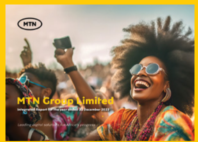
Our reporting suite

Our Integrated Report is supplemented by a number of reports that provide a comprehensive view of MTN's performance and prospects covering financial, risk management and environmental, social and governance (ESG) aspects. These reports go beyond traditional financial reporting by integrating sustainability and non-financial information.

Integrated Report

IR



Our primary communication to stakeholders aims to help them make informed assessments of our performance and prospects, strategic direction and the value we create through our activities. It provides a forward looking perspective on MTN's financial and non-financial performance, encompassing strategy, risks and opportunities, targets and governance.

Sustainability reporting

The following suite of reports provides information on MTN's strategy and performance related to sustainability issues with potential impact on our organisation, society and the environment. The reports detail MTN's environmental and social policies, governance, strategies, risks and opportunities. The reports also provide detailed performance data on a wide range of ESG metrics and targets. MTN's sustainability disclosures are structured and informed by the voluntary Global Reporting Initiative (GRI) Standards (2021) and the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards (IFRS S1 and IFRS S2), which have fully integrated the Task Force on Climate-Related Financial Disclosures (TCFD) guidance. The reports detail MTN's policies, governance strategies, risks and opportunities relating to sustainability considerations.

SR

Sustainability Report

ESG

ESG Data Booklet

TR

Transparency Report

CR

Climate Report

Regulatory and reporting frameworks used:†

IFRS, Companies Act, JSE, GRI, KING IV, UN Global Compact, B-BBEE Act, Amended Financial Sector Code (FSC), Sustainable Development Goals, Integrated Reporting, Equator Principles, GSMA, SASB Standards, ESG Matrix for Mobile

† For more details see page 05.

Financial reporting

These reports include an analysis of the Group's financial results, a five-year review, and MTN's approach to handling uncertain tax positions. They provide insight for current and prospective investors, employees, creditors, analysts and other stakeholders. They disclose details of MTN's income statement, financial position, cash flows, performance per share, as well as key non-financial information.

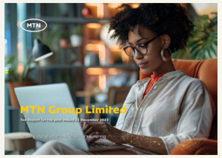
AFR

Annual Financial Results

AFS

Annual Financial Statements

TAX



Tax Report

5-YR

Five-Year Review

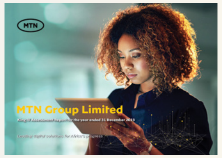
Information for shareholders

AGM

Notice of AGM

The Notice of AGM and form of proxy give information to shareholders who want to participate in the Group's Annual General Meeting (AGM).

KIV



King IV Assessment Report

This provides a summary of the application of the King IV™ principles by MTN Group Limited and Mobile Telephone Networks Holdings Limited.

Navigating this report

Throughout our Integrated Report, the icons below illustrate the connectivity between our *Ambition 2025* strategic priorities, the capitals, material matters, risks and value creation for our stakeholders.

Material matters

- MM 1 Geopolitical and macroeconomic conditions
- MM 2 Complex regulatory and tax environment
- MM 3 Network and platform performance
- MM 4 Financial resilience
- MM 5 De-layering of the telecoms business model
- MM 6 Greater focus on ESG
- MM 7 Future-fit skills and culture
- MM 8 Cybersecurity and digital safety
- MM 9 Governance, ethics and risk management
- MM 10 Artificial intelligence

We unpack our material matters on page 22

The capitals

- Natural
- Financial
- Intellectual
- Human
- Manufactured
- Social

We provide details on how the capitals enable our strategy on page 19 (definitions on page 144)

Top risks

- R 1 Challenging political and macroeconomic conditions
- R 2 Increased regulatory pressure
- R 3 Cyber and information security risks
- R 4 Increased tax-related uncertainty
- R 5 Strategy and execution
- R 6 Supply chain
- R 7 Liquidity and funding
- R 8 Compliance
- R 9 Network and spectrum cost and availability
- R 10 ESG issues

We unpack our top risks on page 49

Our material stakeholders

- Government
- Regulators and policymakers
- Civil society
- Investment community
- Subscribers/customers
- MTNers

Our stakeholder engagement report is on page 35

Ambition 2025 strategic priorities to create value

- Build the largest and most valuable platforms
- Drive industry-leading connectivity operations
- Create shared value
- Accelerate portfolio transformation

For more detail on our strategic priorities see page 70

ESG remains **at the core** of our strategy. This aligns with our work to advance the **United Nations Sustainable Development Goals (UNSDGs)** through our business activities and our support of governments, communities and customers. The SDGs target a sustainable society with a plan to end poverty, protect the planet and ensure equality for all by 2030. We are committed to bridging the digital divide, furthering financial inclusion to advance the attainment of the goals.

Our primary UNSDG contribution areas for shared value creation:

4, 5, 8, 9, 10, 13, 16, 17

Key indirect opportunities exist in the following SDGs:

1, 2, 3, 6, 7, 11, 12, 15

SUSTAINABLE DEVELOPMENT GOALS

Throughout this report we use the * symbol:

* Constant currency after taking into account *pro forma* adjustments. These are the responsibility of the directors and have been reviewed by our external auditor.

Other icons:

- LA Limited assurance obtained
- www.mtn.com
- ISSB International Sustainability Standards Board

About this report

This Integrated Report is MTN Group Limited's primary communication to all stakeholders and provides a comprehensive yet concise view of the Group. It endeavours to enable readers to make an informed assessment of our performance, prospects and the value we seek to create and preserve through our activities.

Changes in reporting and enhancements

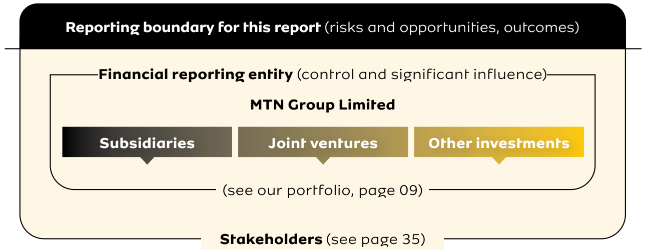
For this report, we made the following enhancements:
- Additional context on our enhanced materiality determination process.
- Further detail on our performance against the constituents of our strategic priorities.
- More granular background of specific market context information on our three regions.
- Our milestones over the last 30 years.
- Streamlined the duplication and enhanced cross referencing throughout the reports, including embedding hyperlinks to the website.
- Provided more information on how the Board transformed our refreshed values into action.

Basis for preparation

Our report reflects **integrated thinking** at MTN: it is prepared by the Investor Relations team, reporting to the MTN Group Chief Financial Officer. In determining its content, we assess the annual business plan, ***Ambition 2025***, the issues that materially impact our ability to create and preserve value, as well as those that could erode value.

We also draw on monthly standardised reports prepared by management across the Group and submitted to the Board of Directors. These comprehensive updates include details of our operating context, our strategic performance, our stakeholder engagements, as well as risks and opportunities. The IR is reviewed by the Executive Committee and then presented to the Audit Committee for review, before being recommended to the Board of Directors.

In line with our commitment to comprehensive, reliable and transparent reporting, the process we follow in the preparation of our IR is robust – and encompasses numerous checks and balances, in consultation with our Board, our senior management, our sponsors and our auditors. We also obtain limited assurance on selected non-financial data.



Scope and boundary

The material matters and our ***Ambition 2025*** strategy form the anchor of the report, which explains who we are and where we operate, the context in which we work, our governance and business model, our strategy and investment case, our risks and opportunities, as well as our operational and financial performance for the period 1 January to 31 December 2023. Financial data from our subsidiaries and non-financial data from subsidiaries, associates, and joint ventures are fully consolidated.

The report gives commentary, performance and prospects for our material subsidiaries: **MTN South Africa and MTN Nigeria**, as well as for our three operating regions:
- **SEA** – Southern and East Africa.
- **WECA** – West and Central Africa.
- **MENA** – Middle East and North Africa.

Details of listed operating companies (Opcos) MTN Nigeria, MTN Ghana, MTN Uganda and MTN Rwanda are in their separate integrated reports online. The reports for MTN Nigeria and MTN Ghana have been released. MTN Uganda's report will be published before end-April 2024, and MTN Rwanda's is due for release by end-May 2024.

We consider the outlook over **three time horizons**:
- The short term (less than three years).
- The medium term (three to five years).
- The long term (beyond five years).

The structure of this report, dated 29 April 2024, draws on the Integrated Reporting Framework. The 2022 Integrated Report was published on 26 April 2023.

Certain information presented in this report, including constant currency financial information, constitutes pro forma financial information. Certain non-financial information has been assured by Ernst & Young and is identified by LA. The Limited Assurance Report is on page 146.

Supplementary information is on our website in associated reports, the icons of which are on page 02.

