

MTN Group Limited

(Incorporated in the Republic of South Africa)

(Registration number 1994/009584/06)

(Share code MTN)

(ISIN: ZAE000042164)

(MTN or the Company or the Group)

Reviewed interim financial results for the six-month period 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 drove 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

Results Salient Points

- Group service revenue decreased by 20.8% (up 12.1%*, in constant currency) to R85.3 bn (H1 2023: R107.7 bn)
- EBITDA (before once-off items) decreased by 41.2% (down 0.4%*, in constant currency) to R29.0 bn (H1 2023: R49.4 bn)
- EBITDA margin lower by 11.6 percentage points (pp) to 32.0% (4.4pp* lower to 36.5%*, in constant currency)
- Basic earnings per share (EPS) decreased by 278.6% to -409cps (restated H1 2023: 229cps)
- Reported headline earnings per share (HEPS) decreased by 198.5% to -256cps (restated H1 2023: 260cps)
- Total subscribers increased by 0.8% to 288 million
- No interim dividend declared (H1 2023: nil)

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

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. 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.

Non-financial numbers included in this results announcement 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.

Group President and CEO Ralph Mupita comments:

Encouraging underlying operational momentum

"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.

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.

Solid H1 2024 results achieved in challenging operating environment

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 amidst 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%*).

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”

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

Certain information presented in this results announcement 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 consolidated 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.

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 the Stock Exchange News Service of the JSE 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://themediiframe.com/mediiframe/webcast.html?webcastid=zqGB3sfQ>

The accompanying slides will be made available on the MTN website from 15:00 CAT.

Results announcement

This results announcement is the responsibility of the directors and is a summary of the full interim results. The interim results have been reviewed by the Company's external auditors, Ernst & Young Inc., who have expressed an unqualified review opinion thereon.

Any investment decisions should be based on the full interim results as the information in this results announcement does not provide all the details and investors and/or shareholders are encouraged to review the full interim results which are available through the JSE cloudlink at: <https://senspdf.jse.co.za/documents/2024/JSE/ISSE/MTN/MTNH124.pdf> and on MTN's website at: https://www.mtn.com/financial-results/?report_cat=annual-results. Copies of the interim results may also be requested by emailing investor.relations@mtn.com.

19 August 2024

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