

MTN Group Limited

(Incorporated in the Republic of South Africa)

(Registration number 1994/009584/06)

(Share code MTN)

(ISIN: ZAE000042164)

(MTN or the Group)

MTN agrees to sell its associate stake in BICS for R1,8 billion

Further to the updates provided in its 2020 interim and third quarter results, MTN is pleased to announce that the Group has concluded an agreement to sell, and thereby fully exit, its 20% shareholding in Belgacom International Carrier Services SA (BICS) to Proximus NV/SA.

The timing of closing is dependent on customary regulatory approvals. Once all the conditions precedent have been fulfilled, MTN will receive proceeds of approximately €100 million¹ (R1,8 billion) in cash, which the Group intends to use to pay down US dollar debt and for general corporate purposes. The transaction consideration compared to MTN's market capitalisation results in a percentage below the categorisation threshold as prescribed in the Listings Requirements of the JSE Limited.

BICS was classified as a non-current asset held for sale and this transaction has resulted in a remeasurement of its carrying value resulting in a reduction of R397 million for the year ended 31 December 2020. MTN will record a profit on disposal amounting to approximately R1,2 billion during the first half of 2021, mainly due to the release of the foreign currency translation reserve. This results in a net impact of R812 million over the two periods.

The sale represents further progress in MTN's stated asset realisation programme (ARP), which aims to reduce debt, simplify its portfolio, reduce risk, improve returns and unlock value.

Note: Assuming FX rate of R17,94:€

¹Final proceeds dependent on closing timing

Fairland

9 February 2021

Lead sponsor

J.P. Morgan Equities South Africa Proprietary Limited

Joint sponsor

Tamela Holdings Proprietary Limited