Materiality

Material matters are those factors that could substantially affect the delivery of our strategy, our profitability and our sustainability and therefore influence our ability to create and sustain value for our stakeholders. Informed by recent developments in global disclosure standards and frameworks, we have adopted 'double materiality' across our suite of annual reports.

Material matters which meet the criteria for double materiality are those that fall within the impact materiality and financial materiality. These matters are likely to influence the value, timing and certainty of MTN's future cash flows across the short, medium and long term. Our IR also unpacks financially material impacts resulting from ESG risks and opportunities.

- **Impact materiality:** refers to significant impacts on individuals, society and the environment.
- **Financial materiality:** captures the impacts on the Group's value and cash flow, including events during the financial year and those that are integrated into prospective cash flow projections.

We have sought to ensure that all the information in this IR will help readers assess MTN's value creation.

The outcomes of our 2023 materiality determination process are on page 23.

About this report continued

We report with reference to the following standards and frameworks

The Integrated Reporting Framework	IR AFS
Companies Act, No 71 of 2008 (as amended)	IR AFS SR KIV
JSE Listings Requirements	IR AFS SR KIV
FTSE/JSE Responsible Investment Index	IR SR KIV TR CDP
King IV™^ Principles	IR AFS SR KIV TR
International Financial Reporting Standards (IFRS)	IR AFS
UN GRI	IR SR
JSE Sustainability Disclosure Guidance	IR SR
Global System for Mobile Communications Association (GSMA) ESG Metrics	SR TR
Sustainability Accounting Standards Board (SASB) Telecommunication Services industry	IR SR
UNSDGs	IR SR
UN Global Compact (UNGC)	SR TR
UN Guiding Principles on Business and Human Rights	SR TR
CDP	SR CDP
IFRS® Sustainability Disclosure Standard	IR SR
IFRS® Climate-related Disclosures	SR CDP CR

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Controls and combined assurance

The Board ensures an effective control environment which supports the integrity of our information. We use a combined assurance model which considers the role of management, control functions, internal and external audit, and Board committees. For 2023, we assessed our controls to be adequate and effective.

Approval by the Board

MTN's Board acknowledges its responsibility to ensure the integrity of the IR. We, as the Board, believe that this report has been prepared in accordance with the Integrated Reporting Framework. We are of the opinion that it addresses all material matters and offers a balanced view of MTN's strategy and how it relates to the organisation's ability to create and preserve value in the short, medium and long term, as well as how it relates to efforts to prevent instances where value is eroded. The report adequately addresses the use of, and effects on, the capitals and the way the availability of capitals is impacting MTN's strategic positioning.

Approval date: 29 April 2024

Mcebisi Jonas
Chairman
Mcebisi

Khotso Mokhele
Lead independent director
KHOTSO

Ralph Mupita
Group President and CEO

Tsholofelo Molefe
Group CFO
TSHOLOFELO

Noluthando Gosa
Noluthando

Shaygan Kheradpir
Shaygan

Sindi Mabaso-Koyana
Sindisiwe

Stan Miller
Stan

Nosipho Molope
Nosipho

Nicky Newton-King
Nicky

Tim Pennington
Tim

Vincent Rague
VINCENT

Lamido Sanusi
LAMIDO

Nkululeko Sowazi
Nkululeko

Who we are and where we come from

30 years of value creation

1994

After securing one of South Africa's two 'national cellular radio telephony service' licences in September 1993, MTN began building a network in January, eight months after the state-owned competitor. Within six months the two were on par. Launched commercial operations on 1 June.

1995

M-Cell Ltd, which owned 25% of MTN, listed on the JSE.

1996

Launched prepaid solution ***'Pay As You Go'*** in October, dramatically opening up the market. With no contracts and no credit checks, even those without bank accounts could now have cellphones.

Offered SMS (a text message of 160 characters) for the first time.

1997

Began our international expansion.

Introduced SIM-only packages.

1998

Created MTN International in February.

Acquired licences in ***Uganda***, ***Rwanda*** and ***Swaziland***, HM King Mswati III making the first cellular call in the kingdom, on his birthday.

Became the first cellular network in Africa to get **ISO 14001** rating for environmental management and ISO 9002 for customer service.

1999

Reached 2m subscriber mark in ***South Africa***.

Network quality tests confirmed that MTN was best in SA.

2000

Launched the ***'Call Me'*** concept and ***'MyChoice TopUp'***.

Acquired Camtel Mobile in Cameroon, rebranding it MTN Cameroon.

M-Cell Ltd acquired 100% of MTN.

2001

Won a licence in January in ***Nigeria***, which at the time had just 700 000 fixed and 22 500 cellular lines for its 120m people. Launched commercial services in August.

Launched MTN SA Foundation to manage social investment projects. Foundation inaugurated by former President Nelson Mandela.

2002

Changed name to MTN Group Ltd from M-Cell Ltd

Became the first operator in Africa to offer General Packet Radio Services (GPRS).

MTN ***Nigeria*** subscribers hit 500 000 in the year after launch.

2003

Group subscribers topped **7m** – a 42% year-on-year increase.

Reached 1m active subscribers in ***Nigeria***.

Launched MTN special greeting Y'ello

2004

Revenue of R29bn – a 21% increase.

MTN International contribution to turnover topped 35% (from 18.9% in 2002).

2005

Bought 49% of Irancell.

Bought 44% of Mascom in ***Botswana***.

Acquired licence in ***Côte d'Ivoire.***

Bought 100% of Libertis in ***Congo-Brazzaville***.

Completed purchase of Telecel in ***Zambia***.

Became one of first operators in Africa to offer ***3G***.

2006

Shareholders approved purchase of Dubai-based Investcom in **US$5.5bn** deal, expanding MTN's presence across Africa and the Middle East to 21 countries from 11.

Pledged US$65m for 2010 FIFA World Cup, making MTN the only African global sponsor.

2007

Revenue up 42% to R73bn.

Subscriber numbers topped 54m.

Launched employee volunteer programme 21 days of Y'ello Care.

Who we are and where we come from continued

2008
Subscriber base reached **91m**, up 48% from the previous year.

Revenue rose 40% to R102bn.

2009
Subscribers topped **116m**, grew market share in all but one of 21 operations.

Launched MTN Mobile Money in Ghana and Côte d'Ivoire.

2010
2010 FIFA World Cup in ***South Africa***.

At R8.1bn, MTN Zakhele transaction was the biggest broad-based black economic empowerment (B-BBEE) deal in SA telecoms.

2011
Reached **164m** subscribers.

Established Group Social and Ethics Committee.

2012
Civil unrest in several markets and difficulties in repatriating cash.

The launch of the **US$650m** West Africa Cable System, increasing broadband capacity. MTN was its biggest investor.

Unveiled a new vision:

To lead the delivery of a bold new Digital World.

2013
MTN Nigeria disconnected 3.2m as part of subscriber registration process.

R30bn capital expenditure (capex) included 4 400 3G sites and 5 161 2G sites.

2014
Voted the most valuable and most admired brand in Africa, for the first time.

Mobile Money (MoMo) subscribers up 50%.

2015
The Nigerian Communications Commission (NCC) imposed US$5.2bn fine on MTN Nigeria for not meeting the deadline to disconnect unregistered SIMs; 6.7m disconnections in ***Nigeria***.

MTN Nigeria acquired 4G spectrum.

2016
Negotiated down to US$1bn the MTN Nigeria fine for not disconnecting SIMs by deadline.

In ***Nigeria***, MTN was classified as a "dominant operator".

2017
Launched BRIGHT strategy.

- **B**est customer experience
- **R**eturns and efficiency focus
- **I**gnite commercial performance
- **G**rowth through data and digital
- **H**earts and minds
- **T**echnology excellence

Articulated our belief that everyone deserves the benefits of a modern connected life.

2018
Listed MTN Ghana.

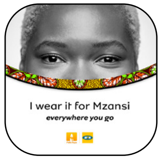
Greater focus on fintech and digital opportunities.

Launched CHASE framework to boost lower-income rural access to the internet.

2019
Listed MTN Nigeria.

Recorded US$96bn in mobile financial transactions – 9 200 per minute

Launched in **12** markets



2020
COVID-19 – MTN reported 10 staff deaths and launched the global staff emergency fund. 10% of staff were in the office.

Launched #WearItForMe campaign and Y'ello Hope with a R1.2bn value.

2021
Listed MTN ***Rwanda*** and MTN ***Uganda***

Launched the ***Ambition 2025*** strategy.

Donated US$25m to AU's COVID-19 vaccination programme for health workers.

Launched #OneMorePush campaign.

Exited ***Yemen*** and ***Syria***.

2022
We refreshed our brand

Total subscribers topped **289m**, with 137m active data users as usage rose by a third.

Economic value add up at R149bn from R119bn.

2023

Named #1 African brand doing good for people and the planet, with leading sustainability perceptions value.

