

South Africa and Nigeria comprise the segment information for the South African and Nigerian cellular network services providers respectively.

The SEA, WECA, and MENA clusters comprise segment information for operations in those regions which are also network services providers in the Group.

Operating results are reported and reviewed regularly by the CODM and include items directly attributable to a segment as well as those that are attributed on a reasonable basis, whether from external transactions or from transactions with other Group segments.

A key performance measure of reporting profit for the Group is CODM EBITDA. CODM EBITDA is defined as earnings before finance income, finance costs, foreign exchange gains or losses, transactions, tax, depreciation, and amortisation, and is also presented before recognising the following items:
- Impairment of goodwill and investment in joint ventures.
- Net monetary gain resulting from the application of hyperinflation.
- Share of results of associates and joint ventures after tax (note 9).
- Hyperinflation (note 6).
- Impairment loss on remeasurement of non-current asset held for sale (note 19).
- Gain on sale of towers.
- Impairment loss on assets (note 18).
- Gain on disposal of subsidiary (note 19).

Irancell Telecommunications Company Services (PJSC) (Irancell) proportionate results are included in the segment analysis as reviewed by the CODM and excluded from reported results for revenue, CODM EBITDA and capital expenditure (capex) due to equity accounting for joint ventures. The results of Irancell in the segments analysis exclude the impact of hyperinflation accounting.

7 SEGMENT ANALYSIS (continued)

Six months ended 30 June 2024 REVENUE	Network services Rm	Mobile devices Rm	Interconnect and roaming Rm
South Africa	15 814	5 088	2 362
Nigeria[1]	17 929	144	1 288
SEA	7 460	164	587
Uganda	4 613	85	413
Zambia	876	34	83
Rwanda[2]	799	45	40
Other SEA	1 172	–	51
WECA	21 083	121	1 099
Ghana	7 875	45	347
Côte d'Ivoire	3 484	21	336
Cameroon	3 989	33	169
Other WECA	5 735	22	247
MENA	549	6	159
Sudan	145	3	85
Afghanistan[3]	404	3	74
Bayobab[4]	1 235	–	3 151
Major joint venture – Irancell[5]	4 687	109	169
Head office companies[6]	203	–	–
Elimination	(605)	–	(2 115)
Hyperinflation impact	(607)	(4)	4
Irancell revenue exclusion	(4 687)	(109)	(169)
Consolidated revenue	63 061	5 519	6 535

[1] Nigeria revenue for the 2024 period was translated at a significant weaker naira exchange rate to rand compared to the prior period. Refer to note 16.
[2] Rwanda has been disaggregated from other SEA in 2024 with comparative numbers restated accordingly.
[3] Afghanistan segment analysis has been included until the sale was concluded on 21 February 2024. Refer to note 19.
[4] Bayobab has been disaggregated from head office companies in 2024 with comparative numbers restated accordingly.
[5] Irancell proportionate results are included in the segment analysis as reviewed by the CODM. This is, however, excluded from IFRS reported results due to equity accounting for joint ventures.
[6] Head office companies consist mainly of revenue from the Group's central financing activities and management fees from segments.

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

Digital and fintech Rm	Other Rm	Revenue from contracts with customers Rm	Interest revenue Rm	Total revenue Rm
1 528	1 046	25 838	360	26 198
1 057	249	20 667	–	20 667
3 484	291	11 986	–	11 986
2 195	150	7 456	–	7 456
435	28	1 456	–	1 456
822	96	1 802	–	1 802
32	17	1 272	–	1 272
6 380	841	29 524	–	29 524
2 977	103	11 347	–	11 347
628	430	4 899	–	4 899
1 179	87	5 457	–	5 457
1 596	221	7 821	–	7 821
20	2	736	–	736
5	–	238	–	238
15	2	498	–	498
–	1 201	5 587	91	5 678
675	85	5 725	4	5 729
97	5 842	6 142	–	6 142
(6)	(6 379)	(9 104)	(113)	(9 218)
(256)	(8)	(871)	–	(871)
(675)	(85)	(5 725)	(4)	(5 729)
12 304	3 085	90 504	338	90 842

7 SEGMENT ANALYSIS (continued)

Six months ended 30 June 2023 REVENUE	Network services Rm	Mobile devices Rm	Interconnect and roaming Rm
South Africa	15 704	4 986	2 415
Nigeria	37 702	230	3 280
SEA	7 088	144	535
Uganda	3 975	84	232
Zambia	1 029	37	92
Rwanda[1]	1 000	23	133
Other SEA	1 084	–	78
WECA	19 820	92	1 279
Ghana	6 614	33	344
Côte d'Ivoire	3 757	18	399
Cameroon	3 508	13	176
Other WECA	5 941	28	360
MENA	2 745	15	603
Sudan	1 749	10	401
Afghanistan	996	5	202
Bayobab[2]	1 016	–	3 258
Major joint venture – Irancell[3]	3 319	103	207
Head office companies[4]	209	–	–
Eliminations	(541)	(3)	(2 908)
Hyperinflation impact	352	3	75
Irancell revenue exclusion	(3 319)	(103)	(207)
Consolidated revenue	84 095	5 467	8 537

[1] Rwanda has been disaggregated from other SEA in 2024 with comparative numbers restated accordingly.
[2] Bayobab has been disaggregated from head office companies in 2024 with comparative numbers restated accordingly.
[3] Irancell proportionate results are included in the segment analysis as reviewed by the CODM. This is, however, excluded from IFRS reported results due to equity accounting for joint ventures.
[4] Head office companies consist mainly of revenue from the Group's central financing activities and management fees from segments.