Where we are going

Our purpose is to enable the benefits of a modern connected life for everyone

MTN is a pan-African digital operator providing a range of critical voice, data, fintech, digital, enterprise and wholesale services to around 295 million customers in 19 markets. Our **purpose** is embodied in our belief statement that *everyone deserves the benefits of a modern connected life*. Our **strategic intent** is *leading digital solutions for Africa's progress*.

MTN Group Limited is a publicly owned entity whose shares are traded on the JSE. At the end of 2023 our market capitalisation was approximately R209 billion (US$11.4 billion). Subsidiaries MTN Nigeria, MTN Ghana, MTN Uganda and MTN Rwanda are listed on the Nigerian Exchange Ltd, the Ghana Stock Exchange, the Uganda Securities Exchange and the Rwanda Stock Exchange, respectively.

Ambition 2025: Leading digital solutions for Africa's progress

- Build the largest and most valuable platforms
- Drive industry-leading connectivity operations
- Create shared value
- Accelerate portfolio transformation

Enabled by our values:

- **Lead** with **Care**
- **Collaborate** with **Agility**
- **Act** with **Inclusion**
- **Can-do** with **Integrity**
- **Serve** with **Respect**

Creating value for all

We create value for our stakeholders across our footprint by living our **purpose** and belief as well as progressing our **strategic intent**

MTN achieved an **10.9%^** reduction in Scope 1 and 2 emissions from base-year emissions (excluding MTN SA whose performance is impacted by the IHS transaction)

^Reflects quarter 4 adjustments.

28% women in leadership

Enabled internet access to **150m** (2022: 137m) active data users

Maintained female representation at **40%**

Facilitated financial inclusion to **72m** (2022: 69m) active MoMo users

Empowered **17 569** MTNers

Extended digital inclusion to **36m** (2022: 22m) ayoba users

Connected **295m** (2022: 289m) subscribers

Provided broadband coverage to **89.2%** (2022: 88%) of the population

Added economic value of **~R159bn** (2022: R149bn) across our markets

Where we operate and how we performed

Our geographic footprint is expansive, stretching over 19 markets on two continents and connecting 295 million customers. This represents the reach and scope of where we create value, organised into our operations in South Africa, Nigeria and our Markets (SEA, WECA and MENA). These are managed through robust operational and governance oversight structures, which underpin our pan-African growth strategy.

Our portfolio at 31 December 2023 (MTN Group effective shareholding)

MTN South Africa	**100.0%**
MTN Nigeria ▲	**76.3%**
SEA	
MTN Uganda ▲	83.1%
MTN Rwanda ▲	80.0%
MTN Zambia ▲	89.8%
MTN South Sudan	100.0%
Mascom Botswana[Δ]	53.1%
MTN eSwatini[Δ]	30.0%
WECA	
MTN Ghana ▲[#]	81.0%
MTN Cameroon	80.0%
MTN Côte d'Ivoire	66.8%
MTN Benin	75.0%
MTN Guinea-Conakry	75.0%
MTN Congo-Brazzaville	100.0%
LonestarCell (MTN Liberia)	60.0%
MTN Guinea-Bissau	100.0%
MENA	
MTN Sudan	85.0%
MTN Afghanistan ■	100.0%
MTN Irancell[Δ^]	49.0%
Associates, joint ventures (JVs) and other investments	
aYo	50.0%
IHS Group	25.7%
Iran Internet Group[Δ]	29.5%
Middle East Internet Holding[Δ]	50.0%

▲ *Localisations.*
■ *Completed disposal in early 2024.*
Δ *Equity accounted.*
^ *Not under MTN operational control.*
# *Legal ownership is 77.3%.*

Our financial performance

+13.5%* to R210.1bn service revenue

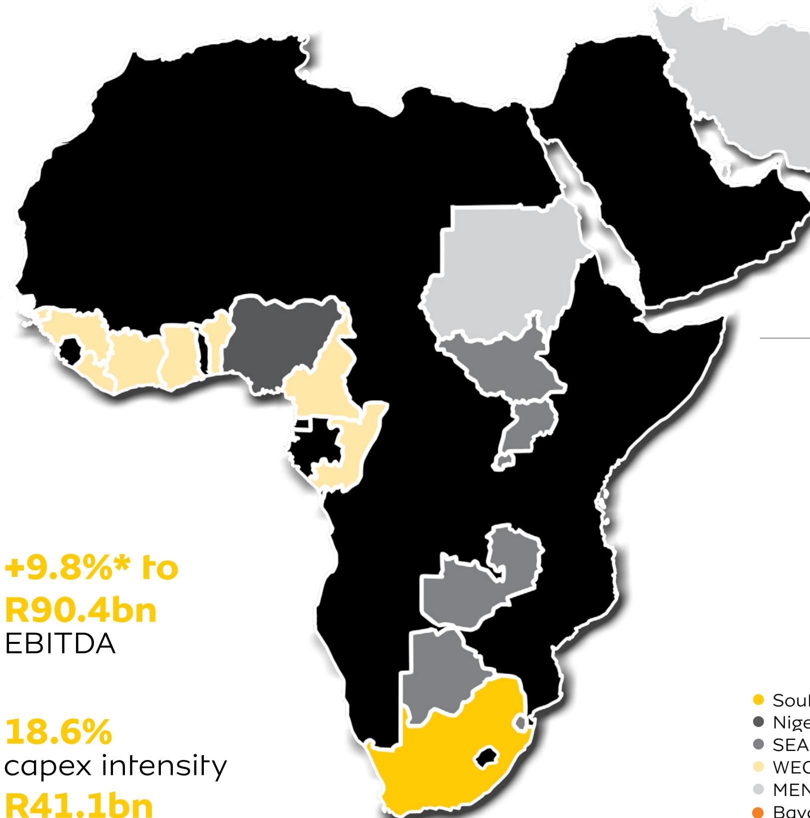
+23.0%* to R84.0bn data revenue

+21.8%* to R21.0bn fintech revenue

+9.8%* to R90.4bn EBITDA

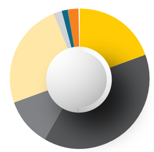
18.6% capex intensity

R41.1bn capex (ex-leases)



EBITDA contribution

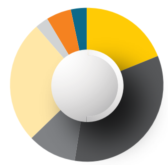
By geography (%)



South Africa	20.7
Nigeria	41.1
SEA	11.7
WECA	25.9
MENA	2.0
Bayobab	1.3
Head offices and eliminations	(2.9)

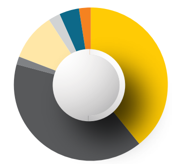
Service revenue contribution

By geography (%)



South Africa	20.4
Nigeria	35.9
SEA	11.0
WECA	27.7
MENA	3.0
Bayobab	5.6
Head offices	(3.5)

By services (%)



Voice	39.4
Data	39.8
Digital	1.7
Fintech	10.0
SMS	2.4
Wholesale	4.2
Other	2.4

Views from our Chairman

Working to build partnerships for progress

Mcebisi Jonas
Group Chairman

To our stakeholders

Remaining resilient despite ongoing volatility in our external environment

MM 1 2023 once again showcased the resilience of the MTN business model and ***Ambition 2025*** strategy as we navigated through continuing volatility in our macro-environment. It was also a tough year from a macroeconomic perspective, with higher-than-forecast global inflation averaging an estimated 6.8% (2022: 8.7%) and a sharp depreciation of many of the currencies in our key markets, where foreign exchange (forex) availability remained a significant challenge. According to the IMF, global growth slowed to an estimated 3.1% from 3.5% in 2022.

The cost and supply of energy remained a hot topic across the tech and telecoms industry, while the trend of greater regulatory scrutiny and interventions continued to impact our business. In addition, the global geopolitical landscape in 2023 was distinguished by fraught international relations, including conflicts in Ukraine, Sudan, parts of West Africa, and the Middle East.

Political instability is a feature of several countries on our continent, with the recent coups in Burkina Faso, Chad, Gabon, Guinea-Conakry, Mali, Niger and Sudan disrupting life and discouraging investment. Although MTN only operates in two of these markets, the rest of these countries are neighbouring MTN markets. We monitor developments closely and work to ensure that our people and customers are safe and that our services are uninterrupted.

MM 2 Fiscal pressures and debt tightening have added to the already-strained public finances of economies throughout our markets. In this environment, many African governments have sought new ways to generate revenue, among them broadening the tax base and increasing tax types and rates. At MTN, we monitor these developments carefully, seeking to manage the associated risks carefully and continuing to engage with revenue authorities and other relevant stakeholders.

In this context, it would be easy to feel overwhelmed; however, at MTN, we stayed focused on our strategic intent of *'leading digital solutions for Africa's progress'* and on our belief that *'everyone deserves the benefits of a modern connected life'*. These remained our guide as we continued to mitigate the risks and navigate the challenges of our operating context. We concentrated on the exciting opportunities present across the continent we call home. In this IR, you will read more about the operating environment in 2023 (pages 15 to 17), MTN's strategic delivery (pages 71 to 88), and the outlook (page 21) for the business. I also refer readers to the comprehensive material matters and risk sections on pages 22 to 33 and 46 to 57, respectively.

MM 4 Suffice to say, the business managed these circumstances well and recorded a solid performance in 2023, strategically, financially and by many other measures. The Q&A with the CEO (page 12) and the CFO (page 58) give details of this performance, which speaks to encouraging underlying operational momentum and was produced under the careful guidance of the Board of Directors. The SR and the TR provide details for those readers who require more details on the Group's broader performance.

Continuing to invest in the socioeconomic development of our nation-states

MM 3 MM 6 Our operating and financial performance was underpinned by substantial investments in our networks, as we increased our broadband network coverage to reach 89.2% – this equates to a population coverage of around 559 million people across our markets. This signified meaningful progress toward our objective of providing 95% broadband coverage by 2025. Given the importance of this priority, shareholders would note that we have linked this to executive remuneration within our ESG measures.

This sets important context, as I spend much of my time engaging with stakeholders from across our markets. In light of our strategic priority to 'create shared value', a key takeaway is the Group's determination to extend digital and financial inclusion across Africa, working closely with our many partners. In this pursuit, we enabled approximately 150 million customers to access internet services in 2023, while nearly 73 million used our financial services.

Views from our Chairman continued

In my engagements across our markets, the message I take with me is MTN's efforts to build *partnerships for progress*. We work closely with our nation-state hosts to ensure that our role is relevant to economic development, including as a MM 9 significant and compliant provider of tax revenue – our total tax contribution reached R61.7 billion LA in 2023. Beyond this, the Group's contribution to lives and livelihoods across our markets can be measured in our economic value added. In 2023 this was R159^ billion, up from R149 billion the year before.

Sustaining engagement and good governance

Among the key activities that stood out for me in 2023 were the governance roadshow with investors after annual results, as well as the Capital Markets Day (CMD) held in Johannesburg for the MTN Group. We are also pleased to have pioneered a CMD in Abuja, highlighting MTN Nigeria's strategic position and outlook.

By being out in the markets and meeting with stakeholders, my fellow directors and I are able to get a real feel for the issues on the ground. We also speak to regulators and the government about how we see the direction of policy that is supportive of MM 5 economic growth and development (see our stakeholder section starting on page 34).

Underpinning this, good governance is an important basis on which sustainable companies are built; therefore at the core of MTN's business is a commitment to governance that is not only robust, but also anchored in international best practice and applicable laws. We are cognisant of our responsibility to act as a good corporate citizen, uphold our company's values and be accountable, transparent, ethical and inclusive.

In November 2023, an evaluation of the Board was conducted by Hoffmann Reed and FluidRock. It focused on Board effectiveness, dynamics and composition, emphasising the enhancement of MTN's strategic direction. Among the key outcomes (see page 96) of the exercise were recommendations to:

- Continue to monitor the implementation of the refreshed decision-making framework and ensure that management is given sufficient latitude to move with execution while the Board provides adequate oversight.
- Increase the fintech, banking and digital experience on the Board.
- Continue to strengthen the strategic alignment between the Group Board and the boards of MTN's subsidiaries.

At the end of April 2023, we said farewell to Paul Hanratty, thanking him for his significant contribution to Board deliberations over the years. In January 2023, we were pleased to have Nicky Newton-King join the Board. During the year, we also saw the term of the Independent Advisory Board (IAB) come to an end, although we have no doubt that we will still lean on its former members for their expertise in the years to come as the IAB structure evolves into a more open-architected stakeholder forum.

Our Executive Committee was stable in the year, but in April 2024 we saw the retirement of Group Chief Operating MM 7 Officer Jens Schulte-Bockum after seven years of inspirational leadership. We warmly welcome Selorm Adadevoh (previously MTN Ghana CEO), as our new Group Chief Commercial Officer, entrusted with continuing our purpose-driven growth.

We have strengthened our approach to screening director appointments to both the Group and its Opcos through a process conducted under the oversight of the Directors Affairs and Governance Committee, which I chair. This committee has spent much time on succession planning and looking to the future, particularly given the Group's strategic trajectory. The issue of 'overboarding' continues to be a topic that attracts stakeholder attention and in late 2023, the Board approved key principles regarding the number of directorships held by members.

Looking ahead and appreciation

In June 2024, we will mark 30 years of connecting people and creating value. As we continue to navigate the macro-challenges in our trading environment, we reflect with both pride and humility on the progress of the business over the past three decades. This has been powered by the dedication and resilience of MTNers, as well as the support of so many different people and institutions, including customers, governments and regulators, investors, suppliers and civil society. This embodies our ethos of cultivating *partnerships for progress* in our markets.

In the year ahead, among the key items that will inform Board deliberations are:

- Geopolitical developments and impacts, including those from elections taking place across the world and in some of our markets. These will also inform our stakeholder engagements and partnerships with our nation-state hosts.
- Progress against our commitments of ***Ambition 2025***, in particular the structural separation of our fintech and fibre businesses and our work to further develop our digital offerings.
- Advancing our governance agenda, including improving subsidiary governance; succession planning; responding to the Board evaluation; and reviewing the Board appointment and vetting process.

Finally, I would like to thank all stakeholders for their support and look forward to engaging with you in 2024. MTN will work to ensure that no one is left behind as we continue with the focused execution of the ***Ambition 2025*** strategy.

Mcebisi Jonas
Group Chairman
Fairland

29 April 2024

^ Made up of network and IT investment, procurement, tax paid, salaries and wages and CSI.

Q&A with the President and CEO

MTN has remained resilient in a challenging macro-environment. Our investment case is underpinned by structurally higher demand for our data and fintech services

Ralph Mupita
Group President and CEO

Q

The macroeconomic and geopolitical environment was especially volatile in 2023. How did this impact MTN?

A

The macroeconomic environment was challenging in 2023. There are a few factors worth highlighting in this regard – particularly devaluation of the naira against the US dollar, which was the strongest headwind to our business. Despite these effects, we are encouraged by the solid underlying operational momentum and momentum of the business, as well as progress in key strategic initiatives. We believe we are well positioned to continue delivering on our growth ambitions over the medium term.

The blended inflation rate across our markets remained elevated and averaging 16.7%, from 15.1% in 2022. This put pressure on our customers' spending power, which impacted demand for services. Higher inflation also directly impacted our business by increasing the cost of doing business, as well as higher interest rates – as central banks intervened to curb inflation – which increased our cost of debt (unpacked by the CFO on page 58). Encouragingly, we noted a peak in the inflation cycle in some of our markets, such as South Africa, Ghana and Uganda. We expect slowing inflation to be more supportive of our medium-term outlook.

Compounding the effects of inflation, local currencies were volatile, with limited availability of hard currency, especially in Nigeria. In 2023, the US dollar appreciated by 97% against the naira, resulting in a closing rate of N907/$ at the end of the year (December 2022: N461/$) – as mentioned, this had the biggest impact on our business in the year. This followed the liberalisation of exchange rates in the country in June 2023 and had a material impact on our profit and loss and balance sheet. Despite the short-term volatility and effects we are seeing, we are optimistic that the structural policy changes being implemented in Nigeria will be positive for the country and our business in the medium to longer term. We also navigated a paucity of foreign exchange in some key markets, which made it more challenging to upstream dividends and management fees (refer to page 58 for the Q&A with the CFO).

From a geopolitical standpoint, we saw a rise in tensions globally and within the African continent. In addition to conflicts in Ukraine, the Middle East and parts of West Africa, the crisis in Sudan also deepened, and we extend our deepest sympathy to those impacted by the conflict there. From a business perspective, this precipitated fuel shortages, power outages and disruptions to network availability in Sudan.

Q

In this context, how did MTN perform in 2023?

A

- Subscribers increased by 2.0% to 294.8m
- Active data subscribers increased by 9.3% to 149.7m
- Data traffic increased by 26.3% to 14 737 petabytes.
- MoMo monthly active users increased by 5.0% to 72.5m
- Fintech transaction volumes increased by 32.2% to 17.6bn

Notwithstanding the macro-volatility and challenges, MTN maintained a resilient performance in 2023, with solid underlying operating momentum. Despite the adverse effects of various SIM registration regulations, we expanded the customer base to 295 million across 19 markets.

Q&A with the President and CEO continued

Amid sustained high demand for data and fintech services, we increased the number of active data subscribers by more than 9%^ to ~150 million – half the total subscriber base. Data traffic on MTN's networks, excluding JVs, grew by more than a third (or by just over a quarter, including JVs). Usage improved to more than 6.1GB per user per month (or 8.6GB including JVs). To sustain this growth, as well as network coverage and quality, we deployed capex (excluding leases) of R41 billion.