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

Digital and fintech Rm	Other Rm	Revenue from contracts with customers Rm	Interest revenue Rm	Total revenue Rm
1 147	854	25 106	311	25 417
2 230	371	43 813	–	43 813
3 021	301	11 088	–	11 088
1 777	132	6 200	–	6 200
493	35	1 686	–	1 686
741	94	1 991	–	1 991
10	40	1 211	–	1 211
5 249	783	27 223	–	27 223
2 327	109	9 427	–	9 427
618	373	5 165	–	5 165
931	61	4 689	–	4 689
1 373	240	7 942	–	7 942
110	20	3 493	–	3 493
71	14	2 245	–	2 245
39	6	1 248	–	1 248
–	1 026	5 300	646	5 946
777	104	4 510	5	4 516
–	6 302	6 511	–	6 511
(5)	(6 655)	(10 112)	(627)	(10 739)
13	8	451	–	451
(777)	(104)	(4 510)	(5)	(4 516)
11 763	3 010	112 873	330	113 203

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

7 SEGMENT ANALYSIS (continued)

Year ended 31 December 2023 REVENUE	Network services Rm	Mobile devices Rm	Interconnect and roaming Rm
South Africa	31 959	9 925	5 019
Nigeria	64 101	417	5 408
SEA	14 502	322	1 052
Uganda	8 310	195	537
Zambia	2 121	80	192
Rwanda[1]	1 964	46	190
Other SEA	2 107	1	133
WECA	41 363	211	2 625
Ghana	14 680	84	699
Côte d'Ivoire	7 375	38	839
Cameroon	7 336	41	356
Other WECA	11 972	48	731
MENA	4 728	19	1 139
Sudan	2 638	9	721
Afghanistan	2 090	10	418
Bayobab[2]	2 153	6	6 962
Major joint venture – Irancell[3]	6 990	213	397
Head office companies[4]	405	–	–
Eliminations	(1 215)	–	(5 550)
Hyperinflation impact	3 477	17	700
Irancell revenue exclusion	(6 990)	(213)	(397)
Consolidated revenue	161 473	10 917	17 355

1 Rwanda has been disaggregated from other SEA in 2024 with comparative numbers restated accordingly.
2 Bayobab has been disaggregated from head office companies in 2024 with comparative numbers restated accordingly.
3 Irancell proportionate results are included in the segment analysis as reviewed by the CODM. This is, however, excluded from IFRS reported results due to equity accounting for joint ventures.
4 Head office companies consist mainly of revenue from the Group's central financing activities and management fees from segments.

Notes to the consolidated interim financial statements (continued)
for the six months ended 30 June 2024

Digital and fintech Rm	Other Rm	Revenue from contracts with customers Rm	Interest revenue Rm	Total revenue Rm
2 471	1 835	51 209	598	51 807
3 739	605	74 270	–	74 270
6 448	599	22 923	–	22 923
3 859	283	13 184	–	13 184
1 005	67	3 465	–	3 465
1 555	183	3 938	–	3 938
29	66	2 336	–	2 336
11 236	1 604	57 039	–	57 039
5 066	242	20 771	–	20 771
1 259	791	10 302	–	10 302
2 029	143	9 905	–	9 905
2 882	428	16 061	–	16 061
182	40	6 108	–	6 108
90	26	3 484	–	3 484
92	14	2 624	–	2 624
–	2 136	11 257	220	11 477
1 538	216	9 354	11	9 365
104	10 134	10 643	–	10 643
(120)	(10 839)	(17 724)	(202)	(17 926)
467	54	4 715	–	4 715
(1 538)	(216)	(9 354)	(11)	(9 365)
24 527	6 168	220 440	616	221 056

7 SEGMENT ANALYSIS (continued)

External versus inter-segment revenue	Six months ended 30 June 2024 External revenue Rm	Inter-segment revenue Rm	Total revenue Rm
South Africa	26 007	191	26 198
Nigeria	20 258	409	20 667
SEA	11 709	277	11 986
Uganda	7 251	205	7 456
Zambia	1 433	23	1 456
Rwanda[1]	1 759	43	1 802
Other SEA	1 266	6	1 272
WECA	28 942	582	29 524
Ghana	11 108	239	11 347
Côte d'Ivoire	4 802	97	4 899
Cameroon	5 369	88	5 457
Other WECA	7 663	158	7 821
MENA	616	120	736
Sudan	167	71	238
Afghanistan[2]	449	49	498
Bayobab[3]	3 487	2 191	5 678
Major joint venture - Irancell[4]	5 729	–	5 729
Head office companies[5]	694	5 448	6 142
Eliminations	–	(9 218)	(9 218)
Hyperinflation impact	(871)	–	(871)
Irancell revenue exclusion	(5 729)	–	(5 729)
Consolidated revenue	90 842	–	90 842

1 Rwanda has been disaggregated from other SEA in 2024 with comparative numbers restated accordingly.
2 Afghanistan segment analysis has been included until the sale was concluded on 21 February 2024. Refer to note 19.
3 Bayobab has been disaggregated from head office companies in 2024 with comparative numbers restated accordingly.
4 Irancell proportionate results are included in the segment analysis as reviewed by the CODM. This is, however, excluded from IFRS reported results due to equity accounting for joint ventures.
5 Head office companies consist mainly of revenue from the Group's central financing activities and management fees from segments.