MM 5

Active MoMo users increased by 5% to 72.5 million – a quarter of the total customer base. The volume of fintech transactions increased by around a third to 17.6 billion, with the value of transactions up 47.4%* to US$272 billion, driven by the growth of advanced services including payments, BankTech and remittance solutions.

MTN's financial performance is detailed by the CFO on page 58, but among the key highlights, Group service revenue grew by 13.5%* to R210.1 billion and EBITDA was up by 9.8%* to R90.5 billion.

^ Increased by 10.2%, excluding joint ventures.

Q

Against the challenging macro-environment, what were the main highlights from MTN's execution of the *Ambition 2025* strategy?

A

Before delving into our broader strategic progress, it is worth highlighting the notable headway in 2023 made by MTN South Africa on its network resilience. As this was a key focus area of the business to improve network availability in the context of ongoing loadshedding in the country. By year-end, MTN SA had improved the availability of its network to 95% in even the higher stages of loadshedding, with availability up to around 98% on sites where resilience was implemented. We are pleased with this progress, which was ahead of schedule and supported an improvement in the Opco's operational performance in 2023.

MM 3

In terms of our Group-wide strategic priorities more generally, these are detailed on pages 71 to 88; and among the highlights in 2023 were progress in building the largest and most valuable platforms. In fintech, we are excited about the partnership agreements secured with Mastercard, particularly the commercial agreements, which we expect will support the accelerated growth of the business. Early in 2024, we concluded the definitive agreements for Mastercard to invest up to US$200 million for a minority equity stake in MTN Group Fintech at a valuation of US$5.2 billion.

We also gained traction with the structural separation of the fibre business in 2023, with Bayobab, securing regulatory clearances and new fibre operating licences in markets like Uganda, Côte d'Ivoire and Central African Republic. Bayobab also acquired the fibre network of MTN Zambia in a sale-and-leaseback arrangement, while the work to progress Project East2West was commenced in partnership with infrastructure investment platform Africa50.

MM 5

What was particularly pleasing in progressing our platform strategy was our ability to leverage partnerships to enable faster scaling of these growth drivers in line with our philosophy (*partnerships for progress*). We will continue to look for strategic partnerships to accelerate the execution of ***Ambition 2025***.

In our priority to simplify and transform the portfolio, we finalised the sale of MTN Afghanistan, which completed the Group's planned exit of consolidated subsidiaries in the Middle East. We also accepted an unsolicited offer, subject to conditions precedent, including regulatory approvals for MTN's equity interests in MTN Guinea-Bissau and MTN Guinea-Conakry.

We made good progress in advancing key sustainability initiatives and achieving our strategic priority to create shared value (see details on the next page). Overall we believe that the strides we continued to make in our strategy execution position the business well to weather the current volatility in the short term and deliver on our growth ambitions over the medium and long terms.

MM 6

MTN Group President and CEO Ralph Mupita receives the Corporate Social Responsibility Award on behalf of MTN at the Africa-America Institute's 70th Anniversary Gala and Awards Ceremony on the margins of the 78th Session of the United Nations General Assembly in September 2023

Q&A with the President and CEO continued

Q

You often speak of MTN's responsibility to help create a sustainable, inclusive world. What progress did MTN make in this regard?

A

MM 6

As mentioned, creating shared value with ESG at the core is critical and is one of our four strategic priorities. On page 10, the Chairman covers much of the progress in this regard in 2023, and I also direct readers to a more comprehensive review of our sustainability performance on page 86, including the improved scores with our focus ESG raters and rankers.

Doing for planet

In terms of our eco-responsibility priorities, we achieved a 13.1% absolute reduction in Scope 1 and 2 emissions in 2023. This is part of our environmental commitment to reach Net Zero emissions by 2040. We are also prioritising the reduction in Scope 3 emissions, with a fifth of our suppliers by expenditure already having committed to setting their own emission-reduction targets by 2026.

Doing for people

Diversity and inclusion are fundamental to MTN's values, and we continue to advance gender equality. In 2023, women represented 40% of our workforce, unchanged from 2022, but on track to meet our 2030 gender parity target. We also closely track women in leadership, which was 28% in 2023 vs our 2025 target of 30%, and women in technology, which at 24% in 2023 was ahead of our 2025 target of 21%. We remain focused on fostering an environment where women are meaningfully supported to thrive, grow and contribute to our collective success.

MM 7

We are dedicated to advancing internet access in rural and remote areas to promote digital and financial inclusion. In 2023, we achieved broadband coverage of 89.2% (2022: 87.8%) against a target of 95% by 2025. This brought connectivity to an additional 8.4 million people in 2023 by deploying 6 600 sites in rural areas. Our social and economic contribution of approximately R159 billion in 2023 made a meaningful impact on lives and livelihoods in our markets. In aligning with national and continental priorities in the year, we invested more than R195 million in corporate social investment (CSI) programmes across communities in our host nations. Our flagship initiative is the MTN Skills Academy, which empowers individuals in eight markets to participate in their economies as producers, consumers and innovators in digital technologies.

Doing it right

In 2023, we once again exceeded our target for reputation, with a score of 79.5% in our annual Reputation Index Survey of stakeholders. This is above our target of 75% and outstrips most international reputation index benchmarks. To support the widespread adoption of the new IFRS S1 and S2 investor-focused standards of the International Sustainability Standards Board, MTN Group has pledged to begin adopting these standards. We see this as an opportunity to understand our sustainability-related risks and opportunities better and to streamline our sustainability reporting processes to meet the needs of our stakeholders.

Q

What are MTN's key focus areas ahead?

A

Our operating context – detailed on pages 15 to 17 – is expected to remain challenging and uncertain in the short term. As noted, we are starting to see inflation subside in key markets, which we believe will benefit the business. In addition, we believe the structural policy interventions implemented in Nigeria bode well for medium to longer-term stability and growth of that country. In this context, we are encouraged by the resilience of our business to navigate the current macro-volatility and will continue to execute our commercial and strategic initiatives. To further safeguard our medium- and long-term prospects, we are focused on some key priorities that underpin the execution of our growth outlook and strategy.

MTN SA will focus on completing its network resilience programme in the short term to sustain improved network availability and quality that underpins the momentum we saw in 2023 and the medium-term recovery of the business. The Opco will, thus, explore avenues to drive further resilience and power efficiencies in its network. We will focus on commercial initiatives in MTN SA to drive growth, including sustaining prepaid momentum and acceleration of the device strategy to support our data ambitions. While we expect the latter to temporarily slow the recovery profile of MTN SA's EBITDA margin in the short term, it will support medium-term growth and profitability. With a keen focus on efficiencies, MTN SA will prioritise returning top-line growth and the EBITDA margin to targeted medium-term ranges over time.

MTN Nigeria remains committed to accelerating service revenue growth, improving profitability and strengthening its financial position, particularly the negative retained earnings and equity position reported as at 31 December 2023. To this end, the engagements with regulatory authorities on much-needed tariff increases for the industry remain a key short-term priority; and there is comprehensive work in progress to reduce and mitigate forex exposures impacting the business, including tower operating costs. MTN Nigeria will unlock efficiencies to drive operating leverage, re-establish earnings growth, sustain strong free cash flow generation and restore its reserves and balance sheet position over the medium term.

MM 5

Led by **MTN Ghana**, we will work to capture growth opportunities in our broader **Markets** portfolio by investing in connectivity and further developing platforms. For our fintech business, our priority is to drive the expansion of the ecosystem to support growth in usage and monetisation. Through focused commercial interventions and leveraging our distribution, we will accelerate the scaling of the business. More broadly within our portfolio, price optimisation and regulatory discussions regarding tariff increases remain ongoing priorities.

The execution of our platform strategy has gained encouraging traction and momentum. Following the Mastercard agreement, we will continue to explore opportunities for other value-enhancing partnerships and investments in our platforms over the medium term. More broadly, we will accelerate the commercial monetisation within our platforms as they continue to scale. The ongoing efforts in our localisation programmes – particularly Ghana and Uganda – are also key to creating shared value.

MM 4

The financial resilience of our business is another ongoing theme and priority; the CFO Q&A (page 58) provides further detail on our continued drive to realise expense efficiencies and maintain a strong balance sheet and liquidity.

We are encouraged by our business's medium and long-term prospects and have, therefore, reiterated our overall medium-term guidance framework. The only change is a simplification of the fintech measure (see page 21).

Our market context

We operate in a diverse footprint that underpins our growth thesis and investment case. In determining our material matters, we consider our market context to understand the opportunity and risk set it presents. This in turn enables us to develop, execute and evolve our strategy as well as leverage our competitive advantages, including our scale, brand, presence and financial position.

In 2023, we assessed our market context (and how it has evolved) relative to our ***Ambition 2025*** strategy that was developed in 2020 and the outlook at that time. We evaluated how developments in the operating context impact our strategy execution in the short, medium and long term as well as the mitigations required and the opportunities presented. In addition to the broader global environment, we consider our operating context in terms of how we manage the Group: South Africa and Nigeria; as well as our Markets portfolio – spearheaded by Ghana – namely WECA, SEA and MENA:

South Africa

South Africa is an attractive, relatively stable and mature market that offers particular opportunities in data, network sharing and enterprise services despite prevailing economic and sociopolitical pressures.

Macroeconomic/sociopolitical

- The economy grew by 0.6%. Inflation averaged 6.0% (2022: 6.8%), although the trend moderated in H2. The US dollar appreciated by an average of 12.5% against the rand, which impacted the cost of imports and also fed into inflation.
- Power shortages continued to impact the economy, putting pressure on consumers and business. In 2023, there were 335 days of loadshedding, from 205 in 2022.
- General elections in May 2024 could present some uncertainties.

Competitive/regulatory

- MTN has the second-largest market share in an increasingly data-dominant market where **prepaid** growth in the market has been muted in the past five years in a highly competitive environment. **Postpaid** has remained relatively resilient, although MVNOs have continued to be a feature in the competitive and pricing environments.
- **Ability to increase prices** – The regulatory environment largely enables operators to manage pricing, both to remain competitive and recover escalating opex and capex requirements.
- **5G** remains an exciting MT and LT opportunity for growth, particularly FWA/HBB. Industrial use cases show potential; handsets and coverage are the key dependency for consumer use cases.
- **Home** – The sector relies on the infrastructure of two operators. Fixed wireless access (FWA) is popular among fixed operators, but fibre to the home (FTTH) connections are growing faster.
- **Fintech** – The country's advanced banking sector poses challenges to more rapid scaling, however MTN is driving growth through compelling and niche offerings.
- **Network resilience** has been a key focus of operators' network investments. In 2023, MTN SA largely completed our comprehensive network resilience investment, boosting our competitive position.

Relevant risks

R 1, R 2, R 4, R 5, R 7, R 9, R 10

All material matters are relevant to all our markets

MM 1, MM 2, MM 3, MM 4, MM 5, MM 6, MM 7, MM 8, MM 9, MM 10

Nigeria

Amid political and economic reforms, Africa's largest population presents compelling growth opportunities, particularly in data and fintech. Challenges in the ST include the naira's depreciation, forex shortages and elevated inflation.

Macroeconomic/sociopolitical

- Economic growth slowed to 2.7% in 2023 from 3.1% in 2022. The floating of the naira in June 2023 led to a 96.7% devaluation, severe forex liquidity constraints and higher inflation (28.9%) and interest rates. For 2024, the growth projection is seen at 3.2% and inflation at 26.3%. The naira is expected to stabilise as forex liquidity improves.
- Oil supply challenges and commodity price volatility create uncertainty for fiscal revenue, and hence government debt and spending.
- Unemployment and underemployment mean social stability is in focus.

Competitive/regulatory

- MTN is the market leader, with credible competition from the next-largest operator. Customers continue to shift from conventional voice to data-rich services. NIN-SIM registration regulations in the market present ST headwinds to subscriber base development however, will result in a more robust subscriber registration framework in the MT and LT.
- **Ability to increase prices** – Operators are engaged with authorities through the industry body regarding a review of headline tariffs in its service offerings.. Given elevated inflation and energy prices and volatile exchange rates, an appropriate level of pricing is required for the MT and LT sustainability of network investment and the industry. In the ST, tariff reviews will be necessary to help operators navigate the severe volatility playing out in the macro environment.
- **5G** – MTN was the first operator to launch 5G network in Nigeria, providing coverage in key cities in the six geopolitical regions in all states.
- **Home** – The FTTX market is nascent, however we have expanded our HBB penetration, leveraging our 5G fixed wireless access devices, mobile broadband solutions and FTTH connectivity.
- **Fintech** – MTN faces competitive headwinds from telco and OTT operators, however is poised for robust and sustained growth over the MT and LT. The growth outlook is supported by a growing youthful population, low banking penetration and rising smartphone penetration.

Relevant risks

R 1, R 2, R 3, R 4, R 5, R 6, R 7, R 8, R 9, R 10

Sources: National statistics offices; Fitch; Standard Bank; Carnegie; World Bank, IMF; AfDB; Reuters and Enterprise Risk Management Academy

Our market context continued

Ghana

MTN's biggest fintech market, with opportunity for greater uptake of more advanced services. MTN Ghana is doing well to manage risks and drive growth given the macro challenges, including elevated inflation and FX volatility, headwinds to economic expansion as well as greater regulatory scrutiny since being designated as a significant market power (SMP).

Macroeconomic/sociopolitical

- The economy faced several challenges, including elevated inflation, with an average monthly rate of 40.3% (2022: 31.5%). Higher utility costs along with the 38.5% depreciation of the cedi contributed to the challenges.
- Economic growth slowed to 2.9% in 2023 from 3.1% in 2022. Unemployment and interest rates remain high. Wages are not keeping up with increase in prices, exacerbating poverty (27%).
- A July 2023 by-election led to a hung parliament, likely slowing reforms.

Competitive/regulatory

- MTN is the leader in the market, with strong growth in data and fintech services. MTN Ghana has been declared as an SMP, which attracts greater regulatory oversight and the requirement to implement remedies in line with regulatory directives. SIM re-registration – Completed in May 2023, this led to a decline in the overall subscriber base.
- **Consolidation** – One competitor rebranded in 2023 and another smaller operator was acquired by a large competitor.
- **Ability to increase prices** – Amid elevated inflation, MTN has been able to effect regular regulator-approved tariff adjustments to safeguard its sustainability amid elevated opex and capex burdens.
- **5G** – Economic challenges have resulted in a decline in investment from smaller operators in the market, as well as a ST delay in the rollout of 5G.
- **Home** – We see opportunity to leverage our network to partake in this segment of the market.
- **Fintech** – The market leader, MTN MoMo's ecosystem and user numbers continue to grow with greater uptake of advanced services.

Relevant risks

R 1, R 2, R 4, R 5, R 9

All material matters are relevant to all our markets

MM 1, MM 2, MM 3, MM 4, MM 5, MM 6, MM 7, MM 8, MM 9, MM 10

WECA

WECA is home to eight MTN operations, including Ghana (see separate commentary). Operations are impacted by political uncertainties and regional conflicts, although the WECA boasts comparatively well-established fintech businesses, supported by stable inflation and FX in some of the larger markets.

Macroeconomic/sociopolitical

- Economic growth slowed in 2023. Unemployment remains high, as do budget deficits. In 2024, economic growth is expected to pick up, inflation is seen moderating and current account balances are forecast to improve.
- Political instability is a feature of several countries in the region, with recent coups in Burkina Faso, Chad, Gabon, Guinea-Conakry, Mali and Niger impacting livelihoods and investment. Although MTN operates in only one of these markets, the rest of these countries neighbour MTN markets, presenting regional geopolitical risks.

Competitive/regulatory

- MTN is the leader in five of the eight WECA markets (and second in the others), where mobile uptake is strong and fintech services are popular, with a contribution of 27.7% to service revenue.
- The regulatory environment for telecoms, digital and fintech is complex and dynamic, but governments are also intent on increasing connectivity and digitising societies. Data sovereignty and privacy are increasingly topical.
- **Ability to increase prices** – Amid economic and regulatory pressure, increasing prices is difficult.
- **5G** – Competitors are launching 5G in major cities in Côte d'Ivoire and Benin.
- **Home** – Investment in fibre is increasing, driving penetration as data demand grows.
- **Fintech** – Sector is growing, with increased adoption and investment and the entry of a new competitor leading to an evolution of fees by incumbents.

Relevant risks

R 1, R 2, R 3, R 4, R 5, R 7, R 10

Sources: National statistics offices; Fitch; Standard Bank; Carnegie; World Bank, IMF; AfDB; Reuters and Enterprise Risk Management Academy

Our market context continued

SEA

SEA hosts six MTN operations, including equity-accounted Mascom and MTN eSwatini. The operations continue to deliver healthy operational and financial results in the context of increased regulatory scrutiny and competitive intensity, as well as the crisis in South Sudan. The region offers an exciting demographic opportunity, with a fast-growing, youthful population, with growing data and 4G coverage, fintech and digital adoption.