Notes to the consolidated interim financial statements (continued)
for the six months ended 30 June 2024

	Six months ended 30 June 2023			Financial year ended 31 December 2023		
	External revenue Rm	Inter-segment revenue Rm	Total revenue Rm	External revenue Rm	Inter-segment revenue Rm	Total revenue Rm
	25 209	208	25 417	51 403	404	51 807
	43 217	596	43 813	73 159	1 111	74 270
	10 846	242	11 088	22 411	512	22 923
	6 023	177	6 200	12 810	374	13 184
	1 664	22	1 686	3 418	47	3 465
	1 956	35	1 991	3 861	77	3 938
	1 203	8	1 211	2 322	14	2 336
	26 558	665	27 223	55 624	1 415	57 039
	9 111	316	9 427	20 170	601	20 771
	5 066	99	5 165	10 109	193	10 302
	4 604	85	4 689	9 725	180	9 905
	7 777	165	7 942	15 620	441	16 061
	3 062	431	3 493	5 248	860	6 108
	1 966	280	2 245	2 918	566	3 484
	1 096	151	1 248	2 330	294	2 624
	3 790	2 156	5 946	7 193	4 284	11 477
	4 516	–	4 516	9 365	–	9 365
	75	6 436	6 511	1 183	9 460	10 643
	–	(10 739)	(10 739)	–	(17 926)	(17 926)
	446	5	451	4 835	(120)	4 715
	(4 516)	–	(4 516)	(9 365)	–	(9 365)
	113 203	–	113 203	221 056	–	221 056

7 SEGMENT ANALYSIS (continued)

CODM EBITDA	Six months ended 30 June 2024 Reviewed Rm	Six months ended 30 June 2023 Restated[1] Reviewed Rm	Financial year ended 31 December 2023 Audited Rm
South Africa	**9 566**	9 173	18 623
Nigeria	**7 377**	23 260	36 916
SEA	**5 268**	4 889	10 549
Uganda	**3 842**	3 134	6 769
Zambia	**385**	351	1 075
Rwanda[2]	**565**	897	1 824
Other SEA	**476**	507	881
WECA	**11 886**	10 621	23 299
Ghana	**6 371**	5 293	12 135
Côte d'Ivoire	**1 621**	1 604	3 392
Cameroon	**2 021**	1 716	3 749
Other WECA	**1 873**	2 008	4 023
MENA	**(83)**	1 066	1 800
Sudan	**(241)**	698	1 065
Afghanistan[3]	**158**	368	735
Bayobab[4]	**591**	1 195	1 201
Head office companies[5]	**1 079**	(284)	(2 106)
Eliminations	**(2 230)**	(494)	(474)
CODM EBITDA	**33 454**	49 426	89 808
Major joint venture - Irancell[6]	**2 374**	1 887	3 850
Hyperinflation impact	**(605)**	(226)	73
Impairment loss on remeasurement of non-current assets held for sale	**(146)**	(385)	(900)
Gain on sale of MTN SA towers	**11**	53	76
Impairment loss on Sudan's non-current assets[7]	**(3 803)**	–	(277)
Gain on disposal of MTN Afghanistan	**1 018**	–	–
Irancell CODM EBITDA exclusion	**(2 374)**	(1 887)	(3 850)
CODM EBITDA before impairment of goodwill	**29 929**	48 868	88 780
Depreciation, amortisation and impairment of goodwill and investment in joint ventures	**(18 189)**	(19 597)	(42 268)
Net finance cost	**(22 956)**	(22 172)	(39 069)
Net monetary gain	**276**	155	744
Share of results of joint ventures and associates after tax	**1 892**	1 008	3 581
(Loss)/profit before tax	**(9 048)**	8 262	11 768

[1] Restated, refer to note 20 for details on the restatement.
[2] Rwanda has been disaggregated from other SEA in 2024 with comparative numbers restated accordingly.
[3] Afghanistan CODM EBITDA has been included until the sale was concluded on 21 February 2024. Refer to note 19.
[4] Bayobab has been disaggregated from head office companies in 2024 with comparative numbers restated accordingly.
[5] Head office companies consist mainly of revenue the Group's central financing activities and management fees received from segments.
[6] Irancell proportionate results are included in the segment analysis as reviewed by the CODM. This is, however, excluded from IFRS reported results due to equity accounting for joint ventures.
[7] Refer to note 18.

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

7 SEGMENT ANALYSIS (continued)

CAPITAL EXPENDITURE INCURRED	**Six months ended 30 June 2024 Reviewed Rm**	Six months ended 30 June 2023 Reviewed Rm	Financial year ended 31 December 2023 Audited Rm
South Africa	**5 757**	7 637	15 709
Nigeria	**4 459**	9 710	16 785
SEA	**3 229**	2 267	6 054
Uganda	**1 786**	1 404	3 478
Zambia	**852**	218	757
Rwanda[1]	**477**	413	1 281
Other SEA	**114**	232	538
WECA	**5 457**	13 277	21 095
Ghana	**2 927**	2 548	5 521
Côte d'Ivoire	**483**	5 174	6 828
Cameroon	**929**	4 445	5 992
Other WECA	**1 118**	1 110	2 754
MENA	**13**	336	1 030
Sudan	**–**	315	619
Afghanistan[2]	**13**	21	411
Bayobab[3]	**254**	302	1 501
Major joint venture - Irancell[4]	**1 171**	1 078	4 117
Head office companies	**216**	230	603
Eliminations	**(21)**	(44)	(346)
Hyperinflation impact	**(144)**	49	1 191
Irancell capex exclusion	**(1 171)**	(1 078)	(4 117)
	19 220	33 764	63 622

[1] Rwanda has been disaggregated from other SEA in 2024 with comparative numbers restated accordingly.
[2] Afghanistan capital expenditure has been included until the sale was concluded on 21 February 2024. Refer to note 19.
[3] Bayobab has been disaggregated from head office companies in 2024 with comparative numbers restated accordingly.
[4] Irancell proportionate results are included in the segment analysis as reviewed by the CODM. This is, however, excluded from IFRS reported results due to equity accounting for joint ventures.

8 FINANCE INCOME, FINANCE COSTS AND NET FOREIGN EXCHANGE LOSSES

	Six months ended 30 June 2024 Reviewed Rm	Six months ended 30 June 2023 Restated[1] Reviewed Rm	Financial year ended 31 December 2023 Audited Rm
Interest income on loans and receivables	**521**	739	1 212
Interest income on bank deposits	**804**	959	1 843
Finance income	**1 325**	1 698	3 055
Interest expense on financial liabilities measured at amortised cost	**(4 720)**	(4 942)	(11 292)
Lease liability finance cost	**(3 291)**	(4 124)	(7 662)
Finance costs[2]	**(8 010)**	(9 066)	(18 954)
Net foreign exchange losses[2]	**(16 271)**	(14 804)	(23 170)

[1] Restated, refer to note 20 for details on the restatement.
[2] Foreign exchange losses were previously included in finance costs and have been disaggregated in the current year and comparative numbers have been re-presented accordingly.

Nigeria currency devaluation

During the 2024 interim period, the naira devalued from NGN907 as at 31 December 2023 to NGN1 505 as at 30 June 2024 against the US$ and foreign exchange losses of NGN888 billion (R13 750 million) were recognised in MTN Nigeria.

The foreign exchange losses are due to unrealised losses that mainly relate to the revaluation of the dollar component of tower lease liabilities and realised losses relating to the settlement of letters of credit for dollar denominated capital acquisitions.

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

9 SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES AFTER TAX

	Six months ended 30 June 2024 Reviewed Rm	Six months ended 30 June 2023 Reviewed Rm	Financial year ended 31 December 2023 Audited Rm
	1 892	1 008	3 581
Irancell	**1 816**	698	3 124
Others	**76**	310	457

Irancell loan and receivable

On 20 September 2019, the US Treasury Department's Office of Foreign Assets Control (OFAC) designated the Central Bank of Iran (CBI) as being subject to sanctions. Sanctions imposed on the CBI create a secondary sanctions risk if the CBI allocates foreign currency to an MTN entity for the purpose of repatriating the receivable and/ or loan.

Considering the continued uncertainty of when the sanctions will be lifted, the Group has classified R3 080 million (30 June 2023: R5 219 million, 31 December 2023: R3 152 million) of the outstanding receivables as non-current as the settlement is neither planned nor likely to occur in the foreseeable future. The balance has been presented as part of investment in associates and joint ventures.

10 EARNINGS PER ORDINARY SHARE

Number of ordinary shares	**As at 30 June 2024 Reviewed**	As at 30 June 2023 Reviewed	As at 31 December 2023 Audited
Number of ordinary shares in issue			
At end of the period (excluding MTN Zakhele Futhi and treasury shares)	**1 806 474 797**	1 806 405 171	1 806 474 797
Weighted average number of shares	**1 806 490 550**	1 806 200 989	1 806 314 999
Add: Dilutive shares			
- Share options – MTN Zakhele Futhi	**–**	21 591 644	18 292 744
- Share schemes	**–**	14 070 320	13 352 192
Shares for dilutive earnings per share	**1 806 490 550**	1 841 862 953	1 837 959 935

Treasury shares

Treasury shares of 878 172 (June 2023: 1 029 209, December 2023: 959 583) are held by the Group and 76 835 378 (June 2023: 76 835 378, December 2023: 76 835 378) are held by MTN Zakhele Futhi (RF) Limited (MTN Zakhele Futhi).

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

10 EARNINGS PER ORDINARY SHARE (continued)

Headline earnings

Headline earnings is calculated in accordance with Circular 1/2023 Headline Earnings as issued by the South African Institute of Chartered Accountants (SAICA) as amended from time to time and as required by the JSE Limited.

	Six months ended 30 June 2024 Reviewed Rm	Six months ended 30 June 2023 Restated Reviewed Rm	Financial year ended 31 December 2023 Audited Rm
Reconciliation between net profit attributable to the equity holders of the Company and headline earnings:			
Profit attributable to equity holders of the Company	**(7 390)**	4 141	4 092
Net profit on disposal of property, plant and equipment and intangible assets (IAS 16 and IAS 38)	**(39)**	(22)	(2)
- Subsidiaries (IAS 16)	**(35)**	(18)	8
- Joint ventures (IAS 28)	**(4)**	(4)	(10)
Impairment of goodwill and investment in joint ventures (IAS 36)	**437**	–	–
Net impairment loss on property, plant and equipment, right-of-use-assets and intangibles (IAS 36)	**3 807**	253	850
Impairment loss on remeasurement of disposal group (IFRS 5)	**146**	385	900
Gain on deconsolidation of subsidiary (IFRS 10)	**(1 018)**	–	–
Gain on sale of MTN South Africa towers (IFRS 5)	**(11)**	(53)	(76)
Total non-controlling interest and tax effect of adjustments	**(575)**	(13)	(74)
Headline earnings	**(4 643)**	4 691	5 690
Earnings per share (cents)			
– Basic	**(409)**	229	227
– Basic headline	**(256)**	260	315
Diluted earnings per share (cents)[1]			
– Diluted	**(409)**	225	223
– Diluted headline	**(256)**	254	310

[1] Due to losses incurred for the six months ended 30 June 2024, the share options and share schemes are anti-dilutive for the period.

11 FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

11.1 Financial assets and financial liabilities at amortised cost

The carrying value of current receivables and liabilities measured at amortised cost approximates their fair value.

Listed long-term borrowings

The Group has listed long-term fixed interest rate senior unsecured notes in issue which were issued in prior years, with a carrying amount of R11 016 million at 30 June 2024 (30 June 2023: R18 032 million, 31 December 2023: R11 029 million) and a fair value of R10 879 million (30 June 2023: R17 536 million, 31 December 2023: R10 997 million). The notes are listed on the Irish bond market and the fair values of these instruments are determined by reference to quoted prices in this market. The market for these bonds is not considered to be liquid and consequently the fair value measurement is categorised within level 2 of the fair value hierarchy.

11.2 Financial instruments measured at fair value

IHS Group listed equity investment

The fair values of financial instruments measured at fair value are determined as follows:

Included in investments in the condensed consolidated statement of financial position is an equity investment in IHS Group at fair value of R4 971 million (30 June 2023: R15 667 million, 31 December 2023: R7 158 million). The fair value of the investment is determined by reference to published price quotations on the New York Stock Exchange. The share price of IHS Group was US$3.20 (30 June 2023: US$9.78, 31 December 2023: US$4.60) on the last trading day of the period. The fair value of this investment is categorised within level 1 of the fair value hierarchy.

A fair value decrease of R2 212 million (30 June 2023: R5 516 million increase, 31 December 2023: R2 689 million decrease) has been recognised. On 15 August 2024, the IHS Group share price was US$3.43 equating to an increase in the fair value of R289 million subsequent to 30 June 2024.

11.3 Capital management

Management regularly monitors and reviews covenant ratios. In terms of the banking facilities, the Group is required to comply with financial covenants. These financial covenants differ based on the contractual terms of each facility and incorporate both IFRS and non-IFRS financial measures. In the current year, MTN Guinea Bissau breached a loan covenant as a result of negative EBITDA performance. No formal waiver has been provided by lender, and as a result the full outstanding balance of R109 million has been classified as current and is disclosed as part of the non-current assets held for sale. The Group has complied with all other externally imposed loan covenants during the current financial year.

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

12 AUTHORISED COMMITMENTS FOR THE ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT AND SOFTWARE

	As at 30 June 2024 Reviewed Rm	As at 30 June 2023 Reviewed Rm	As at 31 December 2023 Audited Rm
	18 717	23 574	37 127
- Contracted	**12 075**	15 555	16 136
- Not contracted	**6 642**	8 019	20 991

13 INTEREST-BEARING LIABILITIES

	As at 30 June 2024 Reviewed Rm	As at 30 June 2023 Restated[1] Reviewed Rm	As at 31 December 2023 Audited Rm
Bank overdrafts	**868**	650	990
Current borrowings	**21 748**	22 134	28 124
Current interest-bearing liabilities	**22 616**	22 784	29 114
Non-current borrowings	**51 804**	62 911	55 952
Total interest-bearing liabilities	**74 420**	85 695	85 066

[1] Restated, refer to note 20 for details on the restatement.

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

14 ISSUE AND REPAYMENT OF DEBT SECURITIES

During the period under review, the following entities raised and repaid significant debt instruments:

	Six months ended 30 June 2024 Reviewed Rm	
	Raised	**Repaid**
Mobile Telephone Networks Holdings Limited	**8 500**	**5 700**
Loan facilities	**5 500**	**4 700**
General banking facilities	**3 000**	**–**
Domestic medium term programme	**–**	**1 000**
MTN (Mauritius) Investments Limited	**–**	**–**
United States dollar senior unsecured notes	**–**	**–**
MTN Mauritius	**–**	**–**
Syndicated term loan	**–**	**–**
Scancom PLC (MTN Ghana)	**–**	**111**
Revolving credit facility	**–**	**111**
MTN Côte d'Ivoire S.A. (MTN Côte d'Ivoire)	**–**	**162**
Syndicated term loan	**–**	**162**
MTN Nigeria Communications Plc	**694**	**8 387**
Term loans	**694**	**278**
Bond and commercial paper	**–**	**8 109**
MTN Cameroon Limited	**–**	**338**
Syndicated loan	**–**	**338**
Spacetel Benin SA[1]	**733**	**545**
Term loan	**733**	**344**
Syndicated term loan	**–**	**201**
Other[1]	**474**	**1 017**
	10 441	**16 260**

[1] Raised and repayment of debt securities included in other in 2023 has been disaggregated in 2024 and comparative numbers have been re-presented accordingly.

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

Six months ended 30 June 2023 Reviewed Rm		Financial year ended 31 December 2023 Audited Rm	
Raised	Repaid	Raised	Raised
3 662	2 450	4 662	2 890
1 662	1 000	1 662	1 000
–	–	–	–
2 000	1 450	3 000	1 890
–	–	–	6 426
–	–	–	6 426
–	–	6 464	–
–	–	6 464	–
–	124	–	237
–	124	–	237
754	234	753	314
754	234	753	314
7 991	6 079	18 234	14 376
3 276	5 198	8 416	8 918
4 715	881	9 818	5 458
2 916	332	3 086	1 142
2 916	332	3 086	1 142
–	239	182	474
–	35	182	70
–	204	–	404
344	1 051	–	168
15 667	10 509	33 381	26 027

15 CONTINGENT LIABILITIES

	As at 30 June 2024 Reviewed Rm	As at 30 June 2023 Reviewed Rm	As at 31 December 2023 Audited Rm
Uncertain tax exposures	**830**	1 335	418
Legal and regulatory matters	**822**	960	909
	1 652	2 295	1 327

Uncertain tax exposures

The Group operates in numerous tax jurisdictions and the Group's interpretation and application of the various tax rules applied in direct and indirect tax filings may result in disputes between the Group and the relevant tax authority. The outcome of such disputes may not be favourable to the Group. At 30 June 2024, there were a number of tax disputes ongoing in various of the Group's operating entities.

Legal and regulatory matters

The Group is involved in various legal and regulatory matters, the outcome of which may not be favourable to the Group and none of which are considered individually material.

The Group has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable.

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

16 EXCHANGE RATES TO SOUTH AFRICAN RAND

		As at 30 June 2024 Reviewed	As at 30 June 2023 Reviewed	31 December 2023 Audited	Six months ended 30 June 2024 Reviewed	Six months ended 30 June 2023 Reviewed	Financial year ended 31 December 2023 Audited
			Closing rates			Average rates	
Foreign currency to South African rand:							
United States dollar	US$	**18.24**	18.81	18.27	**18.77**	18.25	18.40
South African rand to foreign currency:							
Nigerian naira[1]	NGN	**82.53**	40.21	49.65	**74.94**	26.63	32.58
Iranian rial[2,3]	IRR	**23 521.17**	19 960.07	21 372.32	**21 600.63**	18 571.08	19 379.16
Ghanaian cedi[3]	GHS	**0.84**	0.63	0.66	**0.72**	0.66	0.64
Cameroon Communauté Financière Africaine franc	XAF	**33.56**	31.94	32.45	**32.33**	33.32	32.84
Côte d'Ivoire Communauté Financière Africaine franc	CFA	**33.56**	31.94	32.45	**32.33**	33.32	32.87
Ugandan shilling	UGX	**203.41**	195.14	206.91	**204.24**	204.71	202.47
Sudanese pound[3]	SDG	**99.01**	31.33	45.60	**62.86**	32.36	34.14

[1] Nigerian Autonomous Foreign Exchange Market (NAFEM) rate for June 2024 and 31 December 2023.
[2] SANA rate.
[3] The financial results, positions and cash flows of foreign operations trading in hyperinflationary economies are translated as set out in note 6.

The Group's functional and presentation currency is the rand. The strengthening of the closing rate of the rand against the functional currencies of the Group's largest operations contributed to the decrease in consolidated assets and liabilities and the resulting foreign currency translation reserve decrease of R9 907 million (30 June 2023: R3 932 million increase, 31 December 2023: R13 533 million increase) for the period.

MTN Nigeria's results for the six months ended 30 June 2024 were translated into the Group's functional currency at a significant weaker naira exchange rate. This had a significant impact on the Group results, including reducing ZAR revenue, despite MTN Nigeria's revenue increasing in local currency.

16 EXCHANGE RATES TO SOUTH AFRICAN RAND (continued)

Net investment hedges

The Group hedges a designated portion of its dollar net assets in MTN (Dubai) Limited (MTN Dubai) for forex exposure arising between the US$ and ZAR as part of the Group's risk management objectives. The Group designated external borrowings denominated in US$ held by MTN (Mauritius) Investments Limited with a value of R10.9 billion (30 June 2023: R17.5 billion, 31 December 2023: R10.9 billion). For the period of the hedge relationship, foreign exchange movements on these hedging instruments are recognised in OCI as part of the FCTR, offsetting the exchange differences recognised in OCI, arising on translation of the designated United States dollar net assets of MTN Dubai to ZAR. The cumulative foreign exchange movement recognised in OCI will only be reclassified to profit or loss upon loss of control of MTN Dubai.

To assess hedge effectiveness the Group performs hedge effectiveness testing by comparing the changes in the carrying amount of the debt that is attributable to a change in the spot rate with changes in the net assets designated in MTN Dubai. There was no hedge ineffectiveness recognised in profit or loss during the current or prior year.

17 NON-CURRENT ASSETS HELD FOR SALE

17.1 MTN SA Tower sale

MTN SA entered into an agreement with IHS Group to sell its tower infrastructure (comprising approximately 5 700 tower sites) and power assets; cede related agreements including land lease agreements (on which the towers are constructed) to IHS Group; and lease back space on the towers which it would sell. The related conditions precedent were fulfilled and the transactions became effective on 30 May 2022.

The remaining land leases transferred to IHS Group will be derecognised as they are legally ceded to IHS Group and the related gain or loss on derecognition will be accounted for as part of the overall gain or loss on disposal group.

The remaining land leases are presented as held for sale:

MTN SA Tower sale	30 June 2024 Rm	30 June 2023 Rm	31 December 2023 Rm
Right-of-use assets	**621**	1 028	780
Lease liabilities	**(595)**	(1 097)	(797)
Net carrying amount of assets held for sale	**26**	(69)	(17)

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

17 NON-CURRENT ASSETS HELD FOR SALE (continued)

17.2 MTN Guinea-Bissau and MTN Guinea-Conakry

On 26 October 2023, the Group received a binding offer for the sale of both MTN Guinea-Bissau and MTN Guinea-Conakry for a consideration of US$1 for each of the companies. MTN Group and Telecel Group (Telecel) have subsequently signed a sale and purchase agreement on 15 December 2023, which is subject to conditions precedent. Accordingly, the assets and liabilities of both MTN Guinea-Bissau and MTN Guinea-Conakry have been presented as held for sale. As a result of the net liability positions for MTN Guinea-Bissau and MTN Guinea-Conakry on classification as held for sale, there was no further impairment on measuring at the lower of carrying amount and fair value less costs to sell.

MTN Guinea-Bissau and MTN Guinea-Conakry are presented as part of the WECA cluster in the segment information (note 7). On disposal of MTN Guinea-Bissau and MTN Guinea-Conakry, accumulated foreign currency translation reserve (FCTR) gains and losses will be reclassified to profit and loss. As at 30 June 2024, MTN Guinea-Bissau's accumulated FCTR gain was R284 million and MTN Guinea-Conakry's accumulated FCTR loss was R1 662 million.

The carrying amounts of assets and liabilities that have been reclassified to non-current assets held for sale as were:

	Guinea-Bissau Rm	Guinea-Conakry Rm
Property, plant and equipment	268	552
Right-of-use assets	1	62
Intangible assets	7	969
Other non-current assets	152	56
Trade receivables and other current assets	286	1 529
Cash and cash equivalents	24	12
Total assets	**738**	**3 180**
Current liabilities	619	4 011
Lease liabilities	196	18
Other non-current liabilities	3	619
Total liabilities	**818**	**4 648**
Net carrying amount of assets held for sale	**(80)**	**(1 468)**

The Group concluded the sale of MTN Guinea-Bissau on 1 August 2024.

18 SUDAN CONFLICT

Conflict started in Sudan's capital Khartoum on 15 April 2023 between Sudanese Armed Forces and the Rapid Support Forces which led to damage to state-owned infrastructure in the city. The conflict resulted in the displacement of Sudanese citizens to neighbouring countries and the evacuation of foreign nationals. As the conflict continued, limited grid power and fuel availability and the instability of fibre transmission links resulted in the degradation of network availability of MTN's Sudanese operation in 2023.

On 2 February 2024, the Rapid Support Forces ordered a nationwide telecommunication shutdown. Due to MTN Sudan's network topology and increased conflict in the country, MTN Sudan was only able to recover the network at the end of May 2024 and currently have some sites on-air in safe regions. MTN Sudan is committed to increasing their on-air sites to connect the Sudanese people despite the challenging circumstances.

The ongoing conflict in Sudan has resulted in loss of revenue and earnings and has led to a prolonged hyperinflationary environment. Accordingly, the future economic benefits that can be derived from MTN Sudan's operations have declined. To this end, MTN Group has recognised an impairment of R 3 803 million relating to MTN Sudan's non-current assets.

The following key assumptions were used:

- Growth rate: A terminal growth rate of 10.4%.
- Discount rate: Two discount rates of 74.48% and 35.80%, reflecting periods in conflict and out of conflict respectively.

The total impairment of R3 803 million comprised of the following:

	Rm
Property, plant and equipment	**3 304**
Right-of-use assets	**22**
Intangible assets	**477**
Total impairment	**3 803**

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

19. CHANGES IN SHAREHOLDING

19.1 MTN Afghanistan

MTN Dubai completed the sale of MTN Afghanistan to MINT Trading Middle East Limited (a 100% subsidiary of M1 Group Limited) on 21 February 2024 for US$21 million (R409 million[1]) following completion or waiver of conditions precedent of the sale and purchase agreement entered into on 10 March 2023.

An impairment loss of R146 million after writing down the carrying amount of the disposal group to its fair value less costs to sell was recognised in profit or loss for the period ended 30 June 2024. MTN Afghanistan is presented as part of the MENA cluster in the segment information (note 7).

[1] Translated at the date of disposal on 21 February 2024 of US$1 = 19.21.

The carrying amounts of assets and liabilities as at the effective date of the disposal were:

	Rm
Property, plant and equipment	**114**
Right-of-use assets	**62**
Intangible assets	**38**
Deferred tax and other non-current assets	**201**
Trade receivables and other current assets	**551**
Cash and cash equivalents	**885**
Total assets	**1 851**
Current liabilities	**1 049**
Lease liabilities	**344**
Other non-current liabilities	**49**
Total liabilities	**1 442**
Net carrying amount of assets	**409**

	Rm
Total consideration	**409**
Recognition of intercompany receivables on deconsolidation	**62**
Reclassification of foreign currency translation reserve	**956**
Net carrying amount of asset derecognised	**(409)**
Gain on disposal of subsidiary	**1 018**
Net cash:	
Cash received	**52**
Less: Cash and cash equivalents in MTN Afghanistan	**885**
Net cash deconsolidated	**(833)**

Included in the 2024 Group results is R498 million revenue representing 0.5% of the Group's total revenue and R12 million CODM EBITDA[1] representing 0.04% of the Group's CODM EBITDA relating MTN Afghanistan up to the effective date of sale.

[1] CODM EBITDA is defined in note 7.

19. CHANGES IN SHAREHOLDING (continued)

19.2 MTN Ghana localisation

The Group disposed of shares in MTN Ghana to Ghanaian citizens as part of the Group's localisation strategy. This took the Group's shareholding from 81.04% to 77.98%.

The proceeds generated from the localisation, net of taxes and transaction costs amounted to US$39 million (R728 million[1]). This resulted in a net loss of R685 million that was recognised in equity as transaction with non-controlling interest.

[1] Translated at the effective date of the sale. Cash proceeds per the statement of cash flows are translated at the spot rate on the date of receipt of the proceeds.

19.3 MTN Uganda localisation

The Group disposed of 1 575 million shares in MTN Uganda as part of the Group's localisation strategy. This took the Group's shareholding from 83.05% to 76.02%. Proceeds generated from the sale of shares, net of taxes and transaction costs amounted to UGX214 billion (R1 billion[1]). This resulted in a net gain of R564 million recognised in equity as a transaction with non-controlling interests.

[1] Translated at the effective date of the sale. Cash proceeds per the statement of cash flows are translated at the spot rate on the date of receipt of the proceeds.

20. PRIOR PERIOD ERROR

Leases

The Group adopted IFRS 16 *Leases* retrospectively from 1 January 2019, resulting in the recognition of right of use assets and lease liabilities. MTN Nigeria's leases include network infrastructure relating to tower space, of which the lease consideration comprises of a combination of Naira based lease payments and a portion of the lease consideration that is indexed to United States Dollars (US$), but invoiced and paid in Naira.

During the year ended 31 December 2023, MTN Nigeria identified that the US$ portion of the lease liabilities has not been correctly remeasured for changes in exchange rates. As part of this review, MTN Nigeria also identified that significant changes in facts and circumstances relating to whether MTN Nigeria would exercise respective renewal options were not taken into account in determining the related lease term.

Foreign exchange losses on letters of credit

MTN Nigeria utilises trade lines to fund the establishment of confirmed irrevocable letters of credit for its largely US$ denominated network capital investments that sustain revenue growth. MTN Nigeria holds Naira denominated cash cover with banks, to support these facilities.

During the year ended 31 December 2023, the Group determined that in measuring foreign exchange losses, MTN Nigeria incorrectly remeasured all its trade lines after offsetting the Naira-denominated cash cover that was provided to the banks.

Results for the year ended 31 December 2023

The above-mentioned errors were corrected in the Group's results for the year ended 31 December 2023.

Notes to the consolidated interim financial statements (continued)

for the six months ended 30 June 2024

20. PRIOR PERIOD ERROR (continued)

20.1 Quantification of prior period error

The restatement had no impact on cash flows. The impact of the restatement on the prior period results is as follows (all related notes and affected financial risk management disclosures will also be restated):

Income statement (extract)	Six months ended 30 June 2023 As previously reported Rm	Restatement Rm	Restated Rm
Depreciation of right-of-use assets	(4 593)	(20)	(4 613)
Finance costs	(9 222)	156	(9 066)
Net foreign exchange loss	(4 621)	(10 183)	(14 804)
Profit before tax	18 309	(10 047)	8 262
Taxation	(7 143)	3 316	(3 827)
Profit after tax	11 166	(6 731)	4 435
Attributable to:			
Equity holders of the Company	9 235	(5 094)	4 141
Non-controlling interests	1 931	(1 637)	294
Basic earnings per share (cents)	511	(282)	229
Diluted earnings per share (cents)	501	(276)	225

Statement of comprehensive income (extract)	Six months ended 30 June 2023 As previously reported Rm	Restatement Rm	Restated Rm
Profit for the year	11 166	(6 731)	4 435
Exchange differences arising on translating foreign operations including the effect of hyperinflation	1 645	2 287	3 932
(Losses)/gains arising during the year	1 645	2 287	3 932
Other comprehensive income for the year			
Attributable to:	5 889	2 287	8 176
Equity holders of the Company	6 654	1 732	8 386
Non-controlling interests	(765)	555	(210)
Total comprehensive income			
Attributable to:	17 055	(4 444)	12 611
Equity holders of the Company	15 889	(3 362)	12 527
Non-controlling interests	1 166	(1 082)	84

20. PRIOR PERIOD ERROR (continued)

20.1 Quantification of prior period error (continued)

Statement of financial position (extract)	Six months ended 30 June 2023 As previously reported Rm	Restatement Rm	Restated Rm
Non-current assets			
Right-of-use assets	55 257	(4 674)	50 583
Total assets	404 177	(4 674)	399 503
Equity attributable to owners of the company	125 646	(5 475)	120 171
Non-controlling interests	4 528	(1 673)	2 855
Total equity	130 174	(7 148)	123 026
Non-current liabilities			
Lease liabilities	56 424	4 157	60 581
Deferred tax and other non-current liabilities	6 250	(3 521)	2 729
Current liabilities			
Interest bearing liabilities	20 946	1 838	22 784
Total equity and liabilities	404 177	(4 674)	399 503

21. SIGNIFICANT TRANSACTION SUBSEQUENT TO THE REPORTING PERIOD

Subsequent to the reporting period, MTN Nigeria signed a final and binding Terms of Agreement that modified the various infrastructure sharing agreements between IHS entities and MTN Nigeria, extending them until 31st December 2032. The agreement reduces the US$-indexed portion of the overall lease arrangement.

In addition, MTN Nigeria, ATC Nigeria Wireless Infrastructure Solutions Limited (ATC) and IHS (the Parties) have reached a mutual agreement regarding the approximately 2 500 sites that were awarded to ATC from the IHS portfolio, per the announcement on 7 September 2023. Following trilateral discussions during 2024, the parties have agreed to a revised allocation of sites in terms of which ATC will provide tower services for up to approximately 2 100 sites, while IHS will manage up to approximately 1 400 sites. This includes 1 000 new MTN Nigeria sites to be rolled out over the next few years and allocated between the two tower operators.

Due to the recent finalisation of these negotiations, the Group is concluding on the related accounting entries of the lease amendments, which will be included in the third quarter results.

Administration

MTN GROUP LIMITED
Incorporated in the Republic of South Africa

Company registration number:
1994/009584/06
ISIN: ZAE000042164
Share code: MTN

Board of Directors
MH Jonas^
KDK Mokhele^
RT Mupita[1]
TBL Molefe[1]
NP Gosa^
S Kheradpir[2]^
SN Mabaso-Koyana^
SP Miller[3]^
CWN Molope^
N Newton-King^
T Pennington[4]^
NL Sowazi^
SLA Sanusi[5]^
VM Rague[6]^

[1] *Executive*
[2] *American*
[3] *Belgian*
[4] *British*
[5] *Nigerian*
[6] *Kenyan*
^ *Independent non-executive director*

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American depository receipt (ADR) programme
A sponsored ADR facility is in place
Cusip No. 62474M108
ADR to ordinary share 1:1

Depository: The Bank of New York Mellon
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