Macroeconomic/sociopolitical

- Economic growth was slow in 2023. The annual blended inflation in SEA averaged 10.0%, compared to 14.3% in 2022. Consumer spending was limited by inflation and low consumer disposable incomes across the region. This was exacerbated in South Sudan by the displacement crisis and in Rwanda by currency depreciation and aggressive regulatory interventions.
- Except for South Sudan, the SEA society is mostly stable, despite widespread unemployment and inequality as well as, in eSwatini, the risk of more anti-monarchy protests.
- The removal of Uganda from the African Growth and Opportunity Act (AGOA) after the passing of the Anti-Homosexuality Act may impact Ugandan exports and tourism.

Competitive/regulatory

- We are the market leader in all our SEA Opcos. Regulations are increasing, with Uganda imposing a 5% tax on foreign companies providing digital communications and Rwanda considering levying VAT on online services.
- **Consolidation** – This trend remains a feature in some of our SEA markets.
- **Ability to increase prices** – While there is scope to engage regulators on price increases in some markets, competition pressures are a key consideration.
- **5G** – MTN is rolling out 5G in Uganda and Zambia. In Zambia, a new operator has also launched 5G.
- **Home** – The market is nascent, but strong data growth is seen driving demand for fibre networks.
- **Fintech** – Ongoing regulatory obligations and interventions remain key factors being managed in SEA, with the growth outlook underpinned by rapidly increasing adoption and usage of fintech services.

Relevant risks

R 1, R 2, R 3, R 4, R 5, R 9, R 10

All material matters are relevant to all our markets

MM 1, MM 2, MM 3, MM 4, MM 5, MM 6, MM 7, MM 8, MM 9, MM 10

MENA

MTN operations in MENA are in Sudan, Afghanistan and Iran (minority-held joint venture). We announced the completion of our exit from Afghanistan with FY 2023 results. High inflation and rising food prices, as well as FX volatility, pose challenges to economies across the region, as do the risks of a spillover from the conflict in Gaza. The large youthful population and the growing middle class offer opportunities for growth.

Macroeconomic/sociopolitical

- Since the coup in October 2021, the political environment in Sudan has been unstable and many services – including access to the internet – have been disrupted. In Iran, the sociopolitical and economic conditions have been tough, putting consumer spending under pressure. The risk of exposure to sanctions continues.
- Economic growth slowed in 2023, and the economy of Sudan contracted. The economies of Iran and Sudan were assessed to be hyperinflationary.

Competitive/regulatory

- The mobile market across these three MTN operations differs markedly, with penetration highest in Iran and lowest in Afghanistan. MTN is the market leader in Afghanistan, and the second-largest operator in the other two MENA markets. Early in 2024, MTN Group completed the disposal of MTN Afghanistan.
- The regulatory environment for telecoms, digital and fintech is complex and dynamic, but governments are also intent on increasing connectivity and digitising societies. Data sovereignty and privacy are increasingly topical.
- **Ability to increase prices** – Obtaining regulatory approval for pricing increases has been challenging in the current economic environment.
- **Home** – Investment in fibre is driving penetration as data demand grows.
- **Fintech** – Sector is growing by 20%, with increased adoption and investment.

Relevant risks

R 1, R 2, R 3, R 5, R 6, R 7, R 8, R 10

For details of the ways in which we are responding to and managing the factors in our operating context, see page 70 to 88. We discuss how our *Ambition 2025* strategy remains relevant to navigating the ST volatility and positions us to capture the MT and LT opportunities.

Sources: National statistics offices; Fitch; Standard Bank; Carnegie; World Bank, IMF; AfDB; Reuters and Enterprise Risk Management Academy

Investment case – a compelling African growth story

Our pan-African focus allows us to advance the digital and financial inclusion agenda, living up to our purpose and strategic intent.

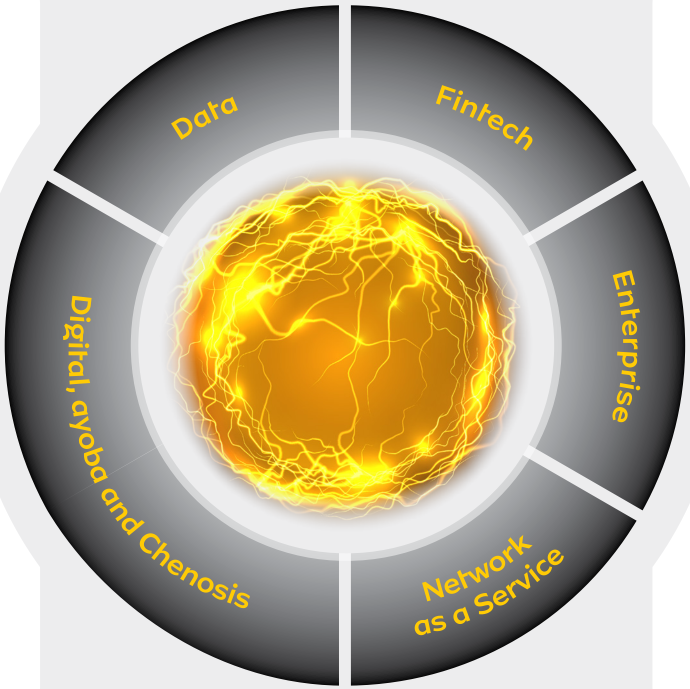
Ambition 2025 **highlights the Group's key differentiators and how we leverage these to capture the opportunities. Among these are: our growth markets with a youthful population; our established leading brand with a solid infrastructure base; our strong management; and our leading position in most of our markets. We are also optimising efficiencies, capex and cash flow, which will all ultimately translate into attractive returns and shared value for all stakeholders. Our compelling investment case is underpinned by disciplined capital allocation, as well as an enhanced risk and regulatory framework. We deliver on our strategy with an unwavering commitment to create shared value in our host markets, with ESG at the core. Our capital markets day presentations, available online, provide more detail of the opportunities.**

1 Exciting demographic opportunity

- Fast-growing, youthful population.
- Low data, fintech and digital adoption.
- Partner in socioeconomic development of our regions.

2 Africa's leading and scale connectivity and infrastructure business

- #1 or #2 subscriber share in all our markets.
- 'Second to none' and well-invested networks.
- Enterprise, wholesale and infrastructure-sharing opportunities.



3 Well positioned for the long term

- Accelerated digitisation of Africa.
- Portfolio transformation enhances risk/return profile.
- Exposing value in infrastructure assets and platforms.

4 Attractive return profile

- Accelerating growth outlook.
- Attractive cash flow and return profile.
- Balance sheet flexibility, faster non-rand deleveraging.

Creating and preserving value through our business model

We create and preserve value by developing and distributing a range of innovative services. We depend on various resources and relationships, known as the six capitals, to do this. We require inputs of each capital to deliver on our strategy, advance some of the UN SDGs and generate value for our stakeholders. When making decisions on allocating capital, we consider the availability of the capitals, the trade-offs between them and we seek to maximise positive outcomes and limit instances in which value is eroded. While transforming the stocks of capitals, we seek to grow inclusively, responsibly and sustainably.

Inputs

Natural

Radio spectrum in several bands

Electricity consumption - Total (Scope 1 and Scope 2)

Electricity (GJ)	Diesel (L)	Other^
470 209 003	**97 065 339**	**123 604**
2022: 2 773 817	2022: 3 483 026	2022: 189 480

^ Includes petrol and natural gas.

Financial

Market cap (Rbn)	Holdco debt (Rbn)	Interest received (Rbn)
209	**31.9**	**3.0**
2022: 240	2022: 23.1	2022: 2.0

Intellectual

- Strong established brand.
- Skilled, experienced and diverse Board members and employees.
- Partnerships and JVs.

Human

Number of employees	Contractors and temporary employees (%)	Investment in employees (Rm)
17 684	**12**	**307**
2022: 17 462	2022: 15	2022: 280

Manufactured

Value of property, plant equipment (Rbn)	Capex (IFRS 16) (Rbn)	Number of smartphones (m)
117.2	**63.6**	**183.3**
2022: 108.8	2022: 54.1	2022: 168

Social

- Improved relationships with regulators, customers, trade unions, employees, communities and civil society.
- Ongoing interactions with government and tax authorities.
- Regular engagement with shareholders and the investor community.
- 294.8m subscribers in 19 markets.

Our business model

Our five-step business model is informed by our belief, our strategic intent and values.
It is underpinned by our governance and supports the delivery of our strategy.

1 We secure access to spectrum, licences and technologies based on a disciplined capital allocation framework

2 We attract, develop and retain the best talent and future skills, which we combine with the resources in step 1 to create, build and operate technology platforms that are second to none

3 We drive industry-leading connectivity operations and build the largest and most valuable platforms, creating shared value by advancing digital and financial inclusion

4 This is achieved through the sale and distribution of our differentiated products and services which provide the leading customer experience leveraging the #1 African brand

5 With ESG at the core, and while accelerating our portfolio transformation, we provide leading digital solutions for Africa's progress

Outputs

Services

Communication

Fintech

Digital

Enterprise

Network as a Service (NaaS)

Chenosis

Emissions
Total GHG emissions
3 713 379 million tCO_2e

Key outcomes

- Net Zero emissions by 2040
- Committed to 50% absolute average reduction by 2030 (science-based target)

	2023	2022
Carbon emissions – Scope 1 (tCO_2e)	**292 505.72~**	290 392.32
Carbon emissions – Scope 2 (tCO_2e)	**267 827.92~**	343 291.89^
Carbon emissions – Scope 3 (tCO_2e)	**3 153 045.96**	4 223 858.00^
E-waste (tonnes)	**103**	99

	2023	2022
EBITDA (Rbn)	**90.4**	90.8
Profit after tax (PAT) (Rbn)	**4.0**	23.8^
Adjusted headline earnings per share (cents)	**1 203**	1 329^
Holdco leverage (x)	**1.4**	0.8
Cash generated from operating activities (Rbn)	**64.1**	68.1
Return on equity (%)	**24.4**	24.2^
Dividend (cps)	**330**	330

	2023	2022
Goodwill and intangible assets (Rbn)	**74.8**	50.3
Maintained most valuable African brand rank, worth (Rbn)	**68.2**	60

	2023	2022
Staff costs (Rbn)	**15.1**	12.7
Voluntary staff turnover (%)	**5.7**	6.4
Employee sustainable engagement score (%) LA	**83**	83
Total time spent on employee development (total hours)	**1 823 189**	1 363 200
Female representation (%)	**40**	40

	2023	2022
2G sites rolled out	**4 458**	2 974
3G sites rolled out	**3 319**	3 498
4G sites rolled out	**5 356**	7 993
5G sites rolled out	**2 251**	1 570
Network Net Promoter Score (NPS) (#1 in markets) (%)	**10**	10
Depreciation (Rbn)	**31**	28.6

	2023	2022
NPS LA (%)		
South Africa	**45**	48
Nigeria	**51**	61
Other key markets#	**38**	43
MoMo active subscribers (m)	**72.5**	69.1
CSI spend (Rm)	**220**	251
B-BBEE status MTN Group and MTN South Africa	**Level 1**	Level 1
Calls to whistle-blower hotline LA	**119+**	123^
Total tax contribution (Rbn) LA	**61.7**	54.8^
Economic value added (Rbn)	**159**	149

^ Restated due to prior year adjustment.
+ Excludes incidents reported via walk-ins, email, management concerns and internal audit queries. A total of 127 tip-offs have been received. Eight were noted as test calls.
 # Includes Cameroon, Côte d'Ivoire, Iran and Uganda.
~ Total includes MTN SA (Scope 1: 31 730.94 tCO_2e and Scope 2: 157 015.42 tCO_2e LA).

Value created Value eroded Value preserved

Creating and preserving value through our business model continued

Stemming from our brand promise of Doing for tomorrow, *today*, and as part of our integrated thinking, we continuously assess the availability and quality of our capital inputs in a bid to entrench effective decision making in the Group. Here we outline trade-offs made in the year.

Trade-offs

Natural

- MTN South Africa's network resilience plan to mitigate the disruption to network availability caused by loadshedding includes investment in batteries and backup generators. Natural and financial capitals are negatively impacted.
- However, investments in solar and other greener economy projects in South Africa and across our Opcos as part of our commitment to reducing our carbon footprint have a sustainably positive impact on social and natural capital.

Relevant material matters: MM 1, MM 2, MM 3, MM 4, MM 5, MM 6

Associated risks to value creation: R 1, R 2, R 5, R 6, R 7, R 8, R 9, R 10

Human

- Our work to advance gender equality through the greater representation of female MTNers and efforts to reduce the gender pay gap have a short-term negative impact on financial capital but are offset in the medium to longer term by their positive impact on the human and social capitals.
- Investments in training, including in the MTN Skills Academy, enhance human capital but have a negative short-term effect on financial capital.
- Our expense efficiency programme (EEP) supports financial capital, but has some negative effect on social capital by impacting supplier relationships and employee morale.

Relevant material matters: MM 2, MM 3, MM 5, MM 6, MM 7, MM 9, MM 10

Associated risks to value creation: R 2, R 5, R 6, R 8, R 10

Financial

- Through our work to bolster MTN's financial resilience, we enhance the Group's financial capital. Among these are:
  - Expense efficiencies.
  - Asset sales.
  - The upstreaming of cash from Opcos.
  - Liability management and the reduction of non-rand debt.
- Financial capital is under pressure to support operating and capital expenditures, as well as the completion of our network resilience plan in South Africa.

Relevant material matters: MM 4, MM 5

Associated risks to value creation: R 5, R 7

Manufactured

- Expediting work to increase internet access across our markets has a short-term negative impact on financial capital, but supports the social, manufactured and intellectual capitals. In the long run, it lays the foundation for enhancing financial capital.

Relevant material matters: MM 3, MM 5, MM 7, MM 8, MM 10

Associated risks to value creation: R 3, R 5, R 6, R 9

Intellectual

- The development and launch of new and differentiated products and services aimed at enhancing the customer experience impact the intellectual and social capitals positively while reducing financial capital.
- Strategic partnerships, notably the Mastercard agreement signed in 2023 with MTN Group Fintech, focuses on scaling our existing businesses and leveraging off our partners' assets and footprints. These have a positive medium to long-term impact on intellectual and financial capital.

Relevant material matters: MM 2, MM 3, MM 5, MM 7, MM 8, MM 9, MM 10

Associated risks to value creation: R 2, R 3, R 5, R 6, R 8, R 10

Social

- Continuous improvements to the remuneration policy and transparent disclosure allay investor worries and encourage the retention of skilled employees. They enhance the stocks of the financial and social capitals.
- Our commitment to digital and financial inclusion in our communities transforms society through the development of skills and enterprises, but this has a short-term negative impact on financial capital.
- Driving diversity, inclusion, localisation and preferential procurement builds the stocks of the social, human, intellectual and financial capitals.

Relevant material matters: MM 1, MM 2, MM 6, MM 7, MM 9

Associated risks to value creation: R 1, R 2, R 5, R 8, R 10

Our outlook

MTN's resilient business model positions us for accelerated growth and relevance in the run-up to 2025 and beyond. Here, we provide our views on our operating context over the short to medium term.

Macro-environment

Key macro challenges

- Elevated inflation
- Forex volatility and availability
- Regulatory
- Geopolitics

Inflation continues to put upward pressure on operating costs, however our EEP, network investments and commercial strategies are helping to limit the negative impact on earnings. In the period ahead, adjustments to pricing for voice and data services will be necessary to offset rising network costs. Approval from regulatory authorities in multiple markets will be needed for these changes to take effect and enable us to deliver on our medium-term guidance.

Encouragingly, inflation started to trend lower in key markets such as South Africa, Ghana and Uganda.

Forex availability and paucity particularly in Nigeria, has had an adverse impact on the cost of capex.

MTN Nigeria is focused on margin recovery and improving its financial position following the recent devaluation of the naira. Engagements with regulatory authorities on much-needed tariff increases for the industry remain ongoing and a priority, and there is comprehensive work in progress to reduce and mitigate the foreign exchange exposures impacting tower operating costs particularly. A key priority for the year ahead will be to strengthen the MTN Nigeria margins and balance sheet resilience, including resolving for the longer term the negative equity position as at end of FY 2023.

In South Africa, we are monitoring the proposed amendments to the Electronic Communications Act in relation to spectrum, roaming, MVNOs, rapid deployment of infrastructure, facilities access and competition assessments. We are also monitoring developments regarding the next round of spectrum auctions. NIN-SIM registration regulations in the market in Nigeria and Ghana present ST headwind to subscriber base development, however will result in a more robust subscriber registration framework in the MT and LT

The geopolitical environment continues to be relatively uncertain, both at a global level and in some of the regions we operate in. General elections in six of our key markets and globally present some uncertainty regarding the policy outlook and implementation. MTN Sudan continues to trade in a particularly challenging context, given the ongoing conflict in the country. The ongoing efforts in our localisation programmes – particularly Ghana and Uganda – is key to our agenda to create shared value in our markets as well as our broader asset realisation programme. In 2024, we will continue the work to meet our localisation targets in key markets.

Medium-term guidance framework

Confirming our medium-term guidance

Key performance indicators (KPIs)	Target
Service revenue growth	**Group:** at least mid-teens growth
	South Africa: mid single-digit growth
	Nigeria: at least 20% growth
	Fintech: high – 20% to low – 30%
Holdco leverage	≤1.5x, faster non-rand deleveraging
Asset realisation	>R25bn
Adjusted ROE	Improvement towards 25%

While some short-term uncertainties remain, we see attractive medium and long-term prospects for our business, and we remain focused on the execution of our strategy to deliver on our medium-term targets. We provide outlook information throughout this report, particularly in: