ANNUAL REPORT 2024

Together our progress is unstoppable

y’ello!

MTN

Together, we're achieving unstoppable growth

22m

subscribers

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Notice of Annual General Meeting

NOTICE is hereby given that the Annual General Meeting ("AGM") of MTN Uganda Limited ("MTN" and the "Company") for the year ended 31 December 2024 will be held as a hybrid meeting comprising both physical and electronic means in accordance with Article 62(c) of the Company's Articles of Association on **Friday, 16 May 2025** at **10.00 a.m** to conduct the following business:

Ordinary Business

1 To receive, consider and if approved adopt the Company's audited accounts for the year ended 31 December 2024, together with the reports of the directors and external auditor thereon.

2 To approve and declare the payment of a final dividend of UGX 8.5 per ordinary share (UGX 190.3 billion) for the year ended 31 December 2024.

3 To elect directors of the Company as follows:

   a. Ms. Karabo Nondumo retires by rotation in accordance with Articles 97, 98 and 99 of the Articles of Association and being eligible, offers herself for re-election; and

   b. Dr. Winnie Tarinyeba Kiryabwire retires by rotation in accordance with Articles 97, 98 and 99 of the Articles of Association and being eligible, offers herself for re-election.

4 To approve the appointment of Ernst & Young Uganda as the external auditor of the Company for the audit relating to the financial year ending 31 December 2025, and to authorise the directors to fix their remuneration for that purpose.

5 To conduct any other business that may be conducted at the AGM, of which due notice has been given.

By Order of the Board,

Ms. Enid Edroma
Company Secretary
24 April 2025

Notes

Registration for the AGM

1 The AGM will be held as a hybrid meeting in accordance with Article 62(c) of the Company's Articles of Association. Shareholders will be provided with an option to register to participate in the meeting physically or virtually during registration.

2 Shareholders wishing to participate in the AGM should register by doing the following:

   a. Dialing ***284*32#** for Uganda telecommunications networks and ***483*905#** for Kenya telecommunications networks and following the various prompts regarding the registration process; or

   b. Sending a request via email to be registered to **mtnuganda@image.co.ke**; or

   c. Shareholders with email addresses will receive a registration link via email which can be used to register.

3 To complete the registration process, shareholders will need to provide their national identity card/passport numbers which were used to purchase their shares and/or their Securities Central Depository Account Number. For assistance during registration, shareholders should dial the following helpline number +256 762 260 804 between 9:00 a.m. and 4:00 p.m. from Monday to Friday or send an email to **mtnuganda@image.co.ke.**

4 Registration for the AGM opens on **Friday, 25 April 2025** at **10:00 a.m** and will close on **Thursday, 15 May 2025** at **10.00 a.m**. Shareholders will not be able to register after this time.

5 The AGM will be streamed live at the scheduled time and date indicated above to registered shareholders who will receive a link to the AGM 24 hours before the AGM. Registered shareholders will also receive a short message service (SMS/USSD) prompt on their registered mobile numbers 24 hours before the AGM acting as a reminder of the AGM and providing a link to the livestream. A second SMS/USSD prompt shall be sent one hour ahead of the AGM. By registering to attend the AGM, a shareholder consents to receive these messages.

Right of shareholders to ask questions

6 Shareholders have the right to ask questions at the AGM. Shareholders may also ask questions in writing prior to the meeting as follows:

   a. Sending their written question by email to **mtnuganda@image.co.ke**;

   b. Shareholders who will have registered to participate in the meeting virtually shall be able to ask questions by SMS by dialing the USSD code above and selecting the option (*Ask Question*) on the prompts or via the Question Tab on the livestream link during the AGM; and

   c. To the extent possible, physically delivering their written questions with return physical address or email address to the Company Secretary at the MTN Uganda head office at Plot 69/71, Jinja Road, Kampala, Uganda.

7 All questions received in advance will be responded to via email or SMS or via the selected mode by the shareholder. A full list of questions received and the answers provided will be published on the Company's website within 24 hours of the conclusion of the AGM

8 Shareholders are advised to submit their questions by **Thursday, 15 May 2025** at **10.00 a.m.**

Voting

9 All shareholders of the Company are entitled to vote at the AGM. Every shareholder present at the meeting (in person, virtually or by proxy) shall be entitled to one vote, and on a poll, shall be entitled to one vote for every share held.

10 Shareholders attending electronically will receive an SMS prompt with instructions on their registered mobile phone number alerting them to propose or second the resolutions put forward in the notice. Shareholders attending electronically may follow the AGM proceedings using the livestream platform and vote (when prompted) using the livestream link or using the USSD prompts.

11 In line with the Companies Act (Cap. 106) and the Articles of Association, all the resolutions to be passed at the AGM are ordinary resolutions. Ordinary resolutions require the support of more than 50% of the voting rights exercised on each of them by the shareholders.

Attendance of AGM and proxies

12 As indicated above, only a person whose name appears on the Company's share register on **Thursday, 15 May 2025** at **10.00 a.m** is entitled to attend the AGM.

13 A shareholder who is entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend, speak and vote instead of himself/herself. Such proxy need not be a shareholder of the Company but must be an individual. A proxy form may be downloaded from the Company website **https://www.mtn.co.ug/investors/annual-general-meetings/**. The appointment of a proxy will not preclude the shareholder who appointed that proxy from attending the AGM and participating and voting in person at the meeting. A proxy form for a corporate shareholder must be accompanied by a power of attorney or other authority issued by the corporate shareholder in favour of the proxy. Shareholders who are unable to attend the AGM are encouraged to use the proxy form to ensure that their votes on the proposed resolutions are taken into account.

14 For the appointment to be valid, duly executed proxy forms must be delivered electronically via email address **Investorrelations.ug@mtn.com** or deposited at any of the following locations not later than **Thursday, 15 May 2025** at **5.00 p.m**:

a. At the MTN Uganda head office at Plot 69/71, Jinja Road, Kampala, Uganda; or

b. At the offices of the Share Registrar, Uganda Securities Exchange Nominees Limited (SCD Registrars) at Plot 3-5 New Port Bell Road, UAP Nakawa Business Park, Block A, 4th Floor, Kampala, Uganda.

Books closure and dividend payment

15 The books closure date for entitlement to the final dividend is **Monday, 2 June 2025**. Only shareholders registered in the books of the Company at close of business on that date are entitled to receive the final dividend.

16 In line with the Uganda Securities Exchange Trading Rules 2021, the ex-dividend date shall be **Wednesday, 28 May 2025**. Accordingly, an investor who buys MTN shares before this date will be entitled to the final dividend. Any investor buying MTN shares on this date and afterwards will not be entitled to the final dividend declared for the year ended 31 December 2024.

17 On **Friday, 20 June 2025**, the final dividend will be paid (net of withholding tax) electronically to the nominated bank accounts or mobile money wallets of eligible shareholders.

Annual Report and audited financial statements

18 The electronic version of the Annual Report and audited financial statements is available online for viewing and download from our website at **www.mtn.co.ug/investors**. In addition, shareholders who have provided their email addresses to the Share Registrar will receive the electronic version of the Annual Report and audited financial statements via email.

MTN shareholders attending the financial year 2023 Annual General Meeting.

Explanatory notes to the resolutions

We welcome you to the fourth AGM of the Company following its listing on the USE on 6 December 2021. Explanatory notes are provided below to the resolutions set out in the notice of the AGM. At the meeting, you will be requested to vote in favour of the proposed resolutions. Please note that if you abstain from voting, you will not be counted in the calculation of the proportion of votes for or against a resolution.

Resolution 1: 2024 Audited Accounts

"To receive, consider and if approved adopt the Company's audited accounts for the year ended 31 December 2024, together with the reports of the directors and external auditor thereon."

Pursuant to the requirements of the Companies Act (Cap. 106), the directors of the Company are mandated to prepare financial statements for each year. In line with those provisions, the 2024 financial statements have been prepared, audited, approved and included in the 2024 Annual Report. The Annual Report also contains the report of the directors and the Company's external auditor on the audited financial statements.

The directors are required by the Companies Act to lay before the Company in the general meeting for each financial year copies of the financial statements of the Company made up to a date not exceeding nine months prior to the date of the meeting. This provides the shareholders with the opportunity to ask questions on the content of the audited financial statements.

We urge you to vote in support of the motion to receive and approve the audited financial statements and the accompanying reports.

Resolution 2: Final Dividend

"To approve and declare the payment of a final dividend of UGX 8.5 per ordinary share (UGX 190.3 billion) for the year ended 31 December 2024."

Explanatory note:

The Companies Act empowers the Company to declare and pay a dividend based upon a recommendation by the directors and with reference to the accounts of the Company. Article 53 of the Company's Articles of Association provides that the shareholders in a general meeting may declare a final dividend by ordinary resolution, but no dividend shall exceed the amount recommended by the directors acting in accordance with the Company's prevailing dividend policy.

The proposed amount of UGX 8.5 per ordinary share (UGX 190.3 billion) constitutes the final dividend for the year ended 31 December 2024.

The proposed final dividend for 2024 is UGX 8.5 per ordinary share (UGX 190.3 billion). This follows two interim dividends paid in September and December 2024 of UGX 6.6 per share (UGX 147.8 billion) and UGX 7.5 per share (UGX 167.9 billion) respectively, which translates to a total dividend of UGX 22.6 per share (UGX 506.0 billion). The dividend pay-out represents 78.9% of profit and total comprehensive income for 2024 and is in line with our dividend policy of a 60% minimum of our distributable income allocated to pay-outs.

We urge you to vote in support of the motion to declare and approve the final dividend of UGX 8.5 per ordinary share (UGX 190.3 billion) for the year ended 31 December 2024.

Resolution 3: Election of Directors

"To elect Ms. Karabo Nondumo and Dr. Winnie Tarinyeba Kiryabwire, who retire by rotation as directors of the Company"

Explanatory note:

Regarding rotation, Articles 97, 98 and 99 of the Articles of Association provide that each director of the Company (other than executive directors) shall retire and be eligible for re-election or re-appointment upon the lapse of an initial three-year term. In addition, at least one third of the non-executive directors shall retire from office at an AGM every three years and the director so retiring shall be eligible for re-election. On this basis, Ms. Karabo Nondumo and Dr. Winnie Tarinyeba Kiryabwire retire by rotation and being eligible, offers themselves for re-election.

In line with the Capital Markets (Corporate Governance) Regulations 2025, the Companies Act and the Articles of Association, we request that you support the motion to elect Ms. Nondumo and Dr. Tarinyeba Kiryabwire as directors of the Company.

Resolution 4: External Auditor

"To approve the appointment of Ernst & Young Uganda as the external auditor of the Company for the audit relating to the financial year ending 31 December 2025, and to authorise the directors to fix their remuneration for that purpose."

Explanatory note:

The Companies Act requires the Company to appoint an auditor to hold office from the conclusion of that general meeting, until the conclusion of the next general meeting. The Companies Act further permits the remuneration of the external auditor appointed by the shareholders to be fixed in such manner as the general meeting may determine. Article 142 of the Company's Articles of Association provides that the external auditors shall be appointed by the shareholders and their remuneration decided by the directors.

In line with the Companies Act and the Company's Articles of Association, we request that you support the motion to approve the re-appointment of Ernst & Young Uganda as external auditors of the Company, and to authorise the directors to fix their remuneration for the audit of the Company's accounts for the year ending 31 December 2025. The directors will be guided in this regard by the Audit and Risk Management Committee.

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Who we are

MTN Uganda is part of MTN Group, Africa's largest mobile network operator, leading technology and digital innovation across 16 countries in Africa and the Middle East. MTN has been dedicated to Uganda's development since its establishment 25 years ago. We are committed to changing lives by creating shared value and driving digital innovative solutions for Uganda's progress.

The MTN Group has operations in Benin, Botswana, Cameroon, Congo Brazzaville, Cote d'Ivoire, eSwatini, Ghana, Iran, Liberia, Nigeria, Rwanda, South Africa, South-Sudan, Sudan, Zambia, and ***Uganda***

MTN Uganda Subscribers **22m**

MTN Group Subscribers **291m**

MTN Group Located in **16** Countries

Value created in 2024

In implementing our *Ambition 2025* strategy, we depend on various resources and relationships known as the Six Capitals to create value by developing and distributing a range of innovative and reliable communication products and services.

The Six Capitals, which are aligned with 11 of the 17 UN SDGs are human capital, manufactured capital, financial capital, intellectual capital, social and relationship capital and natural capital.

The capitals

Financial | **Social** | **Manufactured** | **Human** | **Intellectual** | **Natural**

Financial capital

This refers to the money (cash, investments and debt) that we use to run the business. By applying financial capital, we are able to grow our business, positively impacting manufactured, human and intellectual capital, as well as social and relationship capital.

How we achieved financial capital

- Implemented strategies to bolster MTN's financial resilience
- Continued to maintain and improve liquidity levels
- Accessed the domestic debt markets for funding
- Expense efficiency programme included enhanced oversight of expenditure such as network costs, distribution, information technology and third-party supplier costs

2024 tangible outcomes

13.2% ↑	Subscribers	22.0 m
18.9% ↑	Total revenue	UGX 3.2 tn
30.1% ↑	Profit after tax	UGX 641.5 bn
25.6% ↑	Total dividend	UGX 506.0 bn
172.9% ↑	Efficiencies & savings	UGX 72.6 bn
	Domestic syndicated lending facility	UGX 370 bn

Social Capital

This refers to MTN's relationships with stakeholders (customers, suppliers, communities), its reputation, and its *"social license to operate"*.

It includes the trust placed in us by our customers, suppliers, society, and the impact that we have from everything we do. We improve our social capital by helping to close the digital divide and transform society through our various skills and enterprise development, preferential procurement and localisation initiatives.

How we achieved social capital

- Fostered a diverse and inclusive culture that positively impacts the stocks of social and human capital
- Invested in fintech and digital offerings and increased digital and financial inclusion in our communities
- Transformed society by promoting enterprise development
- Promoted localisation and preferential procurement
- Constructive relationships and engagements with stakeholders, and continuing interactions with GOU and tax authorities
- Monitored staff morale through annual culture surveys

2024 tangible outcomes

230%	Successful secondary share offer	7.05%
4.5% ↑	CSI investments	UGX 4.6 bn
14.9% ↑	Tax contribution	UGX 1.3 tn
21.8% ↑	Spend on local suppliers	UGX 980.2 bn
73.8% ↑	Spend on women suppliers	UGX 73.6 bn
	Local shareholders	94.4%

MTN engaged key suppliers at the 2024 supplier forum to enhance strategic alignment and optimise service delivery.

Manufactured Capital

This refers to the systems, structures, equipment and tools that we deploy to provide services to our customers. We increased the stock of our manufactured capital through investments in new assets and the upgrade of existing infrastructure to the latest technologies. These actions boost our business and our stock of financial capital in the longer term.

How we achieved manufactured capital

- Increasing number of sites expanded total coverage (including rural)
- Focused our capital investment on rolling out dedicated fibre and enhanced 2G, 3G and 4G base stations, data and switching centres

2024 tangible outcomes

↑ Total investments
UGX 418.0 bn

↑ Fibre coverage
17,774 km

↑ *5G* coverage
15.3%

↑ *4G* coverage
87.9%

↑ *3G* coverage
94.6%

↑ *2G* coverage
98.9%

Human Capital

This refers to our employees' health, wellbeing, intellectual engagement, motivation, competence and the ability to do their jobs well. We increase our human capital by creating an inspiring environment where our employees are empowered to activate and realise their full and true potential. Our employee value proposition considers trends in globalisation and the need for a transformative and self-driven culture in the workplace.

How we achieved human capital

- Refreshed our Live ***Y'ello*** values
- Invested in targeted training and development
- Entrenched our employee value proposition ***Live Inspired*** to drive agility, flexibility and future fit skills for our workforce
- Attractive remuneration packages, including performance bonuses

2024 tangible outcomes

1,323
MTN employees

48.4%
Women in the workforce

38%
Women in senior management

0.6%
Differently abled persons in the work force

93.0%
Rating of MTN per employee

Intellectual Capital

This refers to MTN's intangible assets based on knowledge, brand reputation, and organizational know-how that give us a competitive edge in the market. It comprises our strong and established brand, our skilled and experienced employees, our partnerships and joint ventures and more than 25 years' experience of operating in Uganda that have greatly contributed to our success.

How we achieved intellectual capital

- Intensified our brand promotion activities
- Enhanced our customer service with digitisation
- Engaged in various strategic partnerships to expand new revenue stream

2024 tangible outcomes

Winner
MTN Group Awards
- *CEO of the year*
- ***Y'ello*** *Care campaign*
- *Value-based capital*
- *Million dollar challenge*

- Deployed AI analytics to enhance customer service – ***Zigi***, our AI-powered digital personal assistant

Natural Capital

This refers to all the environmental resources that MTN uses or impacts while providing services such as water, land, energy, and biodiversity. We adopted sustainable business approaches to reduce the impact of our operations on the environment through the transition to clean energy generators, water conservation initiatives and the use of electric vehicle technologies throughout our network. Investments in greener economy initiatives create a sustainable positive effect on the stocks of natural and social capital.

How we achieved natural capital

- Ensured resilience to change in climate or increase in extreme weather events on critical infrastructure through business continuity processes
- Continued to invest in efficiencies to ensure our technical infrastructure supports service delivery using the least possible amount of energy

2024 tangible outcomes

3.0%
↑ Green sites
3,339

8.5%
↓ Carbon emissions
4,225 tco2

9.0%
↑ Waste recycled
87,260 kg

UN SDGs: Driving positive outcomes

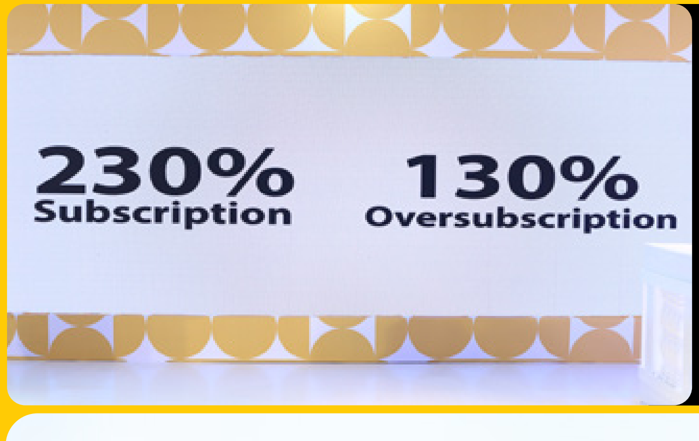
In 2015, the mobile industry became the first industry to commit to the 17 UN SDGs through its representative body, the GSM Association.

As the GSM Association notes, with billions of people relying on mobile technology as their primary means of accessing the internet, it has enabled engagement with a multitude of life-enhancing services.

Mobile services act as the pivot of the digital economy, propelling innovation and acting as a catalyst for transformation across different sectors, providing access to critical information and services such as education, healthcare and financial services as well as income-generating opportunities. Mobile services also serve as a crucial component in combating climate change. MTN is playing its part to contribute towards the UN SDGs, recognising its direct and indirect impact.

UN SDG	Our 2024 contribution
1 NO POVERTY	• Spent UGX 980.2 bn on local suppliers • Provided economic opportunities by supporting SMEs and increasing access to financial services in underserved areas and reducing poverty • UGX 4.6 bn in CSI commitments to improve quality of life among Ugandan communities
2 ZERO HUNGER	• Through CSI, supporting community-based agricultural projects that provide training to farmers, particularly women and youth, on sustainable farming practices • Using digital platforms and 4G and 5G technology to improve agriculture and food security
3 GOOD HEALTH AND WELL-BEING	• Invested in a state-of-the-art wellness center • Promoted healthy living, physical activity and good nutrition through our ***MTN Move*** wellness app • The wellness application ***Afya Pap*** leverages AI and behavioural science to improve management and prevention of chronic health conditions, and supports our employees to prevent, manage and control diabetes and hypertensive conditions
4 QUALITY EDUCATION	• Advancing a wide range of educational activities through the MTN Foundation initiatives – ***MTN Skills Academy***, ***MTN ACE*** and ***MTN Girls In Tech***, among others • Invested UGX 2.6 bn in training and upskilling MTN staff • ***MTN Learn*** platform deployed to support employees' skilling and re-skilling
5 GENDER EQUALITY	• Board has 55.5% female representation • Women comprise 48.4% of our workforce • Women comprise 38.0% of our senior management
7 AFFORDABLE AND CLEAN ENERGY	• Implemented ***Project Zero,*** our energy efficiency and carbon emission sustainability program • Upgraded 3,339 cell sites to solar and hybrid clean power • Introducing smarter, greener infrastructure technologies including batteries, direct current power systems and uninterrupted power supply
8 DECENT WORK AND ECONOMIC GROWTH	• UGX 1.3 tn in total tax contribution • 1,323 total employee headcount • Paid UGX 151.7 bn in staff costs • Supported SMEs through our enterprise business division and MoMo
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Growing uptake of mobile internet services with smart phone penetration at 44.9% and 10.1m active data users • 538 5G sites, increased 4G, 3G and 2G coverage to 87.9%, 94.6% and 98.9% respectively • Digital inclusion with 4.3 bn transactions processed through MoMo, with an aggregate transaction value of UGX 158.6 tn
10 REDUCED INEQUALITIES	• Contributed UGX 50.5 bn to the Uganda Communications Universal Service and Access Fund, which will be applied towards extending communications services to underserved areas • Launched the second edition of ***MTN Girls in Tech*** which aims to train 400 youth annually in traditionally male-dominated fields. • Provided mobile financial services access to 13.8m active MTN MoMo users.
11 SUSTAINABLE CITIES AND COMMUNITIES	• Contributed to the development of the local capital markets through the sale of a strategic 7.05% shareholding • Empowered youth with digital literacy skills through the ***MTN Internet Bus*** and the ***MTN Skills Academy*** • CSI investments geared towards economic independence and community empowerment
13 CLIMATE ACTION	• Reduced carbon emissions by 9% • 2.6% of waste recycled or repurposed • Implemented ***Project Zero***, our energy efficiency and carbon emission sustainability program • Made tactical interventions to minimize power consumption and have in place an innovative water recycling and reuse initiative at the head office premises
17 PARTNERSHIPS FOR THE GOALS	• Exclusive telecommunications partner in Uganda's first digital national population and household census held in May 2024. • Collaboration with GOU's National Start-up Technical Working Group • Promoted strategic partnerships with both public and private sector players in support of the national development agenda

MTN's secondary share offer



Our aspiration to localise the ownership of MTN did not only start with ***Ambition 2025***. From the onset on 21 October 1998, our goal was to build MTN as a strong home-bred brand that revolutionised communications and supported the socio-economic empowerment of her people.

True to this, we remain proud of our initial list on the Main Investment Market Segment of USE on 6 December 2021 and its impact Uganda's capital markets.

We are equally thrilled by the result of MT secondary market offer of 1,504,807,373 sha that we completed on 13 June 2024.

As with the initial public offer, the secondary offer was entirely successful. In addition to being over-subscribed, the offer resulted into approximately 19,600 Ugandan investors owning a stake in MTN. We are proud to have helped facilitate the broadest possible shareholder base in Uganda, with regional participation and in so doing, further developing the equity capital markets in this country.

The confidence exhibited by our shareholders' investment in MTN affirms our sense of belonging in Uganda and is our drive to deliver value daily. MTN is committed to going above and beyond in the pursuit of the full spectrum of financial inclusion for all Ugandans.

Show Us Your Fayaaa!

Football transcends sport in Uganda, uniting the nation, bridging social divides and fostering national pride. MTN leveraged this passion by collaborating with the Federation of Uganda Football Associations and launching the "***Show Us Your Fayaaa***!" campaign.

This campaign was intended to rally national support for the Uganda Cranes in their 2025 African Cup of Nations qualifiers. The key initiatives under the campaign included easy and affordable ticketing via the MoMo Ticketing platform and engaging fan activations through cheerleader tours and partnerships with Nile Breweries.

The campaign successfully fuelled fan excitement, culminating in the Uganda Cranes qualifying for the 2025 African Cup of Nations. This triumph serves as a testament to the collective effort and the undeniable power of unity and shared passion for football within Uganda.

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Our report

This Annual Report is MTN's primary communication to all stakeholders and aims to enable them to make an informed assessment of the company's performance and prospects in Uganda. The Annual Report provides a balanced review of the material matters that the company faces: our use of the capital; our key operational, financial, economic, social and environmental performance; how we are governed; our engagement with stakeholders; as well as our risks and opportunities. In short, it is our value-creation story.

Scope and boundary

Our material matters, as well as our strategy, form the anchor of the report and determine its content. The report covers the period 1 January to 31 December 2024, and gives commentary, performance measures and prospects for MTN's operations. The full set of annual financial statements can also be accessed at the *'Investors'* page on the MTN website – **www.mtn.co.ug/investors**.

Basis for preparation

This report is prepared by the Investor Relations team, reporting to the Chief Financial Officer. In determining its content, we assess the annual business plan, ***Ambition 2025***, and the issues that materially impact our ability to create and preserve value. We also draw on our monthly reports prepared by management and submitted to the Board. These reports include details of our operating context, our strategic performance, our stakeholder engagement, as well as risks and opportunities.

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 2024, we assessed our controls to be adequate and effective.

Financial information

We apply IFRS as issued by the International Accounting Standards Board and interpretations as issued by the IFRS Interpretations Committee. We comply with the annual reporting obligations of the Capital Markets (Corporate Governance Regulations) 2025 and the USE Listing Rules 2025. We also comply with the requirements of the Companies Act (Cap. 106).

Non-financial information

We use local and global standards and guidelines to compile non-financial information. These include the International Integrated Reporting Council, the Companies Act, the Capital Markets (Corporate Governance) Regulations 2025 and the USE Listing Rules 2025.

Disclosures regarding our sustainability reporting are guided by MTN and MTN Group's signatory membership of the ***United Nations Global Compact***, a non-binding United Nations pact to encourage businesses to adopt sustainable and socially responsible policies, the ***Global Reporting Initiative Standards***, an international independent standards organization that provides global sustainability reporting standards, the *United Nations Guiding Principles on Business and Human Rights*, a set of guidelines for companies to prevent, address and remedy human rights abuses committed in business operations, the ***Carbon Disclosure Project***, an international non-profit organisation which fosters environmental reporting and risk management, and the ***King Report (IV) on Corporate Governance***.

Controls and combined assurance

Opinions and forward-looking statements expressed in this report represent the views of the company at the time. Undue reliance should not be placed on such statements and opinions because by nature, they are subject to known and unknown risk and uncertainties and can be affected by other factors that could cause actual results and company plans and objectives to differ materially from those expressed or implied in the forward-looking statements. Neither the company nor any of its respective affiliates, advisers or representatives shall have any liability whatsoever for any loss howsoever arising from any use of this report or its contents, and do not undertake to publicly update or revise any of its opinions or forward-looking statements whether to reflect new information or future events or circumstances.

Approval by the Board

The Board is responsible for the Annual Report and believes that this report addresses all material issues and presents a balanced and fair account of the company's performance for the reporting period, as well as an accurate reflection of our core strategic commitments for the short, medium and long term. The Audit and Risk Management Committee ensures the integrity of the Annual Report and has applied its collective mind to its preparation and presentation.

The Board approved the consolidated audited financial statements for the year ended 31 December 2024 on **Wednesday, 5 March 2025**.

Charles Mbire
Board Chairperson

Sylvia Mulinge
Chief Executive Officer

MTN stakeholders at the financial year 2023 Annual General Meeting.

Our purpose statement

MTN is a Ugandan telecommunications operator with the strategic intent of providing telecommunications and digital solutions for Uganda's progress. Inspired by our belief that everyone deserves the benefits of a modern connected life, we provide a diverse range of voice, data, digital, fintech, wholesale and enterprise services to approximately 22.0 million subscribers. Our industry leadership in coverage, capacity and innovation reflects the steadfast and progressive nature of our customer base.

The opportunity we have been granted to play a role in Uganda's evolution has been our great privilege. A proudly Ugandan company with a rich heritage, we are committed to using our technology and assets to help build a better tomorrow where businesses expand, the economy grows and people progress. Guided by the principle of shared value which enables shared prosperity, we know that the success and growth of our business is tied to the wellbeing and development of the community where we live and work.

This is why MTN is constantly looking for opportunities and possibilities to make a positive and sustainable impact, and we support our customers and stakeholders by realising the benefits of a modern connected life through the execution of our sustainability framework. Sustainability is at the core of our business strategy as we strive to create shared value for our stakeholders.

Our strategic intent is to lead digital solutions for Uganda and Africa's progress

We are committed to using our technology and assets to help build a better tomorrow.

Our values define what is important to us, they guide our conduct and inform our actions

Our people drive our success and exemplify *Leadership, Innovation, Relationship, Integrity* and a *Can-do Spirit*. In a complex world of constant and rapid change within a dynamic business environment, our organisational values are the guiding principles that help shape our culture, inform our decisions and define our company.

We believe everyone deserves the benefits of a modern, connected life

Our dedication to enabling connections that matter – among families, friends and communities – is fueled by this conviction. This commitment, coupled with the support and trust placed in us by our customers, have made our growth and success possible.

Our strategic goals

Ambition 2025 provides our strategic focus and ensures that we continue to evolve and stay relevant while harnessing opportunities to create and preserve value for our stakeholders. *Ambition 2025* is hinged on the primary objective of accelerating growth and unlocking the value of our infrastructure assets and platforms. This strategic path will position our business to capture opportunities within Uganda. Our four strategic pillars are to ***build valuable platforms;*** drive ***industry-leading connectivity operations; create shared value*** and ***accelerate portfolio transformation.***

As we reposition for growth through *Ambition 2025*, our strategy is centred around becoming a fully-fledged digital platform and technology company. *Ambition 2025* extends our focus beyond core mobile and fixed connectivity infrastructure to building the largest and most valuable platform business.

This will rest on a scale connectivity and infrastructure business, using both mobile and fixed access networks across the consumer, enterprise, and wholesale segments. The implementation of this strategy will be accelerated through selective partnerships and leveraging MTN's brand, while it will be supported and funded through enhanced cost efficiencies and value-based capital allocation. In the past, our strategies have delivered impressive results and *Ambition 2025* is designed to build on these foundations, driving growth and exploring new opportunities. At the heart of *Ambition 2025* is the need to close the technology and digital divide.

At MTN, we recognise that our success is a function of the prosperity of the communities that we serve. This mindset is the anchor for our *Ambition 2025* strategic priorities.

Ambition 2025:

Leading digital solutions for Uganda's progress

Build the most valuable platforms

Drive industry-leading connectivity operations

Create shared value

Accelerate portfolio transformation

Enabled by our values:

Lead with **Care**

Can-do with **Integrity**

Collaborate with **Agility**

Serve with **Respect**

Act with **Inclusion**

Our proposition to our customers

In line with ***Ambition 2025***, customer-centricity is at the core of MTN's growth strategy. We believe that best customer experience is not only great for our customers, but also great for MTN.

We aspire to lead the market in overall NPS, reduce monthly churn and become the best brand in Uganda. Through our CVM, we achieve these objectives by revamping the customer experience at each touchpoint and along the entire customer journey and being consistently pro-consumer by providing a world-class point-of-sale experience that is easy, personal, in control and connected.

As part of our CVM, we are also committed to ensuring the best customer experience is achieved by focusing on customer needs and expectations and meeting them. We strive to protect customers and ensure fairness for those interacting with our products and services. We aim to ensure that our customers achieve fair outcomes and that the relationship of trust between us is maintained and enhanced; performance and service is in line with our customer expectations; and instil transparent customer complaints procedures and other related changes in our customer approaches intended to ultimately improve customer experience.

We also believe that customer feedback is essential. Whether positive or negative, feedback provides an understanding of the customers' thoughts on the business' products and services, "the good, the bad and the ugly". We value negative feedback, and we believe a complaining customer is an engaged customer.

Our approach is guided by globally defined standards such as the Financial Conduct Authority ***Treating Customers Fairly*** framework.

Our business model

MTN's innovative products and services are delivered across three segments: consumer, enterprise and wholesale. The business service lines covered are voice, data, digital, MoMo, and wholesale and enterprise business. Our customer segmentation philosophy is anchored on the premise of developing a deeper knowledge of and relationship with these segments and designing suitable products and engagement platforms to drive growth in each segment.

Consumer

This segment provides us with the unique opportunity to offer tailored products and services to different groups based on needs. The key focus groups are:

- **High value:** Heavy users of our voice, data and or digital services. Key activities include business meetings, connecting with family and friends through calls and high-level entertainment.
- **Mass-market:** Moderate to low users of voice, data and digital services. Key activities include making and receiving calls, social media, remote payment options, and limited time on online entertainment platforms.
- **Youth:** This segment covers the students and young professionals, with interest towards social networking and entertainment/infotainment.

Enterprise

Focused on wholesale use of our products (voice and data), this segment addresses the widest variety of customer needs from simple mobile services for small and home offices and micro enterprises, to vertical and bespoke needs of small, medium, large enterprises, and public sector institutions. We have designed an innovative suite of products to meet the various needs of these sub-segments.

Wholesale

To provide high-quality services to wholesale customers, Bayobab Group (previously MTN GlobalConnect) was established to accelerate the procurement of relevant infrastructure which can be shared among the operating companies and facilitate the routing of the traffic in the markets where MTN operates.

In 2023, we formed and completed the licensing of Bayobab Uganda, our fibre assets vehicle. Bayobab Uganda was granted national infrastructure provider and regional service provider licences for Eastern and Central Uganda by UCC, marking a significant leap forward for the company's strategic objectives. As a neutral fibre-focused business, Bayobab Uganda shall provide digital infrastructure services that give telecommunications operators, hyperscalers and digital infrastructure service companies full control of their networks and allow them to select their preferred transmission technologies through its open access model.

Our stakeholder engagement values

We strive to be the partner of choice to our nation-state hosts, communities, suppliers and stakeholders in Uganda. Informed consultation and stakeholder participation are vital enablers for our value-creation efforts.

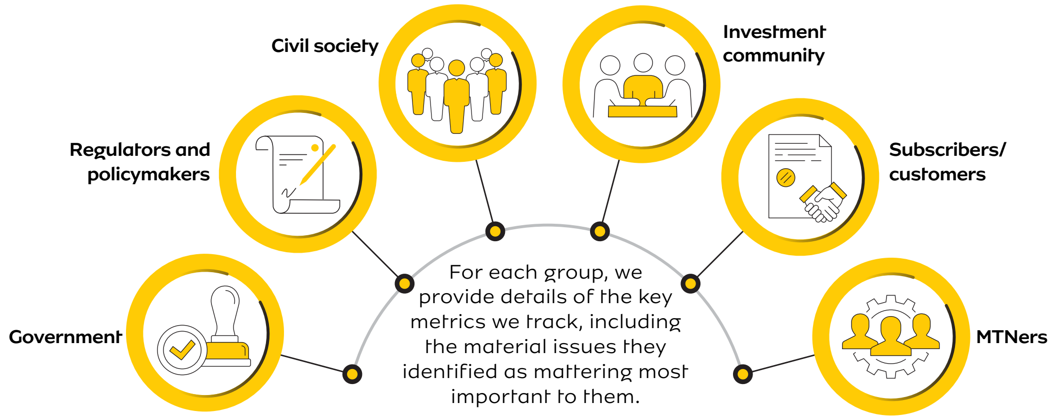
MTN appreciates the interdependence between effective stakeholder management and organisational performance. We place great importance on the "***social license to operate***" – which we at MTN define as a concept used to describe the importance of having broad-based stakeholder consent or support for our business. The failure to manage stakeholder concerns, hence losing stakeholder support, can result in severe disruption to our business operations.

Therefore, one of our most important business imperatives is standardised, consistent and well-governed stakeholder engagement that creates and preserves value. Our stakeholder management policy brings about greater inclusion of stakeholder needs, interests and expectations in corporate decision-making in recognition of the critical fact that best practice requires MTN to have a stakeholder engagement policy in place to guide our approach to communicating, working and interacting with stakeholders.

Within the framework of this policy, we map key stakeholders, plan engagement proactively and keep a record of official engagements.

A snapshot of our stakeholders

While all stakeholders including suppliers are important to our operations, at the Group we identify six stakeholder groups with the largest potential to impact our ability to create and preserve value at a multinational level:



For each group, we provide details of the key metrics we track, including the material issues they identified as mattering most important to them.

NATION STATES AGENDA

Our ***Ambition 2025*** strategy is anchored on aligning to the development agenda of nation states. We are proud to have been the exclusive telecommunications partner in Uganda's first digital national population and household census held in May 2024. Our collaboration with GOU in this project enabled the timely collection, processing and dissemination of results. Our support creates the ground on which we can propel further our core belief that everyone deserves a modern connected life on the basis of sustainability for a common future.

At a broader continental level, MTN Group welcomed a high-level delegation from Uganda, led by Mr. James Makula, Chairperson of the National Start-up Technical Working Group, to its headquarters. The visit reflected MTN's deep commitment to supporting the priorities of nation states by fostering partnerships that drive innovation, entrepreneurship, and regional collaboration. The engagement focused on knowledge exchange and exploring strategies to leverage technology for socio-economic progress, and the discussions centred on advancing Uganda's National Start-up Policy and enhancing cross-border trade opportunities within the African Continental Free Trade Area.

Stakeholder	Key engagement issues in 2024	Our response
GOU and regulators	• A positive impact on socioeconomic development • Deployment of additional spectrum • Network performance • Strong business performance and financial results • Compliance with legislation and regulations • A constructive contribution to industry	• Exclusive telecommunications partner in Uganda's first digital national population and household census • Deployed additional spectrum on the 2600MHz, 2300MHz, 700MHz and e-Band frequencies and increased 2G, 3G, 4G and 5G coverage • Successfully attained annual compliance certificate from UCC • Partnered on matters of national and business interest and honoured our obligations as a reliable partner • Monitored the strategic intent behind emerging policy and regulatory trends • Paid UGX 1.3 tn in taxes and added economic value
Subscribers & customers	• Network performance (speed of data connection and network quality) • Customer service • Ability to resolve my queries or requests • Overall rates and prices • Pricing being easy to understand.	• Invested UGX 418.0 bn in our networks and infrastructure • Reduced the cost to communicate through innovative and tiered pricing. • Advanced financial inclusion through our mobile financial services offerings, with MoMo transactions increasing from 3.4 bn in 2023 to 4.3 bn in 2024 • Facilitated access to credit, with micro loans disbursed increasing from UGX 569.0 bn in 2023 to UGX 1.5 tn in 2024
Investment community	• Strong business performance and financial results. • Compliance with applicable legislation • Strong corporate governance. • Network performance • Customer services • Sustainability and ESG	• Sustained MTN's financial and operational performance, with the dividend per share increasing from UGX 18.0 in 2023 to UGX 22.6 per share in 2024 • Executed ***Ambition 2025*** with a focus on accelerating growth and unlocking value for our stakeholders • Focused on ensuring that our enterprise-wide risk management systems are continuously strengthened and remain resilient • ESG designed to enhance social value

Stakeholder	Key engagement issues in 2024	Our response
Civil society	• A positive impact on socioeconomic development • Network performance • Strong business performance and financial results • Good customer service. • A constructive contribution to industry	• Invested UGX 4.6 bn in CSI activities, including in programmes to empower youth to access decent work and become economically active • Supported programmes aligned with GOU's NDP and *Vision2040* • Advanced programmes to ensure girls and women have the skills and knowledge to advance economically
Employees	• Positive impact of leadership, communication and diversity actions • Their belief and connection to the goals and objectives of MTN • Safeguarding their health and wellbeing	• Refreshed our Live ***Y'ello*** values • Entrenched our employee value proposition ***Live Inspired*** to drive agility, flexibility and future fit skills for our workforce • Rating of 93% per employee • 48.4% women in our workforce and 38.0% women in senior management

MTN shareholders registering for the financial year 2023 Annual General Meeting.

Outlook and Investment case

Ambition 2025 highlights MTN's key differentiators as well as our plan to advance the digital and financial inclusion agenda, living up to our purpose and strategic intent for Uganda. We leverage these differentiators to the opportunities available to us. 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 Uganda. 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 Uganda, with ESG at the core.

Exciting demographic opportunity

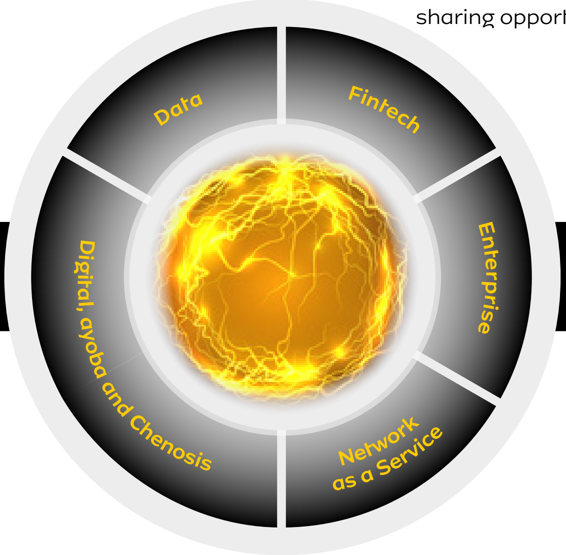
- Fast-growing, youthful population.
- Low data, fintech and digital adoption.
- Partner in socioeconomic development.

1

Uganda's leading and scale connectivity and infrastructure business

- #1 subscriber share in Uganda.
- 'Second to none' and well-invested networks.
- Enterprise, wholesale and infrastructure-sharing opportunities.

2



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Well positioned for the long term

- Accelerated digitisation of Uganda.
- 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.

Our Value Accountability

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CHARLES MBIRE
Board Chairperson

We're leveraging technology to drive business velocity...

2024

Network infrastructure Investment
UGX **418.0bn**

URA tax contribution
UGX **1.3tn**

Chairperson's statement

On behalf of the Board, I am pleased to present the Annual Report and Financial Statements of MTN for the year ended 31 December 2024 and look forward to engaging with you at the AGM.

In 2021, we completed the initial public offer and listing of MTN, which was the most successful in Uganda's history, demonstrating strong investor confidence. At the close of the listing, MTN committed to offer additional shares to comply with the 20% regulatory listing obligation, and broaden Ugandan shareholding in MTN.

I am proud to report that we delivered on this promise. The secondary offer was oversubscribed by 130% and resulted in approximately 20,427 investors owning a stake in MTN, of whom 94.4% are Ugandan. The secondary offer expanded MTN's shareholder base and recorded a high-level of participation from local pension funds, representing over 2 million indirect beneficiaries. The milestone was made possible by the unwavering support of key stakeholders, a classic case of "***together in progress***".

> *We appreciate the strong public confidence in the MTN brand, and will continue unlocking opportunities for Uganda's growth.*

Executing our strategy – *Ambition 2025* delivery

We step into 2025 with a renewed focus and commitment to execute our ***Ambition 2025*** strategy and remain a reliable partner to all stakeholders in this journey with the primary objective of accelerating growth and unlocking the value of our infrastructure assets and platforms.

Our four strategic pillars are to build valuable platforms (financial technology, mobile financial services, interactive applications and enterprise services); drive industry-leading connectivity operations (voice and data solutions, expansion of the fibre network and expense efficiency programs); create shared value through our sustainability agenda; and to accelerate portfolio transformation through implementing our asset realisation programme.

We reported a strong overall performance across these pillars. We maintained our market share leadership with 22 million subscribers, representing a 13.2% increase, and recorded double-digit growth of 22.4% and 13.9% in our data and fintech subscribers, respectively. To ensure robust and reliable connectivity for our customers, we invested UGX 418 billion in the network infrastructure and increased 4G LTE and 5G population coverage to 87.9% (*2023: 85.1%*) and 15.3% (*2023: 0.3%*) respectively. We strategically extended our fibre network which resulted in an increased fibre footprint by 47.2% to 17,774 kilometres. We are proud of the strides we are making towards our ambition of building second-to-none networks and platforms.

We made significant updates in our ***Own the Home*** intiative including new pricing, better value offerings, additional products and enhanced after-sales support. For customers outside fibre coverage, MTN made reliable high-speed internet access available by making the 5G router available at no cost upon purchase of a 5G package at a competitive price.

Regarding portfolio transformation, we will continue to work on the deliberate process of evolving and adapting MTN's traditional telecommunications business to take advantage of the growth of technology and technology-enabled services across the world. As a part of our technology platform play, we will develop and deploy digital services and platforms to drive economic growth in Uganda. We will also continue to explore the opportunities presented by our digital infrastructure business arm, underscoring our dedication to pushing the boundaries of telecommunications infrastructure through our Ambition 2025 of building proprietary fibre across Uganda.

I am delighted to report that MTN was named as the overall winner of the 2024 ***Million Dollar Challenge*** and was recognised as the best operating company across Africa within the MTN

Group. This achievement reflects our unwavering commitment to operational excellence and is a strong endorsement of our dedication to the *Ambition 2025* strategy. I also congratulate Ms. Sylvia Mulinge, our CEO, on being recognised as the most outstanding CEO of the year at the same awards.

Uplifting our society – sustainability and social impact

One of our strategic priorities is to create shared value, with ESG at the core. Our four-pillar sustainability strategy covers ***eco-responsibility, sustainable societies***, ***governance*** and ***economic value*** to ensure responsible environmental, social and governance practices across MTN.

Key highlights of our sustainability achievements in 2024 include a reduction in direct and indirect greenhouse gas emissions, extending rural broadband coverage for 2G to 98.9%, for 3G to 94.6%, for 4G to 87.9% and for 5G to 15.3%. and increasing the number of women in our workforce and in senior management.

We contributed UGX 1.3 trillion in tax revenue in 2024 compared to UGX 1.1 trillion in 2023. A further statutory contribution of UGX 50.5 billion was made to the Uganda Communications Universal Service and Access Fund to support the development of communications infrastructure in rural Uganda. We also contributed UGX 4.6bn to the community through the MTN Uganda Foundation, improving the quality of life in communities across the country.

We partnered with Uganda Christian University to empower over 14,000 students with future job market digital skills through the ***MTN Skills Academy*** and also provided emergency relief aid worth UGX 100 million to the victims of the Kiteezi landslide in Wakiso district. We provide further details of these impactful programmes in our Sustainability Report.

MTN was recognised as the overall winner of the ***Y'ello Care*** 2024 edition, MTN Group's employee volunteer programme aimed at uplifting and empowering local communities. MTN also won the ***Spirit Award*** and ***Collaborate with Agility Award***.

Business performance – delivering value to our shareholders

MTN delivered a resilient performance in 2024, amidst heightened pressure on key macroeconomic indicators and a challenging business environment. I express my sincere gratitude to the senior management team and employees for their efforts.

The Board has proposed a final dividend per share of UGX 22.6 (UGX 506.0 billion) for 2024, up from UGX 18.0 (UGX 403.0 billion) in 2023. The Board will request shareholder approval of this proposal at the AGM.

The Ministry of Finance projects that Uganda's economy will grow at a median of 6.4% – 7% in 2025, and double digits over the next five years. This growth will be driven by increased oil and gas activities, growth in exports, increased tourism activities, agro-industrialisation and light manufacturing, increased investment, improvements in transport and ICT infrastructure, and provision of reliable and affordable electricity. I have every confidence in MTN's ability to unlock these opportunities to continually deliver value to our shareholders.

Governance

The Board remains committed to the highest standards of governance and ethical conduct, and we continue to maintain a strong internal control environment and instill a culture of ethical conduct within the company. Our framework improves transparency and enhances accountability through a simple, yet robust structure that is aligned with industry-leading practices.

Our corporate governance framework is reviewed by both internal evaluation tools, and external reviewers such as the Capital Markets Authority. The Board is committed to swiftly resolving any issues that are raised in order to maintain an appropriate and compliant structure.

I am happy to report that MTN received the ***Best Listed Entity Reporting Award*** at the 2024 Institute of Certified Public Accountants of Uganda Financial Reporting Awards, demonstrating our commitment to transparency and comprehensive reporting.

Strategic partnerships

At MTN, we understand the importance of strategic partnerships in driving national development while protecting shareholder value. We are proud to have been the exclusive telecommunications partner in Uganda's first digital national population and household census held in May 2024. Our collaboration with GOU in this project enabled the timely collection, processing and dissemination of results, reinforcing our core belief that everyone deserves the benefits of a modern connected life, underpinned by sustainability.

On a continental level, MTN Group hosted a high-level delegation from Uganda, led by Mr. James Makula, Chairperson of the National Start-up Technical Working Group. The visit reflected MTN's commitment to fostering partnerships that drive innovation, entrepreneurship, and regional collaboration. The engagement focused on knowledge exchange and exploring strategies to leverage technology for socio-economic progress, advancing Uganda's National Start-up Policy and enhancing cross-border trade opportunities within the African Continental Free Trade Area.

As a Ugandan corporate citizen, MTN will continuously leverage technology to increase its business velocity to facilitate rapid distribution of its products and services. This will optimize returns from the deployment of investments which will contribute towards Uganda's economic development through the multiplier effect that arises from increased transaction speeds and wider market reach.

Appreciation

On behalf of the Board, I extend my sincere gratitude to our executive team, employees, shareholders, MTN Group and fellow members of the Board for their dedication, commitment and resilience. I thank our customers for their loyalty and our business partners, distributors and agents, for enabling us to serve Uganda. I thank GOU, UCC, CMA and BOU for the support and positive engagement throughout the year.

We are excited about the prospects of MTN and the immense opportunities that lie ahead in Uganda. We are grateful for the support and collaboration of our stakeholders as we work together towards a sustainable future.

Mr Charles Mbire, the MTN Board Chairperson (center) showcases recycled bags from MTN's sustainability initiatives together with some of the Board members.

> “
> ***Strong corporate governance is vital for the continued creation of value for our stakeholders.***

Q&A with Sylvia Mulinge

Chief Executive Officer

Q

What was 2024 like for MTN?

A

2024 was a landmark year for MTN, having concluded the second phase of our listing with a secondary market offer in June where we achieved the minimum public float of 20%. The offer achieved a 230% subscription rate on the basis of the 1,574,807,373 shares on offer.

We also successfully secured UGX 370 billion in debt financing in one of the largest local currency debt transactions in Uganda. The syndicated debt facility was 1.6x oversubscribed, reflecting robust confidence from lenders in MTN's long-term potential and focus on expanding our digital and financial services offerings.

2024 was also a momentous year for MTN Group, which marked three decades of operations and celebrated a legacy of connecting people, changing lives, and driving economic growth across the African continent. We congratulate MTN Group on this incredible milestone!

> *We are evolving into a net-positive tech company and are continuously leveraging technology to drive Uganda's connectivity and digital progress.*

As MTN, we are inspired to remain steadfast in our commitment to empower Ugandans to transform their communities. We are proud to share that the work we did over the year in review was recognized at the MTN Global Leadership Gathering in February, where we took home the ***Million Dollar Award*** as ***Best OpCo of the Year*** and the ***Value Based Capital Allocation*** award, among others. I was also recognized as the CEO of the Year.

For this and all our other incredible achievements this year, I could not be prouder of the team at MTN that I lead, our business partners and our valued customers. Your support and belief in us inspire us to push the boundaries and remain unstoppable!

Q

What were the defining macroeconomic trends in 2024?

A

The key macroeconomic indicators held steady in 2024. Uganda experienced GDP growth of 6% in the first three quaters of the year and economic growth for 2024/25 remains projected between 6.0 – 6.5% according to Bank of Uganda's ***Annual State of the Economy*** update.

Inflation remained below the 5% target, demonstrating the economy's resilience to both external shocks and internal risks. The average headline inflation moderated to 3.3% in 2024, while core inflation fell from 4.0% to 3.8% over the same period on account of reduced energy and food prices.

Recent data shows sustained growth in economic activity, and Bank of Uganda attributes this partly to the increase in digital financial transactions fuelled by financial inclusion and digital transformation. Uganda's financial market has also improved significantly, rising from tenth place in 2020 to fourth in 2024 according to the Absa Africa F*inancial Markets Index*.

Q

How did MTN fare in this context?

A

I am delighted to report that MTN sustained a positive trajectory across all business segments in 2024 on account of solid commercial execution and a stable macroeconomic environment, registering double-digit growth across all key metrics. We maintained our market share leadership with 22.0 million subscribers (up 13.2%) and significantly grew both our data (up 30.5%) and fintech (up 13.9%) subscribers. We also registered a significant reduction in churn supported by our sustained network investment and effective customer value management.

We contained overall operating costs growth below 10% despite further expansion in our network footprint and capacity, benefiting from the sustained revenue growth momentum, a more benign inflation environment and implementation of ongoing cost efficiencies in our operations. EBITDA grew by 20.7% with a 52.2% margin, while profit after tax rose by 30.1% with an improved margin of 20.2%.

Service revenue grew by 19.5%, voice revenue by 12.7%, while data revenue increased by 30.5% because of an increase in our active subscriber base and growth in data usage per subscriber. Our device financing strategy yielded a 30.1% rise in smartphones connected to our network and grew penetration to 44.9%.

Fintech revenue grew by 22.8% supported by sustained momentum in MTN MoMo performance, while the 23.1% growth in our digital revenue was driven by improved uptake of our commercial API and content value added services.

We attribute this growth to significant expansions in our data and fintech offerings, as well as a continued commitment to driving Uganda's digital transformation.

13.2%
↑ Number of subscribers
22.0m

7.05%
↑ MTN public float
20%

5.8pp
↑ Smartphone penetration
44.9%

11.4%
↑ Female entrepreneurs
118

Q

We are at the peak of *Ambition 2025*: *'Leading digital solutions for Africa's progress'.* How have MTN's operations contributed to delivering on its strategic commitments?

A

Our *Ambition 2025* strategy is hinged on four strategic pillars, and in 2024, we made significant progress on all fronts.

We invested a total of UGX 418.0 billion in the network infrastructure with a focus on new growth opportunities in the mobile and home data space. We also increased 4G LTE and 5G population coverage to 87.9% and 15.3% respectively, growing our 5G sites to 538 from 37 in 2023. We strategically extended our fibre network with a focus on the greater Kampala metropolitan region and key cities in the upcountry regions. We are proud to have been recognized at the 2024 Mobile World Congress in Barcelona as having the ***Fastest Network in Uganda*** and ***Fastest LTE Network*** in Africa.

In line with our ambition to build the largest and most valuable platforms, we launched ***Market by MoMo***, a cutting-edge digital commerce platform aimed at connecting local merchants with buyers both within Uganda and across the globe through our MTN MoMo. We also launched ***Tesadeals***, an online marketplace on the ***My MTN*** app to support the entrepreneurial activities of our youthful base. On the MoMo app, we launched an online ticketing service offering a suite of tools designed to improve event management.

Focusing on our data and fintech verticals and investing in network quality has allowed us to expand access to digital and financial services for our customers while also enhancing profitability. As such, by expanding our network, we are increasingly empowering Ugandans with faster and more reliable connectivity essential for economic growth and innovation. This convergence demonstrates how we are creating shared value as we explore the full potential of our infrastructure, assets and platforms.

Q

MTN is at the forefront of sustainability and responsible business practices. What progress was made in this regard?

A

MTN strives to conduct business in a manner that supports long-term sustainability of the environment and of the societies in which we operate.

We remain committed to our net-zero goals through ***Project Zero***, and are continuously implementing comprehensive strategies that leverage innovative technologies and renewable energy sources to minimize our environmental impact. In 2024, we registered a remarkable 8.5% reduction in emissions through strategic deployment of smart energy monitoring tools, which provided invaluable insights on reducing power consumption.

As part of our campaign to foster stronger relationships with our customers and business partners, we launched the inaugural biking and ***Enganda*** football competitions and partnered with the ***Ekisaakaate kya Nabagereka*** youth empowerment program to explore the integration of culture with technology. We also launched a partnership with Uganda Christian University through the ***MTN Skills Academy,*** where we intend to empower over 14,000 students with digital skills for the future.

In commemoration of MTN Group's 30-year milestone, we run the 21 Days of ***Y'ello Care*** initiative for 30 days through the whole of June. This initiative seeks to address persistent educational disparities faced by underserved regions, and this year's campaign was launched at Kansanga Seed Secondary School with the provision of 20 computers fully connected to one year of paid internet service. Our staff and partners also equipped the students with digital skills through the mobile training facility, ***MTN Internet Bus***.

For social equity, we supported 118 women entrepreneurs under the ***Advancing Women Entrepreneurs*** programme, demonstrating our commitment to empowering women in business across the country. Our representation of women suppliers grew to 11.4% in 2024, a feat we are proud of. Our aspiration is to have 250 female suppliers by 2025, and our programme participants have been empowered to achieve this target.

We received our ***ISO 9001:2015*** certification, which speaks to our rigorous quality management in ensuring excellence in logistics management. We also received the ***ISO 37301:2021*** certification in relation to telecommunications services activities, affirming MTN as an organization with effective compliance management processes that meet international best practice standards. We remain focused on sound internal corporate governance, respect for human rights in our operations, protecting consumer data privacy, conducting transparent stakeholder management and adopting a no-compromise approach towards ethical business practices.

> “
>
> *We commited UGX 4.6 billion through the MTN Foundation in various community projects*

MTN Uganda's CEO (centre) recieves the 2024 CEO of the year award from MTN Group CEO and President (left), Vice President SEA (second right) and Senior Vice President - Markets at the MTN Global Leadership Gathering.

Q

What are some of MTN's key focus areas ahead?

A

As we execute the final year of ***Ambition 2025***, we are focused on accelerating our commercial and operational initiatives in line with our strategic goals.

Over the coming year, we will continue working on the structural separation of MTN MoMo in alignment with MTN's portfolio transformation strategy, in order to unlock more value and attract third-party partnerships into our fintech business line. For our voice and data business, we will continue to invest in network quality enhancements and focus on agility in service delivery to maintain our subscriber leadership.

We will also explore and conclude potential partnerships to increase investments in Uganda and provide Ugandans with opportunities in the business enterprise, fintech and capital markets spaces. Our success is driven by our dedication to our customers, employees, and stakeholders, and we are excited about the opportunities that lie ahead.

Q&A with Andrew Bugembe

Chief Financial Officer

Q

MTN's financial resilience has been key to mitigating the risks of the operating environment. What is your approach to the CFO role and your definition of value?

A

Building a value-based strategy should be as relevant as delivering a solid financial performance each year for the Company from a CFO's perspective, and the need to be agile is crucial. 2024 provided the finance function in MTN with a platform to redesign its operations around refined capitals.

In applying a value-based approach, we enhanced our financial capital by implementing cost discipline, embedding tax considerations in daily operations and utilising our balance sheet to consider working capital options. The skilling of our people also remains fundamental to addressing financial hazards of the future. We recognise that redefining value is critical to MTN's relevance in the market as a leading digital and financial inclusion driver.

> *"Today, and for the future, the CFO must be a strategic partner, like a wingman who ensures that everything is in order and knows what needs to be done to preserve value*

Our value characterisation has shifted to further developing our manufactured and intellectual capital by building agile risk management processes within the finance function and the entire company. We have successfully enhanced our predictive analytics and internal technology to build an advanced digitalised business intelligence system within MTN.

Our team's ability to easily monitor data and airtime loads as well as mobile money volumes supports accurate and instant financial reporting. We demonstrate our proactive risk management approach by deploying artificial intelligence and machine learning, applying internationally accredited internal checks and balances to our business continuity management system, embracing systematic upgrades and preparing thorough recovery action plans.

I believe that for the finance function, steering a business involves being involved in the business itself as an active operational participant and considering a broad range of stakeholder interests and non-balance sheet factors which impact financial performance and shareholder value.

To ensure this re-alignment of approach, learning agility is key. Agility in our functions means that we must not only respond to disruption but also predict future trends and adapt our approaches in real-time. A mindset shift in the finance function is inevitable, and I am keen to drive this transformation.

Q

How did MTN perform amidst a dynamic external operating environment?

A

The favourable macroeconomic environment in 2024 enabled us to deliver another pleasing set of financial results. In the period, the Uganda Bureau of Statistics reported stable consumer prices which averaged 3.3% compared to 5.5% in 2023 whereas the Uganda Shilling appreciated by 3.0% year on year.

In line with our medium-term guidance to investors, we delivered a 19.5% growth in service revenue and maintained the solid momentum achieved in 2024 driven by the smart execution of our commercial initiatives and value-based capital allocation to support network quality across our voice, data and fintech segments.

Our voice revenue grew by 12.7% to UGX 1.3 trillion from UGX 1.1 trillion although its contribution to service revenue reduced by 2.4 pp to 40.1% (*2023: 42.5%*) in favour of our faster growing data and fintech revenue lines. The voice revenue performance was underscored by the 13.2% growth in overall subscribers to 22.0 million reported at the end of 2024 (*2023: 19.5 million*).

Data revenue increased by 30.5% to UGX 811.8 billion (*2023: UGX 622 billion*) attributed to our continued investment in 4G and 5G infrastructure and network bandwidth strength across Uganda. MTN's data subscribers grew by 22.4% to 10.1 million. The contribution of data revenue to service revenue increased to 25.8% (*2023: 23.7%*).

Our 4G coverage in Uganda remains strong at 87.9% (*2023: 85.1%*) while our 5G coverage increased to 15.3% from 0.3% in 2023.

Our fintech revenue grew by 22.8% to UGX 947.5 billion resulting from the continuous uptake of our mobile money services by MSMEs. With these improvements, we are pleased with the growth of the advanced revenue's contribution to fintech revenue by 3.6 pp to 28.0% (*2023: 24.7%*) while basic revenues accounted for 65.6% of fintech revenue (*2023: 67.8%*). Overall, MTN MoMo's revenue contribution modestly improved to 30.1% up 0.8 pp from 29.3% in 2023.

Our profit after tax increased by 30.1% to UGX 641.5 billion (*2023: UGX 493.1 billion*). We also delivered an EBITDA expansion of 20.7% in 2024 to UGX 1.7 trillion supported by the strong revenue performance and continuous execution of our expense efficiency programme.

As a result, our EBITDA margin remained above our medium-term guidance of above 50% as we delivered a 0.8 pp uplift to 52.2% (*2023: 51.4%*). Our EBIT performance improved by 24.8% to UGX 1.3 trillion (*2023: UGX 929.9 billion*).

Our capex intensity held steady at 13.2% as we continued to build ***Second to None Networks and Platforms***. We invested a total capital of UGX 649.7 billion of which UGX 418.0 billion excludes leases, representing a capex ex-leases year on year growth of 18.3%.

This enabled us to advance our technologies and expand network coverage with a total of 1,093 sites deployed during 2024, 754 of them being 4G and 5G sites alone.

Our fibre coverage also increased to 17,774 kilometres which provides a sufficient base for us to ***own the home.***

Our profitability metrics indicate our resolve to maximise shareholder value in 2024 as our return on assets grew to 13.7% (*2023: 10.5%*), return on equity increased to 53.6% (*2023: 48.6%*) and return on invested capital to 33.2% (*2023: 29.2%*).

In line with our belief that our shareholders deserve sustained profitable returns, our proposed final dividend for 2024 is UGX 190.3 billion (UGX 8.5 per share). This follows two interim dividends paid in September and December 2024 of UGX 147.8 billion (UGX 6.6 per share) and UGX 167.9 billion (UGX 7.5 per share) respectively. Including the final dividend, the total dividend for 2024 is UGX 506.0 billion (UGX 22.6 per share), translating to a dividend payout of 78.9% of MTN's 2024 profit after tax and well in line with our dividend policy of at least 60% of annual profits after tax distributable as dividends.

We recognise our significant position in the economy as a top taxpayer and take pride in our total tax contribution for 2024 growing by 14.9% to UGX 1.3 trillion (*2023: UGX 1.1 trillion*).

Overall, we remain committed to delivering a sound financial performance and firming up the company's financial capital to support the execution of our ***Ambition 2025*** strategy. 2024's exceptional performance is credited to our formidable team that continues to innovate and create more than financial value amidst prevalent macroeconomic challenges.

> *We remain committed to delivering a sound financial performance and firming up the company's financial capital to support the execution of Ambition 2025.*

Q

What are your focus areas looking ahead from a value perspective?

A

Firstly, I am immensely proud of what we achieved in 2024 with our localisation agenda. We achieved the minimum public listing obligation of 20% set out in the Communications Act regulations and the USE Listing Rules 2025 following a secondary market offer for sale of 1,574,807,373 ordinary shares comprising 7.03% shareholding in the company. In achieving compliance with our NTO Licence obligations, we are also creating value by giving approximately 19,600 Ugandan investors an opportunity to own a stake in MTN.

Among our key focus areas in 2025 is the intended structural separation of the MTN MoMo business from the mainstream telecommunications business in line with our ***Ambition 2025*** strategy. Our intention is to leverage the MTN brand to attract strategic investment opportunities and grow capital technologies, sectoral capacities and broadened product propositions for both the GSM and Fintech businesses. We are confident that we will maintain our ability to assure our shareholders of a healthy balance sheet and dividend year-on-year.

2025 presents an opportunity for our value outlook to be supplemented beyond realising a profitable business and maximising shareholder value. We will prioritise stabilising our pole position in the data and voice services offerings by targeting further investment in 5G infrastructure across Uganda to grow beyond the current 15.3% coverage.

Regarding our financial resilience, we secured UGX 370 billion in debt financing by partnering with five local banks in one of Uganda's largest local currency syndicated facilities. MTN's competitive strength and the financiers' robust confidence in our long-term potential gives us the influence to expand our agenda of advancing digital solutions for Uganda. We will remain focused on applying MTN's pool of funds to grow a fully digitalised and automated business that drives the Ugandan economy.

As part of our *'learning agility'* agenda, we will invest in the continued skilling of our people recognising that the continually evolving finance function requires fact-based data analytics and ability to deploy AI tools to enable us gain lines of sight across finance, risk and compliance and inform objective decision-making.

We anticipate that our expense efficiency programme and future reporting is poised to succeed beyond cost-saving measures as we implement measurable targets in our environmental sustainability initiatives of waste repurposing, carbon reduction and solar to hybrid upgrades at our cell sites in line with our commitment to the UN SDGs.

We appreciate the confidence of our stakeholders in MTN's business agenda and look forward to a 2025 where ***Together, We Are Unstoppable!***

Final dividend per share
UGX **8.5**

Final dividend proposed
UGX **190.3bn**

Second interim dividend per share
UGX **7.5**

Second interim dividend paid
UGX **167.9bn**

First interim dividend per share
UGX **6.6**

First interim dividend paid
UGX **147.8bn**

ROE
53.6%

ROIC
33.2%

MTN Uganda's CFO (center) receives the 2024 value based capital allocation award from the MTN Group CFO (left), together with other MTN Executives at the MTN Global Leadership Gathering.

RICHARD YEGO

Managing Director

> *We're providing financial convenience through strategic partnerships...*

2024

Value of loans disbursed	MoMo interest disbursed
UGX 1.5tn	UGX 43.4bn

MTN MoMo's value creation story

In 2024, we focused on improving service delivery and maximising the potential of our mobile money platform to create shared value, positively impact lives, and ultimately become the intuitive choice for each of our customers. I am pleased to share MTN MoMo's value creation story with you and appreciate our staff, customers, and other stakeholders for their respective contributions to our success.

Creating value for our customers

We've achieved significant growth in transaction volume, revenue, and customer acquisition, solidifying our position as the leading mobile money provider in Uganda.

The future of financial services is customer-centric and increasingly disruptive of traditional intermediaries. We are consistently improving our products to ensure that our customers have seamless and instantaneous financial transactions. We prioritized customer satisfaction through the continued implementation of rigorous agent and merchant monitoring procedures that were overseen by dedicated agent and merchant quality management teams. These teams addressed immediate customer concerns but also provided valuable feedback that we have used to improve our agent and merchant value propositions.

22.8%	Revenue	UGX 947.5bn
13.9%	Subscribers	13.8m
36.8%	Agents	212,500
19.6%	Merchants	85,900
19.9%	Transaction value	UGX 158.6tn
26.6%	Transaction volume	4.3bn

According to the *FinScope Uganda 2023* findings, financial inclusion grew to 81% in 2023 from 77% in 2018. Mobile money and village savings and loan associations were the key drivers for this increase. Our mobile money agents are the closest financial services access points to our customers.

Close to 6 out of every 10 adults have mobile money agents within a 1-kilometre radius or less from their homes or workplaces. In a bid to increase customer access to our services, we resumed our agent recruitment activities and grew our agent base to 212,500. We believe that this is a critical step in the achievement of our objective of ensuring that everybody obtains the benefits of a modern connected life.

The MTN MoMo business model largely relies on partnerships with financial institutions and other third parties to achieve the above objective. I am delighted to note that we disbursed UGX 1.5 trillion in loans (*2023: UGX 569 billion*) through our partners (NCBA, Postbank, KCB and Jumo). New remittance partners were also onboarded.

Our partnership with the financial institutions also enabled us to support GOU's Parish Development Model programme and provide citizens with funds that can improve their quality of life and ultimately facilitate the transition from a subsistence to a money economy.

Creating value for our ecosystem partners

Our MoMo Pay feature enables merchants to effortlessly receive payments directly on their phones. We refined the criteria for our merchant activity which resulted in a restatement of the number of merchants reported.

Following the changes, our merchant network grew by 19.6% to 85,900 (*2023: 71,900*) on a like for like basis supported by strategic investments in regional acquisition and merchant quality management. This translated into a growth in transaction value of UGX 158.6 trillion (*2023: UGX 133.2 trillion*).

The MoMo merchant value proposition is vital for the growth of our fast-moving consumer goods (FMCG) suite. We are pleased to report that our FMCG Digital Suite product which we initially piloted with Uganda Breweries in 2023 has now

> ***MTN MoMo is commited to driving positive change by providing secure, innovative and differentiated customer-centric solutions.***

grown to include over 860 companies dealing in beverages, milk, alcohol and daily household products. This is proof of MTN MoMo's ability to provide innovative digital business solutions that improve supply chain efficiencies. The FMCG business suite represents a significant step in our mission to empower businesses, enhance operational efficiency, and enable cashless payments within the consumer goods ecosystem.

We are empowering our extensive network of merchants and agents with critical business and financial skills through the innovative MTN ***MoMo Coach*** platform. This interactive chatbot, accessible WhatsApp, delivers targeted micro-learning courses such as '***Start Your Business***,' '***Manage Your Money***,' and '***Grow Your Business.*** By providing this accessible, on-demand training, we are not only enhancing the operational capabilities of our merchants and agents but also significantly reducing digital and financial illiteracy across our customer base and fostering sustainable economic growth and financial inclusion.

Leveraging technology and managing risk to create value

Technology is the core of our business. It is therefore imperative that our mobile money platform is fast, secure and stable. We upgraded the mobile money platform to make it more robust and secure. New features and functionalities were introduced to improve system availability and the overall customer journey and user experience.

The mobile money platform is also now more compatible to new and emerging technologies. The upgrade also improved the use of our open APIs through which innovators can freely access the MoMo ecosystem. This is important in the realisation of the ***Ambition 2025*** target to build the largest and most valuable platform in Uganda, and Africa in general.

As part of our commitment to leading digital solutions for Uganda's progress, we partnered with MTN Group FinCommerce (a subsidiary of MTN Fintech Group) and Mastercard to launch an e-commerce platform called ***Market by MoMo***. ***Market by MoMo*** is an online digital commerce platform that connects local sellers with buyers both locally and internationally. Over 3,713 merchants and 3,917 active customers are using the platform.

Our improved ***MoMo Ticketing*** platform has tremendously eased the purchase of tickets at local events including the recent 2025 Africa Cup of Nations qualifiers. These initiatives are useful opportunities to revolutionise digital trade and events by delivering seamless and convenient payment options that enhance customer satisfaction

The continuous evolution of customer needs has resulted in increased innovation and investment in financial technology. Conversely, this also presents an increasingly dynamic risk environment with constantly emerging new threats.

We have reframed this challenge by deploying artificial intelligence and machine learning for fraud monitoring and detection. This complements the 24/7 transaction monitoring systems that we have implemented to monitor and curb fraud.

MoMo has a civic duty to educate its customers on how not to fall prey to fraudsters. This is done through direct communications with our customers and the ***Beera Steady*** campaign that is a joint effort with some of our partners.

> *Our ticketing and e-commerce platforms provide convenient and unparalleled payment experiencies for our customers.*

Awards and recognition

Besides a firm financial performance, I am pleased to note that MTN MoMo is increasingly being recognised for its contributions to the financial technology space.

For the second year running, MTN MoMo received the Diamond Award for '***Financial Services Digital Excellence*** at the 2024 HiPiPo awards. I was also awarded the ***Chief Executive Officer of the Year*** accolade in the Digital Financial Services space at the same event.

These awards are an endorsement of our continued commitment to transform the financial services by creating shared value for our customers. I thank my entire team for the tremendous work they do to ensure that everyone enjoys the benefits of a modern connected life.

Our 2025 value creation outlook

The completion of the ongoing structural separation of the fintech business under ***Ambition 2025*** is a priority item in 2025. Once completed, this will unlock several efficiencies that will improve our performance. We will also drive the continued adoption of advanced services over the basic services as mobile money is more than just a platform for peer-to-peer transactions.

Fostering innovation and technological advancement will also be very vital due to the increased amount of competition and dynamism in the fintech industry. Continued innovation and differentiation of our products will be essential in this respect.

We relaunched the ***MTN MoMo Virtual Card*** in February this year, that will enable our customers to perform local and international online transactions with funds from their MTN MoMo wallets. We have partnered with Mastercard, Diamond Trust Bank and Network International to provide this service and expect it to change the payments space.

MTN MoMo's commitment to forging impactful partnerships will remain central to our vision, as we continue to innovate and expand access to digital financial services, reinforcing MTN MoMo's commitment to being the preferred digital financial services provider in Uganda.

Market by MoMo customers
3,917

Trust banks
15

FMCG
digital suite
860 Companies

Appreciation

Our 2024 success story would not be possible without the collective dedication of our executive team, employees, loyal customers, and all our valued stakeholders. Thank you for continuously choosing and utilising MTN MoMo services. We remain committed to driving Uganda's digital progress through the implementation of our digital and financial inclusion strategy.

Members of MTN MoMo's executive management team.

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Key trends shaping our industry

Mobile communications technology is a crucial enabler of the information age, connecting individuals, businesses and governments and facilitating improvements in daily life for people everywhere. We are inspired by the belief that connectivity is the lifeline of modern societies and access to it is a digital human right.

As part of our ***Ambition 2025*** strategic objective to build valuable platforms and drive industry-leading connectivity operations, digital services and next-generation connectivity are our primary focus. The following trends will continue to shape our industry and form key focus areas in our strategy

Artificial intelligence

AI, and generative AI (in particular), is a key technology with the potential to significantly reshape the nature of business operations and customer value delivery in MTN. Generative AI is a type of AI that can create new content, such as images, text or music by learning from existing examples of the same content by training foundation models.

AI is seen to be value-enhancing for MTN given its potential to drive innovation and efficiency. However, we are also cognisant of the growing focus on the risks associated with AI implementation, including ethical implications and societal impact.

Our strategic response is to take a disciplined approach to investing in building capabilities, governance, partnerships and early proof points of value across all AI domains (diagnostic, predictive and prescriptive) with special focus on generative AI.

At Group-wide level, we recently expanded a collaboration with software specialists Genesys and Accenture to improve customer experience through the adoption of cloud-native solutions and advanced AI capabilities, and these initiatives will be deployed in Uganda

Connected devices and IoT

"Internet of things" describes the coordination of multiple machines, devices and appliances connected to the internet through multiple networks, and MTN's IoT solutions are designed to make it easier to automate processes, increase productivity and reduce costs while improving customer service.

According to GSMA Intelligence, IoT connections across Sub-Saharan Africa, South and Southeast Asia are set to double by 2030 to 156 million devices. According to McKinsey & Company, IoT could generate US$ 5.5 trillion to US$12.6 trillion in economic value globally by 2030.

Our IoT services include IoT connectivity, device management, IoT vertical applications and data analytics, and provide an end-to-end solution designed to enable customers to connect and interact with their remote assets and environments through a smart combination of core MTN connectivity, pre-installed IoT sensors and access to a cloud based IoT self-service management platform.

Use-case deployments are expected to grow in the energy, water, sanitation, waste management and transport sub-sectors.

Cloud technology

Organisations of all sizes use cloud services as scalable and potentially-cost effective information technology solutions compared to traditional on-premises software, servers, and other equipment.

In cloud computing, service providers use the cloud to deliver cloud services to organizations. The provider retains sole possession of the software and hosts, manages, and provides access to cloud services over the internet or private networks using various delivery models.

MTN has partnered with Microsoft Cloud in a strategic partnership that empowers businesses with Microsoft's industry-leading cloud solutions.

With access to Microsoft Cloud services, businesses can boost productivity, foster remote collaboration and fortify data security, all while enjoying scalability and flexibility. Our cloud service portfolio, which includes the ***Do Business Better with MTN ICT Solutions***, delivers the simplest, most secure and economical way to help businesses scale operations with the most advanced technology, reducing the total cost of information technology ownership while owners and managers focuses on the core business.

Digital payments eco-system

According to McKinsey, the future of payments in Africa in digital. Innovations, entrepreneurs, and capital are reshaping Africa's fast-growing electronic-payments landscape with solutions for consumers and businesses alike. Over the past ten years, there has been a dramatic shift in how people pay for goods and services, with electronic payments increasingly displacing cash and emerging as alternatives to traditional conceptions of money.

Uganda has kept pace with this innovation, and businesses everywhere continue to expand and migrate sales channels from physical premises to online channels such as mobile applications. As McKinsey and GSMA Intelligence note, favourable demographics, economic growth, technology innovation, and advances in payments infrastructure are working together to shape the future of payments in Africa.

MoMo is Uganda's most successful mobile money service and in Uganda, MTN's strategic objective is to continuously expand our MoMo offering and support digital economies and marketplaces.

We are at the forefront of providing consumers and businesses with digital financial services such as payments, e-commerce, lending and remittance services. We have provided a platform for users to leverage mobile technology to enable our customers to pay for goods and services and handle other financial needs.

In collaboration with MTN Group Fintech and MTN MoMo, we have entered an engagement with Mastercard and signed a multi-market agreement that will set in motion a new era of collaboration to connect millions of people and small businesses across Africa with digital tools to transact through secure mobile payments, expanding access to the benefits of the cashless digital economy.

Our market context

The environment in which we operate has direct implications for our ability to create value, informing our business strategy and our investment case. By considering our market context, we are better able to determine our material matters; to understand the impact these have on our business model; and to develop and execute on our strategy by leveraging off our competitive advantages, including our scale, brand, skills, presence and financial position. We are also able to better align our priorities to those of our stakeholders as we strive to create greater shared value.

In Uganda, the market environment remains highly competitive and evolving, with new entrants with disruptive business models in financial services. Regulatory scrutiny is growing, and MTN's compliance universe in Uganda has broadened significantly.

Here, we present our operating context:

Our operating context in Uganda

Macroeconomic

- According to the Ministry of Finance's *Annual Macroeconomic and Fiscal Performance Report*, Uganda's Real GDP growth remained steady at 6.4%. This was on account of improved performance of the services, agriculture and industrial sectors.
- Following the declaration of the final investment decision regarding the development of the Albertine Graben oilfields and the East African Crude Oil Pipeline, the oil sector saw increased activity in anticipation of first oil production in 2026. The oil sector is expected to have backward and forward linkages with other sectors like manufacturing, construction, transport, real estate, tourism, financial services and agriculture.
- Cost of living pressures due to high food and energy prices and high interest rates presented a challenge and negatively affected consumer spending power.
- Unemployment and underemployment mean social stability is in focus.

Regulatory and competitive landscape

- Regulations from various regulators are evolving, requiring MTN and other sector players to make procedural changes.
- Tax regulations and directives can have material impacts on our cash flow and balance sheet, which in turn have implications for MTN's enterprise value.
- **GSM** – traditional GSM business remains highly competitive with increased pressure on pricing. There is greater substitution between voice and data, with strong growth in data revenue as consumers continue to shift from conventional voice to rich-media communication.
- **Fibre infrastructure** – the opportunity for fibre networks is significant in Uganda, buoyed by the strong growth in data traffic across Africa.
- **Fintech** – several new entrants providing internet-based alternatives to traditional telephony services are leading to aggressive competitive activity and putting pressure on fintech revenues.
- **5G** – MTN became the first operator to launch 5G in Uganda and expanded its 5G offering in 2024.
- **Home** – Strong data growth is seen driving demand for fibre networks.

Ambition 2025 in context

Ambition 2025 provides our strategic focus and ensures that we continue to evolve and stay relevant while harnessing opportunities to create and preserve value for our stakeholders. *Ambition 2025* is hinged on the primary objective of accelerating growth and unlocking the value of our infrastructure assets and platforms. This strategic path will position our business to capture opportunities within Uganda. Our four strategic pillars are to build valuable platforms; drive industry-leading connectivity operations; create shared value and accelerate portfolio transformation.

Strategic priorities	Objectives	What we did in 2024
Building the largest and most valuable platforms	• Pivot from a "product to a platform" play • Selective partnerships to accelerate growth • Fintech, digital, enterprise, NaaS, API marketplace	• 1.3m active monthly *Ayoba* users • 13.8m active MTN MoMo users from 12.1m users representing growth of 13.9% • Disbursed UGX 1.5tn in loans from UGX 569.0bn representing a growth of 155.7% • MTN API as a service to drive digital transformation
Drive industry-leading connectivity operations	• Doubling of consumer mobile data • ***'Own the home'*** • Leading fibre company in Uganda • Digital transformation and step-change in efficiency and service levels	• 10.1m data subscribers, from 8.3m representing growth of 22.5% • Expansion of proprietary owned fibre from 12,072km to 17,774km representing a growth of 47.2% • 10,500 fibre home connections from 8,300 representing a growth of 26.4%
Create shared value	• Step-change in ESG positioning • Broad based ownership and inclusion in Uganda • Sentiment shift through stakeholder management efforts	• 94.4% local shareholders as of 31 December 2024 • UGX 6.2tn USE market capitalization representing a 61.2% increase from UGX 3.8tn. • ESG framework in place to guide strategic and operational activities
Accelerate portfolio transformation	• Realise and crystallise value of infrastructure assets and platforms	• Completed managed separation of MTN MoMo as an independent subsidiary regulated by BOU as part of asset realisation programme, and to assess strategic structural separation of other business assets.

Q&A with Dorcas Muhwezi

General Manager, Customer Experience

Q

How would you describe customer experience? How is MTN serving its customers?

A

Customer experience is the overall perception that a customer has of the MTN brand during their interactions with the various MTN touch points. Customers are the cornerstone of our success story and their engagements with us should be enjoyable, memorable, seamless and effortless. To realise this objective, we have a countrywide network of 1,140 service centres that provide SIM and mobile money related services. Our physical proximity to our customers is supported by a digital presence and a dedicated call centre team that is readily available to handle customer queries in English and different local languages. Our 350 call centre staff are trained and assessed continuously to maintain the excellence that the MTN brand is synonymous with.

Q

Uganda has diverse customer segments and varying levels of digital literacy. How do ensure that MTN's customer experience strategies are relevant and effective in such a market?

A

We launched a priority service for persons with impairments in sight, hearing and physical movement through which they can have priority access at all service centres. Customers with hearing impairments can communicate with our staff in sign language either physically or virtually through video conferencing. I am delighted to report that we served 8,400 differently abled customers, recruited 8 differently abled individuals and trained 30 staff in sign language in 2024. This is a remarkable feat in the achievement of our diversity and inclusivity objective - MTN aspires to *leave nobody behind* in its digital transformation journey.

Service centres	**1,140**
Differently abled customers served	**8,400**
Staff trained in sign language	**30**

Under our bespoke MTN Prestige program, our long-term, consistent and high-spending customers enjoy preferential treatment at all MTN touchpoints and have access to exclusive offers, priority customer support and exclusive lifestyle benefits. We also reward all our customers through our customer appreciation week initiatives. Constant customer awareness and engagement is also part of our strategy. We empower our customers through various education and awareness programmes on MTN products and services on our digital platforms.

Q

What were the most critical trends that impacted customer experience within MTN in 2024?

A

Technology was a big factor, especially among our younger customers who are increasingly embracing digital channels for communication and service interactions. Monthly engagements with ***Zigi***, our 2023 WhatsApp chatbot that handles customer queries and product inquiries increased to 150,000 from 99,000 in 2023. MTN won the coveted ***Digital Transformation OpCo*** award at the MTN Group Commercial Forum 2024 due to increased customer adoption of digital channels. Customers also required personalized experiences that we created using existing data on customer needs and behaviours. Customers valued constant availability, quick complaint resolution, and MTN's approach to environment and sustainability.

> *We build lasting relationships through excellent customer experience, making MTN the subconscious, preferred brand among our customers.*

Q

How does MTN prioritize customer protection in the context of consumer experience?

A

Fraud is one of the perennial issues that has affected our industry. We focused on prevention through an internal fraud desk that uses artificial intelligence to detect fraud and block the fraudulent numbers. We also share a blacklist of numbers linked to cross-network fraudulent activities with the Airtel Uganda team. This proactive and collaborative approach has led to a marked reduction of fraud related customer complaints from 14,000 to 1,500 monthly. This is also supported by ***Beera Steady,*** our joint industry fraud awareness campaign.

Q

How will advancements in artificial intelligence (AI), specifically generative AI, shape the future of customer service and support in 2025?

A

The immediate impact has been less foot traffic in our urban service centres that are usually frequented by our tech-savvy customers. AI offers us immense opportunities to revolutionalise our service offering. We will leverage its capabilities to create highly personalised customer experiences and to simplify our customer journeys. ***Zigi*** will also be upgraded to create a more natural, relatable and conversational customer experience. Despite its benefits, it is important for us to cautiously deploy artificial intelligence as we serve our customers.

Finally, while 2024 was a year of significant progress, we will not rest on our laurels. We remain committed to innovation, technological advancement and continuous improvement to enhance customer experience and ensure that everybody enjoys the benefits of a modern connected life.

Q&A with Nicholas Beijuka

General Manager, Capital Projects

Q

Talk to us about capital projects. How does the capital projects team contribute towards MTN's strategy?

A

Capital projects is the implementation arm for large-scale long-term strategic investments that are undertaken by MTN to drive revenue growth, regulatory compliance and customer experience.

The capital projects team comprises over 20 individuals with 8 certified, skilled and experienced project managers. The teams oversee the implementation and delivery of key projects executed by MTN either at its offices or across its various sites and service centres countrywide.

We support the business in achieving *Ambition 2025* by ensuring growth, operational and cost efficiency while creating shared value. We do this by closely managing the MTN capital expenditure budget to ensure that projects are delivered in a timely and efficient manner without material cost overruns.

Crucially, all projects must stay on track in terms of budget, timeline, and scope. This meticulous approach is essential for optimizing resource allocation, minimizing disruptions, and ultimately enhancing customer satisfaction, all of which are vital components of MTN's strategic vision.

We also cultivate strategic partnerships with both local and foreign contractors, fostering a collaborative environment where shared expertise and aligned goals drive project success.

Capital Investment

UGX **418bn**

New service centers

581

Q

What were some of the most impactful projects you managed in 2024?

A

We invested over UGX 418 billion in critical data, customer experience and network resilience projects. The expansion of our home business, ***Wakanet***, resulted in an extensive fibre rollout across the country. 876 sites were upgraded to the latest technology and new frequencies while over 168 additional sites were built. This is substantial progress towards the achievement of MTN's 90% ***Network Everywhere*** target.

The national MTN brand refresh project featuring the new MTN logo resulted in the establishment of, and the renovation of MTN service centres and shops at over 581 locations. The refurbished service centres have particularly improved our customers' experiences and positively contributed to our NPS.

MTN works closely with various stakeholders including GOU. As part of our stakeholder engagement strategy, we also improved our visibility and strengthened our relationship with the government by branding the government markets in Soroti, Mbale and Mbarara.

As part of our ***Mission First, People Always*** belief, we refurbished part of the offices and procured additional equipment for the gym. Our staff were also trained and certified in project management. Women entrepreneurs were supported under the ***MTN Advancing Women Entrepreneurs*** program that aims to increase the number of women-owned businesses that are part of MTN's supply chain and provide them with skilling and mentorship opportunities. Successful female contractors were contracted and introduced to the MTN way of work.

Q

How is MTN prioritizing capital investment to expand 4G and 5G rollouts in Uganda's diverse geographical regions?

A

We rolled out 5G at 537 sites last year and are currently the largest 5G network in Uganda providing a strong foundation for future digital growth. We are now poised to amplify this leadership with substantial investments in new 5G sites throughout 2025. Simultaneously, we will strategically enhance our 4G network, ensuring that our rapidly growing youth demographic experiences optimal data speeds and accessibility, driving digital inclusion and economic growth across Uganda.

> *Timely project delivery is critical for MTN's success and operational efficiency*

Upgraded network sites

876

Water initiative savings

20%

Q

How do you incorporate sustainability and environmental considerations into capital projects?

A

We prioritise MTN's sustainability approach to ***Doing for Tomorrow – Today*** and ensure that consistent gains are continuously made in our sustainability agenda. The expansion of the MTN facilities resulted in a water management issue as the property had an existing natural water spring. This interfered with the building plan. We successfully reframed this challenge by redirecting the excess spring water to a reserve water tank. This excess water is now used for onsite irrigation of the property, and in the onsite sanitary facilities. This initiative saves approximately 20% of water costs.

We are pioneering a sustainable future by strategically investing in the latest electric vehicle technologies and leading the transition to clean energy generators throughout our network. Furthermore, we are also fostering a culture of environmental responsibility by empowering our contractors to adopt innovative solutions for carbon footprint reduction, ensuring that our operations contribute to a greener and more sustainable Uganda for generations to come.

Q

What are the top 3-5 capital projects that you believe will be most critical for MTN's success in 2025, and why?

A

2025 will require consistent and focused effort, given the ambitious targets for sustainability, network expansion and customer experience enhancements. Key priorities will include the achievement of the ***Network Everywhere*** target, site rollouts and upgrades, home business expansion and the brand refresh exercise. These initiatives will improve our service delivery and ultimately create and enhance shareholder value through growth in MTN's market share, revenue and overall profitability.

Our human capital

At the heart of MTN lies a deep commitment to our people. We believe in ***Mission First, People Always*** and this reflected in our EVP, ***Live Inspired***, and our strategy, ***Ambition 2025,*** we have been steadfast in ensuring that every action we take is aligned with our core values and strategic priorities.

We listen to our people and shape our organisational culture to provide the best possible workplace experience. Through increased transparency and accountability, and through our remuneration strategy and framework, we actively work to ensure our people thrive in positivity and receive fair rewards and recognition. We have made great strides towards achieving our ESG mandate and fostering a culture of inclusivity, innovation and growth.

Key indicators

Workforce	**1,323**
Women in our workforce	**48.4%**
Women in executive management team	**38%**
Employee sustainable engagement index	**93%**
e-NPS index	**83%**

> *Our people continue to play significant roles in their communities. They are providers of hope, dignity and opportunity for many across Uganda, their actions inspiring change and providing hope for a better tomorrow.*

Our approach to our Employee Value Promise

Mission First, People Always	We deliver on our EVP promise by practising ***Mission First, People Always.*** This means that every employee needs to have a deep understanding of what the business' mission is and what the common objectives are. To achieve this, ongoing communications stress the goals MTN is working towards. These communication platforms include human resource roadshows and roundtables (which repeatedly drive home the message that *'all voices are heard'*) in which frank two-way communication occurs between top leadership and staff.
Human-AI workforce models	We spent time understanding how AI will impact our workforce. On balance, we think it will create more opportunities and more jobs. We combine discovery and building complementary capabilities with shaping our environment to help our employees embrace change. From how to prompt AI as a work aid tool to how we craft future jobs, it is our responsibility to future-fit our people for AI.
Neuroscience for talent decisions	As AI moves traditional human tasks to machines, the question that we face is to consider the future role of talent. Answering how proficient a candidate is in their field of work used to be central to making talent decisions. But if proficiency is to become a partnership between AI and humans, what will be key to making talent decisions? We are changing our recruitment patterns to focus more on character evaluation.
"Quiet learning"	As new skills become a competitive advantage, old skills become redundant, and the pace of change quickens. We employ a blended approach for these new skills. Reskilling and upskilling will move our people from redundant to critical roles in a relatively simple process. This shift can only yield results through demonstrated 'quiet' learning journeys.
Embedding wellbeing	In with our EVP ***Live Inspired***, we believe that if we want the best people to give their best, they must be at their best physically, emotionally and financially. We believe that if we can achieve this, then we can all truly thrive in positivity. We ensure that we weave wellbeing into our culture, from the way we provide feedback to the way we support each other in times of stress or the ability for people to feel safe to be themselves.
Measuring success	In the past, the performance assessment standard was to focus on process metrics such as time to recruit, goal-setting completion, cost per hire or learning journeys completed. We believe that a more modern and adapted approach is more appropriate, and we focus in areas that employees value.
Human resource inspired by hospitality	We are building a human resource function that is service-oriented, experience-driven, analytics-minded and that treats every employee as unique. We refer to this as "hospitality-grade human resource". We aim to foster a culture of superior service, dependable experiences and the ability to use technology to make every "guest" feel unique. In so doing, we have found a way to bring a hospitality-grade experience to our employees.

Reflecting on the power of our Live *Y'ello* values

As we reflect on the impactful journey of 2024, we are excited to share the progress and outcomes of our collaborative team building sessions, which played a key role in bringing our refreshed ***Live Y'ello*** values to life. These sessions were designed not only as a race to the finish line, but also as an opportunity to deepen our understanding of what it means to ***Live Y'ello*** - *to Lead with Care, Collaborate with Agility, Serve with Respect, Act with Inclusion, and Can Do with Integrity*.

Purpose and objectives

Our refreshed values framework, derived from collective feedback, redefines what we stand for as individuals and as a team. The collaborative team building sessions aimed to:

Engage and connect:

Foster a deeper connection among team members, strengthening our collective identity as MTNers.

Empower individual and collective behaviours:

Encourage the demonstration of our refreshed values through actions, thoughts, and speech.

Reflect on our culture:

Reaffirm the core of our unique MTN culture - one that emphasizes care, agility, respect, inclusion, and integrity.

Instill the values into our daily work:

Ensure that these values guide our decisions and interactions at all levels of the organization.

By embedding our values into every aspect of our work, these sessions were crucial in shifting how we think, behave, and show up as a team.

How these sessions increased engagement and collaboration

Our refreshed values are not just aspirational - they are designed to be actionable. The ***Live Y'ello*** framework emphasizes that culture and values are best demonstrated when they are actively lived and experienced. The results of these sessions will have a lasting impact as we continue to embed our values throughout the organization. The ***Live Y'ello*** values framework is not just a series of statements; it is a call to action that influences how we make decisions, approach challenges, and interact with one another. Here is how our team-building sessions helped enhance engagement and collaboration:


*MTN staff during a **Live Y'ello** values team building activity.*

Strengthening team cohesion:

Through activities that required collaboration and mutual support, we reinforced the importance of working together with agility and care. These moments of shared experience were critical in forging deeper connections among teammates.

Embracing diversity and inclusion:

With an intentional focus on inclusion, the team-building sessions helped us recognize and respect our diverse backgrounds, thoughts, and perspectives, allowing us to collaborate more effectively and inclusively.

Building trust and integrity:

By demonstrating our values through action, we showed that our commitment to acting with integrity and leading with care goes beyond words - it is evident in everything we do. This has inspired mutual trust and respect within teams.

Aligning to a common goal:

Every challenge and discussion reinforced the shared vision of MTN's future, where we serve with respect, act with inclusion, and lead with care. With these values guiding us, we are more aligned than ever in our collective purpose.

Shared accountability for culture:

The exercises allowed us to take collective ownership of our culture and values, ensuring that every member of the team felt empowered to contribute to a culture of respect, care, and integrity.

Diversity and inclusion

We continue to promote diversity, equity and inclusion through our diversity and inclusion program with a focus on developing women in technology and leadership succession.

We have piloted a women leadership program called ***All Female EXCO*** where we are developing upcoming future female leaders at managerial level to expose them to practical leadership development in the day-to-day life of a senior management executive.

We continued with our ***Women@Work*** initiatives which included financial resilience and planning training, mentorship sessions, female entrepreneurship programs for local female suppliers and networking coaching sessions. We now have 38% of women in management and leadership positions.

These initiatives are in line with MTN Group's commitments under the United Nations Women Empowerment Principles, in which MTN pledged its collective commitment to the advancement of gender equality and the empowerment of women.

*MTN staff at a **Women@Work** conference.*

We also launched the ***MTN-212-Men*** community, which is a platform aimed at empowering, grooming, preparing and enabling male employees to live a healthy, purposeful and impactful life. We implemented initiatives for personal growth and self-exploration; skills development as part of career growth, sports and networking sessions, mental health and wellbeing and community involvement to make positive contributions to the community.

2024 happy people survey sentiments

Sustainable engagement	**93%**
Inspiring leadership experience	**87%**
Human resource service experience	**86%**
Inclusive culture experience	**94%**

Michael Sekadde, the General Manager, Human Resources (left) hands over a trophy to staff at the MTN-212-Men's Conference.

We developed a disability programme that aims to empower and support differently abled persons. We are committed to giving equal employment opportunities to differently abled persons because we believe in providing equal employment opportunities to all individuals. The programme focuses on providing access to communication technology, education and employment opportunities and social inclusion. We recruited 5 additional differently abled persons in 2024, making a total number of 8 differently abled persons in our workforce. This has had a positive impact on the diversity and inclusion index score which has improved from 92% in 2023 to 94% in 2024.

> *"In March 2023, I saw an opportunity to work with MTN. I had some fear that I would be eliminated from interviews as it used to happen with previous companies, where they would consider my disability as a barrier to work. Luckily, I went through all the processes and passed all the interviews. I started working and realised that all supervisors and colleagues on the floor are loving, supportive, caring and encouraging and have positive attitudes towards people with disabilities".*
>
> **Kenneth Nsenga, Adviser: Customer Service**

Risks to creating value

Risk management overview

At MTN, we are responsible for ensuring the safety and wellbeing of our customers, communities and employees, both at our premises and when using our digital services. We minimise potential harm to individuals and societies through robust risk management.

Our risk management framework is designed to identify, assess and mitigate risks and comply with relevant laws and regulations. Our risk and compliance function played a crucial role in proactively identifying, managing, and monitoring risks in 2024.

Our overarching risk management principle involves taking calculated risks within the guardrails of compliance and institutional sustainability. The Board sets the thresholds within which management takes risk, and periodically receives reports on the risk performance.

Our risk management practice is based on the *ISO 31000: Risk Management Principles and Guidelines*, the Committee of Sponsoring Organizations' ERM framework and other discipline-specific standards.

In 2024, MTN's compliance and business continuity management operations were assessed against the *ISO 37301* and ISO *22301* global standards and were found to be adequately aligned to the best global practice standards. MTN has also been certified against both standards. Our risk and compliance management processes have matured over the years and enhanced our resilience.

On the MTN Group risk and compliance maturity scale, our compliance management process, data protection and privacy process, risk management process and ethics management all maintained a *'Leading'* maturity rating, which is the highest level measurable. These ratings attest to the entrenchment of a risk and compliance management culture across all levels within the organization underpinned by the adoption of risk management tools to manage existing and emerging risks.

We remain committed and better positioned to provide risk advisory services and support strategic business initiatives.

International accreditations

In 2024, MTN's compliance and business continuity management operations were assessed against the ISO global standards. These standards are crucial as they certify that a management system, process, or service meets all the necessary requirements for standardization and quality assurance.

ISO 37301:2021 Compliance Management System

This certificate affirms that MTN has an effective compliance management system with processes, systems and procedures that meet international best practice standards. It also demonstrates MTN's commitment to excellence, regulatory compliance and ethical business practices.

ISO 22301:2019 Business Continuity Management System

This certificate affirms MTN's commitment to maintaining high standards of business continuity It further demonstrates that MTN can continue to provide critical business functions during and after a disruption, minimizing downtime while maintaining service delivery.

Material matters framework

Our material risk matters are those that could substantially affect our ability to create and preserve value in the short, medium and long term. We continued to progressively review our materiality determination process, endeavouring to make it more thorough, inclusive and integrated. Material risk matters that were noted over the year resulted in the enhancement of our strategy, and are influenced by stakeholder concerns, company risks and the operating environment across Uganda.

Managing material risk matters: at MTN, we manage material matters by identifying, prioritising, responding and reporting on them

Identify	Prioritise	Respond	Report
We determine our material matters by considering matters of significant importance to our stakeholders and factors that receive the most management and Board attention during the year.	These central themes then form the basis of discussion at internal workshops at which representatives of key departments participate. They prioritise MTN's material matters by considering the scale and nature of their impact on business operations, financial performance and interest of our stakeholders.	We respond to our material matters by putting in place appropriate management actions to capitalise on those factors that offer opportunity for greater value creation, as well as interventions to mitigate those which have the potential to disrupt it.	We report on the material matters identified to all our stakeholders, both internal and external.

Material events report

In 2024, the Uganda Revenue Authority issued formal assessments on historical tax filings. These filings concerned a five-year excise and value added tax which is disputed, and MTN continues to engage the relevant authorities to ensure accurate reflection of the company's operations. An additional customs assessment concerned customs tax on disassembled technology equipment imports, which has since been fully resolved.

MTN attained the minimum public listing obligation of 20% set out in the UCC regulations following a secondary market offer for sale of 1,574,807,373 ordinary shares held by MTN International (Mauritius), comprising 7.03% shareholding in the company, that was held between 27 May 2024 and 12 June 2024. The company also successfully secured the annual compliance certificate from UCC in accordance with the requirements of the NTO Licence.

MTN did not receive any regulatory sanctions in 2024.

2024 risk profile

To provide the appropriate level of governance and oversight for effective management of risks, we categorize the risks faced by MTN Uganda into six broad (*Level 1*) risks which are further split into 28 principial risks (*Level 2)* whose ownership is assigned to either one or multiple executives within MTN and MTN MoMo.

Material risks to creating value

#Principal risk	*Risk issues and opportunity*	*Mitigating strategies*
Taxation risk	MTN remains subject to tax related uncertainty, and scrutiny that may be influenced by old and new legislation. **Opportunity:** • Proactive tax compliance readiness and stature awareness readiness through self-initiated tax health-checks. • Continuous stakeholder engagement on new tax proposals.	• Regular deliberate engagement on tax policy and collaboration with tax authorities • Proactive combined assurance checks that are complemented with external advisory on major executions • Continuous implementation of internal tax management control reinforcements
Regulatory and Compliance risk	MTN operates in a volatile regulatory landscape. The regulatory environment is varied and ever evolving, with increasing compliance requirements. We do horizon scans to ensure response readiness. This is majorly influenced by the Communications Act, UCC directives, the NPS Act, the Regulation of Interception of Communications Regulations, the Data Protection and Privacy Act, the Anti- Money Laundering Act, the Companies Act, the USE Listing Rules and our NTO Licence. **Opportunity:** Proactive engagement with regulators and other industry stakeholders on traditional and emerging issues. This improves our ability to comply with regulatory requirements and facilitates relationships to work more closely with regulators and policymakers.	• Full compliance with minimum 20% listing obligation • Instilling a culture of no-tolerance for non-compliance within MTN and its partners, and demonstrable strict enforcement of compliance programs • Customer-centered targeted and proactive stakeholder engagement to ensure rationality and predictability of emerging changes • Regular oversight and assessment of MTN's executions against the company's compliance universe, and the MTN Group compliance management maturity standards
Competition Risk	There is aggressive competitor activity on all core services of voice, data, and MoMo, often price based. This is largely driven by traditional players in the telecommunications market and a combination of traditional and new players in the fin-tech space for MoMo. **Opportunity:** • Leverage cross-product modelling to customers, plus the economies of scale on over-the-top services, and improve customer experience to create a unique differentiating factor. • Consolidate on brand/ product trust (especially MoMo), customer experience and culture to maintain a competitive edge.	• Customer-centered product innovation delivery, especially self-service in design and responsiveness • Regular commercial performance monitoring and agility in interventions, including product and price reviews • Efficient technology investments focus, for example network capacity and coverage expansion • Scenario planning and testing to ensure readiness
Information Security Risk	Cybersecurity remains a top priority owing to an attack vector widened by MTN's decentralized digital distribution and MoMo ecosystem, that comprises partners at varying cyber maturity levels. The threat of cybersecurity breaches is a challenge that we continuously assess and mitigate. The digital safety of our customers and their data is critical. **Opportunity:** Implementation of the information security control improvement master plans aimed at a holistic approach to cybersecurity control improvement at all layers.	• Continued cybersecurity control enhancement program implementation and standardization to drive MoMo third party platforms towards best practice • Regular cybersecurity reviews and monitoring extended to incident detection. • Enhance cybersecurity governance and operational structures • Heighten monitoring, reporting and response on threats to cybersecurity • Deliberate investment in the cybersecurity environment upgrades • Offer cybersecurity awareness campaigns and bolster training • Combine assurance approach at technical and extended to commercial transactions monitoring where money may be involved

#Principal risk	Risk issues and opportunity	Mitigating strategies
Macroeconomic impact (financial performance and returns)	The prevalent global and regional macroeconomic volatility increased the headwinds to our business in the short term. The wars in the Middle East and Ukraine triggered imported inflation pressures, primarily visible in oil, public transport and supply chain efficiency. **Opportunity:** Implementation of our business continuity contingency plans, demonstrating business resilience in the process.	• Progressive financial performance monitoring to inform agile commercial interventions • Pursue our growth ambitions, leveraging greater balance sheet flexibility • Successful liquidity management and company debt restructuring • Successful cost efficiency implementation in the technology space (renewable energy as energy source for upcountry cell-sites)

Risk management governance structure

Board	The Board sets our overall risk appetite, approves our risk management strategy and is ultimately responsible for the effectiveness of the risk management process and system of internal controls within the company. The Board oversees risk management through the Audit, Risk and Compliance Committee. The Board reviews the framework for the identification, measurement, and management of risks; reviews quarterly risk management reports and directs appropriate actions to be taken by senior management; and periodically evaluates the company's risk profile and action plans to manage the identified risks (and progress on the implementation of these plans).
Governance committee (management)	At the management level, the executive committee provides overall accountability for the management of risks. The executive committee is headed by the Chief Executive Officer and comprises all members of the senior management with responsibility for providing risk oversight, co-ordination, facilitation, monitoring and challenging the effectiveness and integrity of our risk management processes. The executive committee reviews risk exposure reports and recommends appropriate mitigation actions and reviews and recommends appropriate policies and standards for the management of risks faced by the company.
Risk owners	Divisional executives are accountable for specific principal risks assigned to them and champion the implementation of mitigating actions.
Risk and compliance division	The risk and compliance division oversees the day-to-day risk management activities within MTN. The division provides central co-ordination and oversight of all risk management activities in the company to ensure that the full spectrum of risks is identified, measured, monitored and controlled. The risk and compliance division coordinates the development of risk management policies, procedures and standards to assist in the effective management of risks; monitors the overall risk profile including risk trends from internal and external market changes; collaborates with other divisions to redesign controls that mitigate deficiencies noted in the internal and external audit reports; and reports on aggregate risk profile, control effectiveness and mitigation actions taken.

Update on key risk management improvement initiatives

Data Protection and Privacy Programme - *Project Guardian*

The protection of personal data and privacy are clear priorities for the public at large and the regulatory landscape is rapidly evolving. This is why leveraging personal data prudently and compliantly is critical for MTN. Following a gap assessment in 2022 by an international firm, MTN commenced a journey to further enhance the data privacy and data protection controls and standards.

Project Guardian is a three-year programme aimed at implementing minimum data privacy and data protection controls across the MTN footprint – and this includes our third-party stakeholders. The programme comprises 12 workstreams such as governance and operating model, third-party risk management, privacy notices and policies, security for privacy and change management, among others. The programme provides a blueprint for privacy management and guides compliance in MTN. Our vision for data privacy and protection at MTN revolves around the following pillars:

Trusted

MTN should be a trusted custodian of data, inspiring confidence and providing peace of mind to all stakeholders.

Consistent

Have one programme with consistent data privacy and security controls that sets minimum standards across MTN

Streamlined

Straightforward privacy and protection guidelines and processes that are simple to adopt, use and enabled through innovation and automation

Value adding

Ultimately, this programme should add value for our partners and customers, contributing to our commercial success and move MTN ahead of the curve.

Internal Controls Improvement Programme - *Project Rubix*

This programme is aimed at improving the overall internal control environment through the adoption and consistent application of a framework of internal controls across the MTN. Internal controls are critical for preventing fraud, ensuring financial accuracy and maintaining operational integrity.

Project Rubix commenced in May 2024 with an assessment of the different controls against the designed 35 risk control matrices. The testing of the different controls involved verifying whether the control is in place and properly designed and capable of effectively preventing or detecting a specific risk. Any gaps that are identified will be remedied and going forward, the testing of the controls will be incorporated in the second line assurance checks done by the risk and compliance division.

We have completed the first phase of the project with no major control gaps identified. We are on track with our project deliverables and are confident that the project will not only reinforce trust in our business through improving our operational efficiency, but will position us as a brand of choice and attract more business opportunities.

MTN MoMo Strategy and Business Value Proposition

The *2023 FinScope* survey is published by Financial Sector Deepening Uganda and serves as a demand-side study of access, uptake, usage and perceptions of financial services.

The survey reported that the growth in financial inclusion to 81% in 2023 from 77% in 2018 was mainly driven by mobile money and village loan and savings associations.

Close to 6 out of every 10 adults reported having a mobile money agent within 1 km radius or less from their home or workplace. Although the respondents had a high preference for cash, they were also willing to learn and adopt new technologies to improve their financial transaction experience.

We believe digital financial services can transform Uganda's socio-economic landscape in line with the second *National Financial Inclusion Strategy 2023-2028*.

MTN MoMo has specifically contributed to the objectives of this strategy by reducing financial exclusion, access barriers to formal financial services and deepening and broadening the usage of quality and affordable formal financial products.

MTN MoMo serves as a crucial bridge, connecting millions of Ugandans to the formal financial system and unlocking various economic opportunities for both individuals and businesses.

Through this, it can reduce poverty and drive economic growth. Importantly, it can contribute to Uganda's achievement of 7 out of the 17 UN SDG's including its commitments on reducing poverty, promoting gender equality through equal rights and access to new technologies and financial services, and improving lives through access to quality education

MTN MoMo value creation story

MTN MoMo API	To accelerate the development of MTN MoMo financial solutions and services, we are collaborating with developers and service providers to leverage the scale of our platform. Our MTN MoMo API platform allows partners and vendors to seamlessly integrate MTN MoMo into their applications. In 2023, we launched the '***API as a Service***' solution to provide third parties with access to our proprietary software platform. This service enables businesses to create innovative services that will accelerate digital transformation and innovation, positioning us as a digital transformation enabler and partner for businesses in both local and international markets. The platform went live with four different APIs, with more under development. These included *M**TN Sim Swap API***, ***MTN KYC Lite API***, ***MTN Airtime API*** and ***MTN Subscription API***.
Providing affordable insurance through Ayo	Micro-insurance can have a transformative impact as it can shield our customers from economic shocks that would otherwise keep essential medical services out of reach. aYo, our micro-insurance partner, offers low-cost, mobile-enabled hospital and life insurance low and middle-income to MTN subscribers via two products which offer a hospital cash insurance benefit and a life cover benefit. Through the ***aYo*** insurance solution for MTN subscribers, we have provided our customers in Uganda with access to simple, flexible and affordable hospital and life products.
Supporting remittances across Africa	MTN recognises the transformative impact that remittances have across Uganda on poverty reduction and access to basic services at the household level in rural areas and for the diaspora population. Our ***MTN MoMo Remittance*** is a digital fintech service that enables all registered MTN MoMo customers to send and receive funds globally. This solution is the fastest, most cost-effective and secure way for our customers to receive funds from abroad or send money across borders.
Increasing the safety of mobile financial services	MTN remains aware of the risks associated with mobile financial services and continues to pursue an integrated approach to anti-money laundering, counter-terrorist financing, and fraud. As a result, we focus on detection, prevention, education, partner collaboration and certification. In 2023, we received the *ISO 27001 Information Security Management System* certification; the international standard that sets out stringent requirements for an information security management system, and this certification demonstrates MTN's commitment to prioritising data confidentiality, integrity and availability of services to our customers. This is in addition to our minimum system and security standards certification by the National Information Technology Authority.

Creating value in digital and financial inclusion

When we talk about financial inclusion at MTN MoMo, we are dealing with two fundamental questions. Firstly, how do we provide access to affordable financial services and products, and secondly and most importantly, how do we reach the 19% of the Ugandan population that are currently excluded from accessing financial services and products? This is our ***"why"*** at MTN MoMo. It is the bedrock of our business model, and the reason why we do what we do.

It underpins our commitment to leveraging technology to unlock economic opportunities for all Ugandans. We strive to bridge the gap between the unbanked and the financial system by offering a suite of innovative digital financial services that can transform Uganda's socio-economic landscape in line with existing government policies. This is achieved through partnerships and continuous innovation and improvement of our service offering.

Through ***Ambition 2025***, MTN MoMo will become the biggest fintech and digital platform in Uganda as we leverage MTN's core business and assets to deliver five unicorns in wallets, payment, e-commerce, bank-tech, insurtech and remittances.

Despite the challenges presented by the prevalence of basic services over advanced services coupled with a dynamic and increasingly competitive operating environment, we are buoyed by the abundance of opportunities in the advancements in technology, favourable government policy, the existence of a youthful population with 72% mobile phone penetration (*2023 FinScope*) and an increased preference for mobile money services among the population though cash is still predominant. MTN's device financing initiative will also bridge the existing 28% gap in mobile phone penetration and facilitate MTN MoMo's strategy.

Customers	***Agents***	***Agents***	***Transaction Value***	***Transaction Volume***
13.8m	**85.9k**	**212.5k**	**UGX 158.6trn**	**4.3bn**
2023: *12.1m*	***2023:*** *71.9k*	***2023:*** *155.3k*	***2023:*** *UGX 133.2trn*	***2023:*** *3.4bn*

Our financial inclusion impact, 2024

MTN MoMo partnered with Ericsson to empower women and provide financial literacy to female traders at Kalerwe market as part of the 2024 International Women's Day celebrations. The women traders were also encouraged to embrace digital payment solutions through MoMo Pay. Prizes were awarded for the participants with the highest number of transactions at the end of the programme. Through this initiative, MTN MoMo contributed to female financial inclusion and gender equality.

Empowering Women Financial Literacy

Uganda is home to a rich tapestry of cultures, traditions, and languages. It is our home in which we thrive. MTN MoMo supports culture as a partner in the annual ***Ekisakaate Kya Nnabagereka Gatonya*** 2024 mentorship programme that equips children with core life skills.

Cultivating Culture and Equipping Tomorrow

MTN MoMo supports education by easing the payment of school fees through increased convenience and safety. In addition, lucky winners also win fully paid scholarships. This is a true testament to our ***Doing Good for Tomorrow – Today*** mission as we educate the future leaders of Uganda and Africa.

Pay School Fees with MoMo and Win

This initiative focused on four key pillars – ***'Get Paid,' 'Make Payments,' 'Get Loans,' and 'Make Money'*** and provided small and medium enterprises with essential digital financial tools to grow their businesses.

'***Zimba***' meaning 'build' in Luganda, signifies the campaign's core purpose of transforming MTN MoMo from a mere payment platform into a trusted business partner that is contributing significantly to Uganda's economic development.

Zimba Business with MoMo

Protecting value through governance

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Our Corporate Governance Philosophy

MTN is committed to the highest standards of governance, business integrity, ethics and professionalism.

Corporate governance is the cornerstone of the company's approach to doing business and ensures that the company always operates responsibly at all times. Good governance enables us to live our values through enhanced accountability, corporate responsibility, a strong risk and performance management culture, transparency and effective leadership.

MTN focuses on the core elements of good governance, including transparency, integrity, sound policy, stakeholder participation, accountability and anti-corruption. We ensure the relevance and sustainability of our business by monitoring the macro environment, as well as the needs of our stakeholders and the future generation.

The Board uses a simplified governance approach in a complex environment as it strives to create shared value for the company's key stakeholders. We continually evaluate our governance architecture and philosophy as part of best practice.

MTN's governance ecosystem

MTN's governance ecosystem reflects the importance of establishing sound governance principles and practices, which serve as a foundation for *Ambition 2025*. Our ecosystem is designed to adapt to external changes as well as internal growth.

We constantly monitor the legal, governance and regulatory landscape to ensure that we are aware of all trends and emerging risks that could impact our stakeholders, and take appropriate steps to protect their interests.

- Ethical and effective leadership
- Strategic direction and stewardship
- Governance risks and opportunities
- Internal controls and assurance
- Board composition
- Board, committee and management effectiveness
- Technology governance
- Stakeholder inclusivity and sustainability

Members of MTN Uganda's executive management team.

Board Composition

The Board comprises directors with diverse skills and competencies, extensive international and local experience and insight of the business areas in which MTN operates. The Board is comfortable that it has the requisite skills and experience across its committees to discharge its responsibilities.

The Board acknowledges the importance of board balance and the need to have a sufficient number of independent directors. Independent directors bring immense value: an independent and objective view; new skills, knowledge and experience with positive impact on strategy development and oversight; safeguarding the interests of minority shareholders and other stakeholders; and providing reassurance to external shareholders that the company's affairs are being run in an effective manner.

The Board currently has four independent directors and three non-executive directors, a balance that is in line with the requirements of the Capital Markets (Corporate Governance) Regulations 2025 and the Companies Act.

Board Function

As a core element of our corporate governance philosophy, we recognise that an effective Board must have the expertise and competence to promptly and appropriately address current and emerging issues.

We continually aspire to achieve value creation through robust governance. The Board is committed to good governance and international standards of best practice, and to ensuring an unequivocal tone from the top that requires a commitment by all directors and employees to the values of integrity, transparency and oversight.

We operate a unitary board structure where the roles and duties of the Board Chairperson and Chief Executive Officer are separate and clearly defined so as to conform with corporate governance best practices with regard to the independence of the board from management. The Chief Executive Officer reports directly to the Board and her performance is reviewed on an annual basis.

The Board has non-executive, executive and independent directors serving collectively, which ensures effective monitoring and oversight whilst achieving balance of power and diversity of viewpoints and perspectives.

The Board establishes the strategic objectives and the corporate values of the company. In addition, the Board provides oversight of the company's business, operations, practices, performance and policies. The Board has a charter which sets out key responsibilities.

- delegating the management of the company to a competent executive management team
- ensuring that management defines and executes a robust strategy process
- ensuring MTN's compliance with applicable laws and rules and appropriate best practices
- governing disclosures so that stakeholders can assess the performance of the company
- protecting the interests of the company's stakeholders and ensuring fair, responsible and transparent people practices
- overseeing the combined assurance and control functions

In addition to these core responsibilities, the Board has other obligations under applicable law, specifically the Companies Act which sets out the duties of directors, and has in place arrangements to ensure directors are updated on new laws and changes in legislation.

MTN Uganda Governance

MTN Board of Directors

Date appointed
25 Feb 1998

Charles Mbire
Chairperson

Qualifications
BA (Economics), MBA

Skills
Economics, Finance, Investment, Business Strategy, Governance

Committees
ARM, RHSE

Date appointed
25 Feb 2021

Yolanda Cuba
Non-Executive Director

Qualifications
BCom (Hons) Accounting & Statistics, MCom

Skills
Accounting, Business Strategy, Executive Leadership

Committees
ARM, RHSE

Date appointed
1 Apr 2021

Karabo Nondumo
Independent
Non-Executive Director

Qualifications
BAcc, HDipAcc, CA (SA)

Skills
Accounting, Finance, Governance, Business Strategy

Committees
Chair-ARM

Date appointed
5 Aug 2019

Sugentharen Perumal
Non-Executive Director

Qualifications
BCom (Hons) Accounting & Management Accounting, CA (SA)

Skills
Accounting, Finance, Audit and Assurance, Business Strategy

Committees
Chair-RHSE, ARM

Date appointed
3 Mar 2023

Dr. Winnie Tarinyeba Kiryabwire
Independent
Non-Executive Director

Qualifications
LLB, PGDip (LDC), LLM, JSD

Skills
Law, Financial Services Regulation, Governance, Risk

Committees
RHSE

Date appointed
1 Nov 2023

Fatima Daniels
Independent
Non-Executive Director

Qualifications
BSc Mathematical Statistics, CA (SA)

Skills
Accounting, Finance, Governance, Risk

Committees
ARM

Date appointed
5 Mar 2024

Francis Kamulegeya
Independent
Non-Executive Director

Qualifications
BSc (Agriculture), FCCA, CTA (UK)

Skills
Tax, Accounting, Finance, Governance, Risk, Business Strategy

Committees
ARM, RHSE

Date appointed
1 Oct 2022

Sylvia Mulinge
Executive Director

Qualifications
BSc (Food Science and Technology), MBS

Skills
Strategy, Business Development, Commercial Execution

Date appointed
2 Nov 2020

Andrew Bugembe
Executive Director

Qualifications
BCom (Accounting), MCom, FCCA

Skills
Accounting, Finance, Commercial Strategy, Risk

Date appointed
23 Feb 2019

Enid Edroma
Company Secretary

Qualifications
LLB, PGDip (LDC)

Skills
Law, Governance, Risk

RHSE	ARM
Remuneration, Human Resource, Social and Ethics Committee	Audit and Risk Management Committee

MTN Executive Management Team

Sylvia Mulinge
Chief Executive Officer

Andrew Bugembe
Chief Financial Officer

Thomas Motlepa
Chief Technology Information Officer

Mackinnon Kabarole
Ag. Chief Marketing Officer

Enid Edroma
General Manager: Corporate Services

Joseph Bogera
General Manager: Sales and Distribution

Michael Sekadde
General Manager: Human Resources

Samuel Gitta
General Manager: Risk & Compliance

Dorcas Muhwezi
General Manager: Customer Experience

Ibrahim Senyonga
General Manager: Enterprise Business Unit

Juliet Nsubuga
General Manager: Wholesale Services

Nicholas Beijuka
General Manager: Capital Projects

Kenneth Kiddu
General Manager: Business Intelligence

Franklin Kano Ocharo
General Manager: Growth & New Business

Peace Kabatangare Zulu
General Manager: Internal Audit & Forensics

MTN MoMo Governance

MTN MoMo Board of Directors

Date appointed
1 Oct 2022

Sylvia Mulinge
Chairperson

Qualifications
BSc (Food Science and Technology), MBS

Skills
Strategy, Business Development, Commercial Execution

Date appointed
8 Feb 2021

Prof. Wasswa Balunywa
Independent Non-Executive Director

Qualifications
BCom, MBA, PhD

Skills
Economics, Finance, Entrepreneurship, Governance

Date appointed
8 Feb 2021

Evelyn Namara
Independent Non-Executive Director

Qualifications
BSc (Finance and Banking), MSc (Finance)

Skills
Finance, Business Strategy, Risk, Governance

Date appointed
3 Oct 2023

Adekunle Awobodu
Non-Executive Director

Qualifications
BSc (Finance and Banking), MSc (Finance)

Skills
Finance, Business Strategy, Risk, Governance

Date appointed
27 Nov 2020

Serigne Dioum
Non-Executive Director

Qualifications
BSc (Engineering)

Skills
Digital, Financial Services, Business Strategy

Date appointed
27 Nov 2020

Andrew Bugembe
Non-Executive Director

Qualifications
BCom (Accounting), MCom, FCCA, CPA

Skills
Accounting, Finance, Commercial Strategy, Risk

Date appointed
19 Jan 2022

Richard Yego
Executive Director

Qualifications
BSc (Finance and Banking), MSc (Finance)

Skills
Finance, Business Strategy, Risk, Governance

Date appointed
15 Dec 2023

Sarah Bateta Okwi
Executive Director

Qualifications
BCom, ACCA, CPA (Accounting)

Skills
Accounting, Finance, Risk

Date appointed
01 Nov 2024

Dennis. A. Kakonge
Company Secretary

Qualifications
LLB, PGDip (LDC), MBA

Skills
Law, Governance, Risk, Finance

MTN MoMo Executive Management Team

Richard Yego
Managing Director

Sarah Bateta Okwi
Chief Financial Officer

Stephen Mutana
Chief Strategy & Transformation Officer

Albert Gitta
Chief Information Officer

Alex Nabuyaka Wekoye
Chief Commercial Officer

Jemima Kariuki Njuguna
Chief Products Officer

Peter Ochen
General Manager: Financial Operations

Dennis. A. Kakonge
General Manager: Corporate Services

Joachim Masagazi
Head: Human Resources

Israel Mayengo
Head: Risk and Compliance

Stephen Wakhula
Head:Internal Audit and Forensics

William Senfuma
Head: Business Intelligence and Analytics

Audit and Risk Management Committee

Chairperson's Review

Ms. Karabo Nondumo

The Audit and Risk Management Committee is established to assist the Board in discharging its duties relating to the safeguarding of assets, the operation of adequate financial systems and control processes, and the preparation of financial statements and related financial reporting in compliance with all applicable legal requirements and accounting standards. The committee also provides rigorous oversight of the company's risk management framework, ensuring that sound risk assessment and mitigation strategies are in place.

In the discharge of its mandate, the committee approaches the ever-changing corporate landscape, market opportunities, regulatory changes and emerging risks with agility and vision. Our decision-making procedures are designed to be nimble and enabling. The committee also ensures transparency, accuracy and reliability in the company's disclosures.

The committee convenes a minimum of four times a year but may meet on other occasions where the business of the company so requires. Executive directors and other relevant business managers attend all committee meetings but are not committee members.

> *The committee convenes a minimum of four times a year but may meet on other occasions where the business of the company so requires.*

Key features of 2024

In addition to the standing items on our annual agenda, we considered the following material matters in 2024:

- Assessed and guided MTN's response to a tax investigative audit conducted by URA.
- Monitored progress on the follow-on secondary market sale of 7.05% shareholding in MTN, which resulted into a subscription rate of 230% and fulfilment of the regulatory 20% minimum public listing obligation.
- Monitored progress on the proposed structural separation of MTN MoMo and related fintech business lines.
- Monitored progress on implementation and standardisation of key controls to further enhance the overall control environment. This included understanding finance operating model's maturity levels, developing an internal control framework and overseeing initiatives to optimise control processes in MTN.
- Enhanced compliance maturity across the organisation.
- Strengthened effectiveness of internal controls and internal financial controls.
- Considered management's assessment of identified accounting matters and evaluated annual, interim and quarterly financial statements, as well as disclosure and related stakeholder engagement.
- Reviewed internal audit and forensic services governance structures.

Key focus areas for 2025

In 2025, in addition to our annual statutory and governance responsibilities and standing items, we shall:

- Continue to assess and guide MTN's response to a tax investigative audit conducted by URA.
- Oversee the proposed structural separation of MTN MoMo and related fintech business lines, ensuring appropriate stakeholder engagement is held throughout the entire process.
- Related to the above, ensure continuous improvement and enhancements to related risk and control and compliance capabilities.
- Assess the potential benefits and implement process automation for key finance processes and controls.
- Update the risk appetite and preference framework, including a review of risk categories and tolerance levels.
- Enhance specialised finance skills across the company and strengthen centres of excellence of key finance functions.
- Continuously strengthen internal controls.

Attendance

The record of attendance for 2024 is set out below:

Karabo Nondumo	**5/5**
Charles Mbire	**5/5**
Yolanda Cuba	**4/5**
Sugenthasuren Perumal	**5/5**
Fatima Daniels	**5/5**
Francis Kamulegeya	**5/5**

Remuneration, Human Resource, Social and Ethics Committee

Chairperson's Review

Sugentharen Perumal

The committee has oversight of MTN's sustainability strategic ambitions, progress and milestones.

The Remuneration, Human Resources, Social and Ethics Committee is established to improve the efficiency of the Board in discharging its duties relating to the selection and appointment of senior managers, as well as formulation of a remuneration philosophy and human resources strategy that ensure that the company attracts and retains the best human capital possible relevant to its business needs.

The committee also discharges a residual nominations mandate to make recommendations to the Board on suitable candidates for the appointment to the Board and its committees, ensuring that all have an appropriate balance of expertise and ability. The committee also has oversight of MTN's sustainability strategic ambitions, progress and milestones. The committee tracks ESG progress and oversees the effective implementation of agreed initiatives, programmes and policies across environmental, social, governance, employment and labour, social security, human rights and anti-corruption parameters.

In collaboration with the Board, the committee's dedication to stakeholder relationship building was evident throughout 2024. By actively engaging and addressing concerns from shareholders, key stakeholders and executive management, the committee worked closely with the Board to establish a collaborative ecosystem where trust and transparency are paramount. This approach ensures that decisions are not only well-informed, but also aligned with the interests of the wider Ugandan community.

Key features of 2024

In addition to the standing items on our annual agenda, we considered the following material matters in 2024:

- Reviewed the structure and composition of the Board, and recommended the appointment of Fatima Daniels and Francis Kamulegeya as independent non-executive directors, and generally considered Board succession-planning.
- Monitored and assessed the performance of the company's executive committee.
- Continued to monitor the implementation of the company's operating model.
- Ensured implementation of approved remuneration structure, based on the company's remuneration philosophy.
- Made significant progress against ESG key performance indicators index.
- Advanced work to achieve Net Zero emissions by 2040.
- Remained committed to diversity and inclusion: women represented 51% of our workforce achieving our 2030 target of 50%.
- Monitored corporate social impact investment activities.

Key focus areas for 2025

In 2025, in addition to our annual statutory and governance responsibilities and standing items, we shall:

- Continue to monitor and provide oversight on the entrenchment of governance policies and practices across MTN
- Continue to monitor succession planning in respect of the Board
- Review the outcomes of the Board evaluation and implement any remedial action.
- Monitor and drive the progress of ESG imperatives
- Maintain a deliberate focus on addressing Scope 1, 2 and 3 emissions, while actively monitoring portfolio shifts as part our Net Zero efforts.
- Continue to advance our gender-equality agenda by accelerating the hiring of women and ensuring representation across various leadership and specialisation categories.
- Persist in our efforts to address matters that are material to our stakeholders.
- Continue incremental reputation improvements by addressing stakeholder needs.
- Entrench and enhance ethical culture efforts and ensure closer alignment between ethics and risk.

Attendance

The record of attendance for 2024 is set out below:

Sugentharen Perumal	**4/4**
Charles Mbire	**4/4**
Yolanda Cuba	**3/4**
Dr. Winnie Tarinyeba Kiryabwire	**3/4**
Francis Kamulegeya	**4/4**

Board Operations

The Board's operations are guided by the Articles of Association of the Company and a Board charter. In line with its charter, the Board meets regularly to consider matters within its mandate. In addition to meeting at least once every financial quarter, the Board meets regularly as and when the needs of the business require it. The deliberations of the Board are recorded in minutes that are approved by the Board. The record of attendance for 2024 is set out below:

Attendance

Charles Mbire	**4/4**
Yolanda Cuba	**3/4**
Karabo Nondumo	**4/4**
Sugentharen Perumal	**4/4**
Dr. Winnie Tarinyeba Kiryabwire	**4/4**
Fatima Daniels	**4/4**
Francis Kamulegeya	**4/4**
Sylvia Mulinge	**4/4**
Andrew Bugembe	**4/4**

Board Committees

The Board has delegated its authority to well-structured committees of directors who deal with certain governance issues and report to it on a quarterly basis. Each committee operates under specific terms of reference which state its mandate and guide its operations. The Board however retains overall responsibility for all committee decisions. Committee terms of reference are reviewed annually to ensure compliance with best practices and prevailing governance trends. Committee membership is also regularly assessed to ensure effective skills representation to facilitate the achievement of the Company's strategic objectives. The Board was satisfied with the performance of its committees in 2024.

Board Effectiveness

Delegation of Board's authority through a decision making framework

The Board is responsible for the management of the Company. Appropriate delegation of authority is fundamental to the efficient management and operation of the Company. The Board delegates part of its authority to the Board committees and the company's executive management under a decision-making framework.

The decision-making framework ensures that decisions are made, and actions taken, at appropriate levels within the company's governance chain. The framework also facilitates distribution of the workload at Board and senior management levels; moves responsibility closer to the point of contact; supports a sound internal control environment; facilitates timely decision making; maintains fiscal integrity and ensures that decisions are taken in accordance with applicable law and Company policy. This notwithstanding, the Board retains overall control over and has responsibility for all delegated items. The Board regularly reviews its delegated authority framework to ensure that it is appropriate, up to date and consistent with evolving best practice.

The executive management team, led by the Chief Executive Officer, is responsible for a defined set of everyday operational matters that are executed within the overarching strategic mandate approved by the Board. The executive committee has a separate decision-making framework that provides clear thresholds for the exercise of its delegated authority. There is an extensive monitoring mechanism in place to ensure that this authority is correctly exercised.

Diversity

We embrace diversity at the Board level and understand that the diverse perspectives of directors allow for effective strategic oversight as well as robust deliberation during Board meetings. Therefore, it is the firm intention of the Board to continually review and focus on its diversity, and this includes improving the representation of women on the Board and ensuring that a complementary combination of age profiles and skills are represented on the Board. Currently, the Board has 55.5% female representation.

Long-serving directors ensure that there is an appropriate mix of institutional knowledge and experience on the Board, while the regular review of board composition and appointment of new directors introduces new perspectives and ensures that there is a young and dynamic leadership to complement the experience and institutional knowledge of the seasoned directors. Finding an appropriate balance is crucial, and the Board is constantly reviewing its composition to ensure that an optimum balance is attained.

Induction, training and development

The Board recognises that in order to remain effective, it must induct, develop and train its members from time to time in line with the company's evolving needs. Accordingly, we have a structured induction and development programme that seeks to equip new directors with understanding of the culture, strategy and complexities of the business.

The programme also includes ongoing training for all directors on various matters related to their role to assist them to act with due care, skill and diligence. Particular upskilling focus areas include financial technology and digital, regulatory, ESG and climate change priorities.

Evaluation

The performance of the executive directors is evaluated regularly and in line with the Company's performance review cycles. Annual remuneration decisions relating to executive directors are based on the results of the performance evaluation. In line with best practices on Board performance evaluation, the Board has also developed a framework for the evaluation of the Board, its committees, the chairperson and individual directors to ensure that the directors remain accountable and the Board as a whole remains effective.

A comprehensive Board evaluation was completed in 2023, and the Board is committed to swiftly resolving all the key issues that were raised to ensure that we have an appropriate and compliant governance structure in place. The Board also examines its own processes and procedures on an annual basis to ensure that they are not unduly complex and are designed to assist the Board in effectively fulfilling its role.

Management of conflict of interest

The management of conflicts of interest is important in promoting ethical conduct and in protecting the integrity of MTN's decision-making processes. Accordingly, the Board and employees are encouraged to act in a responsible, transparent and ethical manner, taking into consideration the company's best interests and are required to complete a declaration of any declarable interest at the start of each year in addition to routine disclosures in the course of discharging their obligations.

The company's conflict of interest policy provides guidance and mechanisms for the identification of conflicts of interest and measures for the disclosure, mitigation, and management of such conflicts.

The policy also regulates the relationship between MTN and its employees, directors, suppliers and service providers. There has been significant improvement in the understanding of the process, resulting from extensive internal awareness campaigns and the guidance framework provided to employees and rolled out in all operational areas to ensure compliance and adherence to the policy.

Access to information and advice

The Board has access to all company information it requires to discharge its duties and responsibilities.

In addition to receiving information on the company's business and affairs through Board meeting packs, the Board and its committees can request information from senior management as and when they need it. Where appropriate, the Board seeks and obtains independent advice from consultants and other advisors at the company's expense.

Audit and combined assurance

The Board recognises the crucial role of the internal audit function and the external auditor within the context of its risk management framework. Accordingly, the Board (through its Audit and Risk Management Committee) regularly receives and considers reports from the internal audit function. On an annual basis, the Board receives and considers the management letter issued by the external auditor. The remedial actions from the reports are tracked for closure.

The Board is focused on embedding a combined assurance approach which leverages and optimises all assurance services and functions within the company. The ultimate objective is an effective control environment and reliability of information relied on by the Board for decision-making and reporting to regulators and other key stakeholders.

Company Secretary

The Board is assisted by a competent and suitably qualified Company Secretary, Ms. Enid Edroma. The Company Secretary is the chief governance advisor to the Board and operates with an appropriate level of independence from the Board. The Company Secretary's performance is assessed on an annual basis, and the Board is satisfied that she has the competence, qualifications and experience to provide the Board with sound governance advisory and stewardship.

Material Governance Policies

Insider trading and share dealings

The Uganda Securities Exchange Insider Trading Rules 2008 require MTN to prohibit insider trading. MTN has an insider trading policy which, amongst other aspects, prohibits trading in the Company's shares by the Board, prescribed officers, senior executives and employees during "closed" periods.

The standard closed periods are effective two months before the interim and annual financial reporting dates until the financial statements are published and during any period when the company is trading under a cautionary announcement. The policy also requires disclosure by the directors and certain employees of intended and concluded trading in the company shares.

MTN routinely communicates closed periods to its directors and employees on an ongoing basis as a compliance measure.

Anti-bribery and corruption

MTN is a widely recognised brand in Uganda. Our success depends on the trust and confidence of our customers, suppliers and other third-party stakeholders. Therefore, we are committed to conducting business in accordance with the highest ethical standards.

We have an anti-bribery and corruption policy that outlines the Company's position on bribery and corruption, highlights roles and responsibilities, provides mitigation mechanisms and states general prohibitions on gifts, hospitality and sponsorship.

Any violation of the company's policy in this regard attracts grave sanctions, in addition to civil and criminal liability that may be imposed by the state.

AML/CFT

MTN is committed to acting with integrity in all its business dealings and conducting its activities in accordance with applicable laws and regulations relating to prevention of financial crime at national level and on the global scale. The company's AML/CFT policy ensures that we are compliant with the law and other regulatory requirements prohibiting the use of our products and services for the facilitation of money laundering, the financing of terrorism and other financial crimes.

The policy is also aimed at safeguarding MTN against legal and reputational risk, and shielding the company, our employees and our partners against becoming vehicles for financial crime and other illicit activities.

MTN has appointed a money laundering control officer who is responsible for the day-to-day management of the financial crime compliance program. Appropriate separation of roles and segregation of duties parameters have also been put in place.

Whistleblowing

As we have re-affirmed above, MTN is committed to a culture of zero-tolerance to fraud, bribery, corruption, misappropriation and illegal activity throughout the organisation. In this regard, MTN recognises the importance of having procedures and a facility in place whereby employees and other stakeholders can safely report actual or suspected incidents of fraud, misconduct, illegal activity, or other irregularities.

Whistleblowing has the potential to be seen as an adverse activity as individuals who speak up against suspected fraud, misconduct or any illegal activity may be branded as trouble-makers. We see whistleblowing differently, regarding it as a positive practice that assists the organisation to detect incidents of fraud, misconduct, and illegal activity early. It enables us to limit or prevent financial and reputational damage to the company, provides us the opportunity to prevent future occurrences and take corrective measures against the individuals involved in illegal activities. Through speedy identification, investigation, resolution and mitigation of fraud incidents, we can ensure that our profitability and revenue streams, as well as our business reputation, are safeguarded.

Through relevant policies, we encourage employees to report any incidents of fraud, misconduct, bribery, corruption, misappropriation or illegality against MTN by any internal or external party. This is done through the utilisation of available reporting procedures and facilities, including a fraud hotline. Employees or individuals that report such incidents to the company in good faith and without malicious intent are able to do so without fear of reprisal.

Data protection and privacy

In addition to compliance with data protection and privacy legislation in Uganda, which the company is complying with, we have adopted data protection, information security and privacy policies that govern MTN's collection, processing, control and use of the personal information of our customers, employees and other individual partners received in the normal course of business operations. The processes and systems underlying these policies are audited regularly.

Communication

Our business communications are honest, accurate and timely and are governed by a communication policy. We do not comment unfavourably on our competitors' products, management or operations.

At all governance levels, confidentiality of Board deliberations and other company-sensitive information is emphasized. As a listed company, we have an obligation to ensure that all our shareholders have access to the same information and at the same time and that insiders (including substantial shareholders and directors) do not use price-sensitive non-public information in a manner that distorts trading in the company's shares or otherwise prejudices the interests of non-insiders.

Governance Audit

In compliance with corporate governance best practice, our corporate governance framework is assessed by both internal audit and evaluation tools, and external reviewers such as the Capital Markets Authority.

We recognise the value of governance audits as being a critical component of ensuring that MTN attains the objective of realizing shareholders' long-term value while taking into account the interests of stakeholders.

The Board undergoes an annual internal governance audit across the following six areas:

- strategy and performance;
- governance and organisation;
- governance of risk, regulatory and legal;
- technology;
- talent and remuneration; and
- monitoring and assurance.

In addition to the Capital Markets (Corporate Governance) Regulations 2025, the Board's discharge of its mandate is also assessed against the King IV Code on Corporate Governance and the Deloitte Governance Framework and Governance Capability Maturity Assessment, which is aligned to the principles of COSO 2017 Internal Control – Integrated Framework published by the Committee of Sponsoring Organisations of the Treadway Commission.

The Board is committed to continuing to improve its governance structure and operations in alignment with applicable laws and best governance practices.

Stakeholder Inclusivity

We are heavily invested in the health of our relationships, and the Board oversees the implementation of a structured and inclusive approach to stakeholder management which is in line with corporate governance best-practice.

Our relationship with our stakeholders is based on a set of non-negotiable principles: integrity, competence, responsibility, accountability, fairness and transparency. MTN has adopted a stakeholder management policy which sets out our approach and strategy with respect to stakeholder engagements, ensuring that the approach considers corporate governance guidelines.

Our stakeholder management policy promotes greater inclusion of stakeholder needs, interests and expectations in corporate decision-making. This is designed to drive the company's reputation by managing the gap between stakeholder expectations and company performance, through investing in healthy and long-term relationships with priority stakeholders to build stakeholder trust and focusing on the quality of our engagement, especially our responsiveness to stakeholder issues and concerns.

Our main stakeholders are our shareholders and the investment community, our employees, the community and environment in which we operate, our suppliers and service providers, and GOU and regulatory bodies. The expectations of these stakeholders are considered in all aspects of the Board's decision-making processes, and we believe that effective communication with shareholders and other stakeholders is fundamental in maintaining MTN's reputation as a responsible partner.

Remuneration Philosophy

Our remuneration philosophy is part of an interlinked, holistic and people-oriented approach, aiming to support current and evolving business priorities. The philosophy aims to attract, motivate, retain and engage the desired talent to execute business strategy in a sustainable manner over the long-term. The competitive talent landscape demands a differentiated reward system, capable of competitively matching pay for results, delivered fairly without bias, and flexible yet compliant.

In our efforts to achieve our talent objectives, we apply various approaches, including the following:

- For competitiveness and affordability: regular market benchmarking of reward components and linking short and long-term incentives to various performance indicators.
- For differentiation and flexibility: establishing performance as the basis for employee reward and the ability to customise reward, considering the varied needs and lifestyles of employees.
- For compliance and sustainability: continuously striving to apply full regulatory and legislative compliance in our markets, and regularly auditing and assessing risks, benefits and compliance of reward.

The Company's pay is benchmarked against peers in the industry and within the MTN Group. In addition, we have a combination of short-term incentives (bonus) and long-term incentives through participation of eligible employees in the Group Share Incentive Scheme and contributions to the MTN Uganda Staff Provident Fund.

Our remuneration policies, which are endorsed by management and governed by the Remuneration, Human Resource, Social and Ethics Committee, guide the decision-making process. It is our intent to deliver a legislatively compliant and market-competitive system aligned with the future strategic objectives of the company.

Directors' Remuneration

The remuneration of the non-executive directors is governed by the Articles of Association which provide that the directors are entitled to remuneration for their services. The reasonable expenses incurred in attending meetings of the Board and of the company and otherwise in the course of performing their duties are payable by the Company.

The remuneration payable to the Board has been approved by shareholders of the company. The fees payable to the non-executive directors are reflective of their roles and responsibilities in a listed company and have regard to the findings of a remuneration survey that was conducted by the company and considered by the Remuneration, Human Resource, Social and Ethics Committee.

Total director's emoluments – 2024

Non-executive directors

UGX 786,174,167

Ms. Mulinge and Mr. Bugembe, who serve as executive directors, hold fixed-term employment contracts with the company and are remunerated in accordance with their contracts of employment.

Under their service contracts, Ms. Mulinge and Mr. Bugembe are entitled to a combined gross basic salary and a number of company-funded benefits, subject to certain monetary limits, including participation in a medical scheme which covers family members, performance bonuses conditional on achieving targets as prescribed by the company's performance bonus policy, share options in MTN Group under the staff share incentive schemes which apply to MTN as a subsidiary and participation in the MTN Contributory Provident Fund Scheme. Ms. Mulinge and Mr. Bugembe are not entitled to or paid additional remuneration for their respective service on the Board.

Directors' Interest in Shares

As of 31 December 2024, the following directors held a direct interest in the Company's issued share capital as reflected in the table below:

Charles Mbire	*Director*
895,561,810	Number of ordinary shares
Sylvia Mulinge	*Director*
1,215,670	Number of ordinary shares
Andrew Bugembe	*Director*
1,072,500	Number of ordinary shares

MTN Group Relationship Agreement

MTN entered into a Group Relationship Agreement with MTN Group to record the relationship between MTN and MTN Group following the Company's listing in 2021. The Relationship Agreement is governed by Ugandan law.

In the Relationship Agreement, the two entities agree to collaborate in devising and implementing strategy so as to maximize the long-term shareholder value of both entities. MTN Group also undertakes that it will treat all unpublished information that it receives from MTN which is of a price sensitive nature with appropriate confidentiality.

In addition, MTN and MTN Group each acknowledge there may be circumstances where a conflict of interest could arise or be perceived to arise. In such circumstances, both parties will liaise with each other to ensure that appropriate arrangements are put in place to deal with the situation.

MTN and MTN Group undertake to promptly disclose any real or potential conflict of interest that a director may have regarding any matters that may come before the Board or its committees, and to abstain from discussions and voting on any matter in which a director has or may have a conflict of interest.

Creating Social Value

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Sustainability report overview

Enid Edroma
General Manager
Corporate Services

We take great pride in being a responsible and transparent organisation, and we believe that the unique role we play to drive Uganda's socio-economic progress goes hand-in-hand with sustainable growth.

In this section, we provide information on MTN's strategy and performance related to sustainability issues which impact our organisation, society and the environment. The report details MTN's ESG policies, governance, strategies, risks and opportunities. This report also includes MTN MoMo and the MTN Foundation.

We have been at the forefront of transforming Uganda's connectivity landscape, bridging the digital divide and empowering millions of lives. Our journey of growth, innovation and commitment to the country we proudly call home continues to inspire us as we navigate the complexities of sustainability in the modern world.

Uganda presents unique sustainability related challenges and opportunities. As the rest of the world transitions to a green economy focusing on low-carbon status, Uganda grapples with gaps in infrastructure, education, healthcare and energy security. Furthermore, the accelerated adoption of digital technologies, including the broad adoption of AI, presents both opportunities and challenges for sustainability. At MTN, we recognise the need to harness the power of digital technologies responsibly, ensuring our actions contribute positively to environmental sustainability and social progress.

We are determined to be a part of the solution to these and other issues. Our sustainability vision is to create and protect shared value for MTN and our stakeholders through responsible economic, environmental and social practices. We also provide economic value that is shared with our stakeholders. In this regard, sound corporate governance, ethical conduct, robust risk management and regulatory compliance are the foundations of our shared-value approach and our long-term sustainability.

We believe that by taking this approach, we are laying the groundwork for a thriving digital economy in Uganda and helping to solve many of the challenges facing our communities. As we do, sustainability underpins this ambition and we continually focus on doing the right thing for our customers, people and the communities in Uganda.

Our sustainability governance is led by the Board, which is responsible for setting the tone-at-the-top. The Board supports our efforts to mitigate sustainability risks and exploit related opportunities.

Our sustainability strategy

Doing More for tomorrow, today

ESG remains at the core of our strategic commitment to create shared value. We strive to contribute to the development of society through responsible environmental, social, and governance practices.

In addition to ESG, our framework includes creating economic value. Our *Ambition 2025* goals and targets also support our role as an UN SDG enabler. We believe that our position and reach accord us both the power and the responsibility to make a difference and improve lives and livelihoods across our operational footprint in Uganda.

Our integrated sustainability strategy is embedded within the organisation across four pillars: eco-responsibility, sustainable societies, sound governance and economic value-add.

Each pillar is complemented by policies and procedures to reinforce our commitment and facilitate implementation. This framework brings responsible business to life and enables us to maintain oversight of key sustainability issues, risks and opportunities. It guides how we interact with our customers and stakeholders, the role we play in expanding the digital economy, and how we minimise our impact on our planet.

Strategic intent *Ambition 2025:* ***Leading digital solutions for Africa's progress***

Belief statement ***Everybody deserves the benefits of a modern connected life***

	Doing for planet	Doing for people	Doing it right	Doing for growth
Commitments	We are committed to protecting our planet and achieving **Net Zero** emissions by 2040	We are committed to driving **digital financial inclusion** and a diverse society	We are committed to partners and stakeholders to **create and protect** value	We are committed to boosting **inclusive economic growth** on the continent
Metrics and actions	• **Project Zero:** Reduce GHG emissions • **Energy footprint:** Improve energy efficiency within our networks and deploy renewables • **Water and waste management:** Reducing our impact	• Increase access and reduce cost to communicate • Increase **financial inclusion** • **Generational equality:** Increase women representation • Contribution through **Information and Communication Technologies (ICT):** Digital education, skills and jobs	• Responsible **policies and practices**, including: business ethics and enterprise-wide risk management • Enhance **reputation and trust** with stakeholders • **Digital human rights (DHR)** Responsible procurement and supply chain	• **Tax contribution** across markets • Network **infrastructure investment** • Empowering local governments and enterprises
UN SDGs	7, 12, 17, 13	4, 5, 8, 10, 17	16, 17	8, 9, 17

Sustainability Governance

Our sustainability governance is led by the Board, which is responsible for setting the tone-at-the-top. At committee level, the Remuneration, Human Resources, Social and Ethics Committee has oversight of our sustainability strategic ambitions, progress and milestones. The management of the company tracks ESG progress and oversees the effective implementation of agreed initiatives, programmes and policies. The company management also shares key learnings with staff, aligns strategy with responsibilities, and reports to the Board.

Creating social value

Our sustainability impact: 2024 snapshot

Eco-responsibility

Carbon emissions (Scope 1 and Scope 2), targeting 47% reduction in GHG emissions by 2030 and Net Zero by 2040.	4,225 tCO2 *(2023: 4,643 tCO2)*
Water consumption	64,363 M3 *(2023: 49,909 M3)*
Energy sites upgraded with renewable energy sources	3,339 *(2023: 3,241)*
Waste management	87,260 kg *(2023: 53,751 kg)*
Waste recycled or repurposed out of total waste collected	2.6% *(2023: 3.4%)*
Energy consumption	123,740 GJ *(2023: 130,862 GJ)*

Eco-Sustainable societies

Data subscribers	10.1 m *(2023: 8.2 m)*
Fibre-home connections	10,500 *(2023: 8,300)*
Fibre coverage	17,774 km *(2023: 12,072 km)*
Smartphones distributed through device finance collaboration	693,011 *(2023: 495,900)*
Smartphone penetration	44.9% *(2023: 39.1%)*
MTN MoMo subscribers	13.8 m *(2023: 12.1 m)*
MTN MoMo merchants	85,900 *(2023: 71,900)*
MTN MoMo agents	212,500 *(2023: 155,000)*
Number of employees:	1,323 *(2023: 1,349)*
Percentage of women in our workforce:	48.4% *(2023: 51.0%)*
Percentage of women in senior management:	38.0% *(2023: 38.0%)*
Broadband coverage – 5G	15.3% *(2023: 0.3%)*
Broadband coverage – 4G	87.9% *(2023: 85.1%)*
Broadband coverage – 3G	94.6% *(2023: 92.6%)*
Broadband coverage – 2G	98.9% *(2023: 98.6%)*
Rural broadband coverage	94.6% *(2023: 92.60%)*
Active monthly Ayoba users	1.3 m *(2023: 1.8 m)*
MTN Foundation / CSI investment	UGX 4.6 bn *(2023: UGX 4.4 bn)*

Governance

Award recognition 2024	**Winner** – *Best Listed Entity Reporting Award* at the Institute of Certified Public Accountants of Uganda 2024 Financial Reporting Awards
	Winner – *Presentation and Communication Award* at the Institute of Certified Public Accountants of Uganda 2024 Financial Reporting Awards
	Winner – *Consumer and Industrial Products Financial Reporting Category* at the Institute of Certified Public Accountants of Uganda 2024 Financial Reporting Awards
	Million Dollar Award – *Best OpCo of the Year*, MTN Global Leadership Gathering
	Group President and CEO Award – ***Y'ello Care***, MTN Global Leadership Gathering
	Diamond Award – *Financial Services Digital Excellence*, Digital Impact Awards Africa
	Diamond Award – *Technology Services Digital Excellence*, Digital Impact Awards Africa
	Best accelerated bookbuild in Africa – MTN Uganda's UGX 220b n accelerated bookbuild (EMEA Finance)

Economic value-add

Tax contribution	UGX 1.3 tn *(2023: UGX 1.1 tn)*
MTN MoMo transaction value	UGX 158.6 tn *(2023: UGX 133.2 tn)*
MTN MoMo transactions	4.3 bn *(2023: 3.4 bn)*

*MTN staff making re-usable sanitary towels with students during a **Y'ello Care** event.*

Doing for planet

One of our material sustainability goals is environmental stewardship, and our imperative is to ensure that our business and the communities we service thrive. We believe the growth and success of any business needs to consider environmental aspects to guarantee a future for our planet that supports people and prosperity.

As a result, we take responsibility for the activities, products and services we control and influence. We manage our environmental impacts throughout, and are continually improving our processes and systems to support our Ugandan environment.

Uganda faces environmental challenges related to biodiversity loss, vulnerability to climate change, land degradation and deforestation. Our use of environmental resources and our impact on the environment in Uganda is a key driver of our ESG framework. We believe that the growth and success of any business should not come at the expense of the future of our planet. Our approach to reducing our impact aims to increase efficiencies, reuse infrastructure and components and invest in renewable energy sources.

MTN staff engaging in tree-planting and horticultural garden set-up at Ariwa Secondary School in Yumbe district.
PICTURE ABOVE: *Enid Edroma, the General Manager Corporate Services (left) participates in a tree planting activity at Ocokican Community School in Soroti district.*

Safeguarding the value of our planet

Taking action for the atmosphere

Our goals and commitments

We are committed to	We will achieve our goal by
Achieving Net Zero GHG emissions across Scope 1, 2 and 3 emissions by 2040 against a 2021 baseline	Increasing renewable energy penetration to 45% by 2030
Reducing absolute Scope 1 and 2 GHG emissions by 50% by 2030	Deploying more efficient technologies which optimise energy consumption Improving efficiencies and redesigning processes
Decreasing absolute Scope 3 GHG emissions from fuel and energy-related activities by 50% by 2030	Engaging and incentivising our suppliers to commit to achieving Net Zero Ensuring 80% of our suppliers by spend will have science-based targets by 2026

As a responsible corporate citizen, MTN recognises the pressing need to keep our customers connected while taking immediate measures to reduce our carbon footprint. We address the imperative for climate action through our ***Project Zero*** strategy, which concentrates our efforts on decreasing GHG emissions across our footprint and, in so doing, improving energy security and enhancing operational efficiencies. We also actively engage and collaborate with our suppliers and industry partners to mitigate climate risks and support sustainable business growth.

As the nation's biggest telecommunications operator, MTN is tasked to balance the reduction of Uganda's carbon footprint with the need to connect more people. As the economy and population grows, every additional connected person, device or data transmitted represents a potential increase in energy used. However, we believe that our digital networks and technologies can play a key role in mitigating climate change while uplifting and empowering local communities.

Project Zero was introduced as an energy efficiency and carbon emission sustainability program. The project seeks to leverage the latest technologies and service partners to enable business sustainability through greater energy efficiencies, low carbon emissions, risk reduction and cost control.

Project Zero's vision is to promote environmentally conscious business and reduce GHG emissions across our Ugandan footprint, focusing on energy management solutions.

Carbon emission reduction
9%

Green Sites %
77%

Electric vehicles
3

Doing for people

Broad social inclusivity lies at the heart of MTN's vision, reflecting our belief that everyone deserves the benefits of a modern, connected life.

Those not digitally connected risk exclusion from life-enhancing online services, presenting a challenge that demands our attention.

Uganda, in particular, faces a dire situation where less than a quarter of households have internet access. Specific categories of people face the most significant challenges in adopting digital technologies, including women, individuals with disabilities, children, youth, older persons, those with low incomes and residents of remote areas.

Gender gaps also exist in women's access to and use of mobile money services, which can increase their economic independence.

The last decade saw the transformative power of mobile money in providing a pathway to financial inclusion. To reach the unbanked, MTN has launched several mobile money services through our MTN MoMo platform, which allows customers to transfer money, pay bills and access financial services via their mobile phones.

Our commitment to more sustainable societies stems from the understanding that everyone, should have access to the opportunities provided by digital connectivity.

Accelerating digital inclusion

- Rural connectivity
- Affordable data and handsets
- Digital adoption

Driving financial inclusion

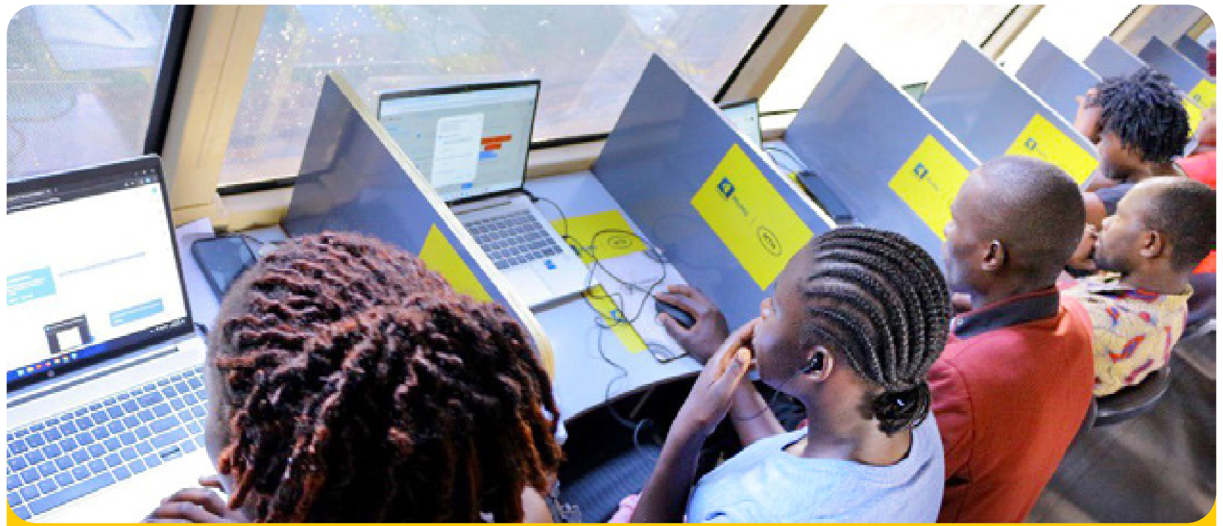
- Convenient, low-cost transacting
- Saving
- Micro-lending
- Insurance remittances

Fostering a skilled & inclusive society

- In our workplace
- In our communities
- In our retail outlets

Uplifting our communities

- Developing digital skills
- Women and youth empowerment Investing in national priority areas
- ***Y'ello Care***

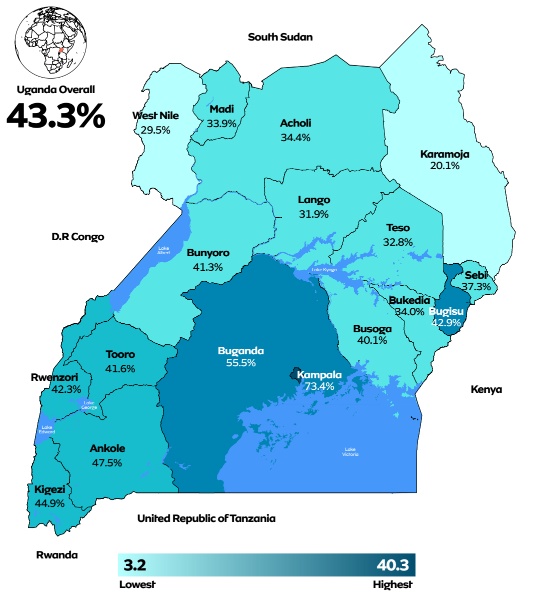


The MTN Internet Bus is equipped with 20 computer working stations to deliver digital literacy for underserved and hard to reach communities.

Accelerating digital inclusion

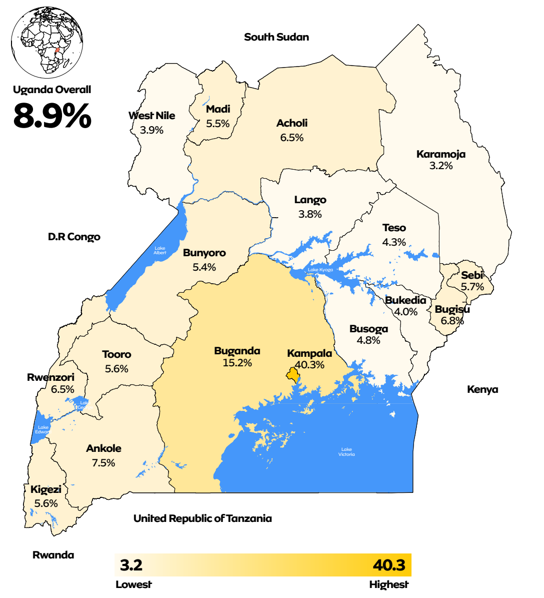
According to the National Population and Housing Census of 2024, only four in every ten persons (43.3%) aged 10 and above in Uganda owns a mobile phone, while only 8.9% use the internet. Moreover, there are still significant disparities in both mobile phone ownership and internet use among the different sub-regions, with some areas still reflecting internet use as low as 3.2%.

Percentage Distribution of Mobile Phone Ownership by Sub Region



Source: National Population and Housing Census Report, 2024

Percentage of Internet Users Among Persons aged 10 and above by Sub Region



Source: National Population and Housing Census Report, 2024

Understanding why people and households do not use the internet is critical for designing effective, targeted interventions. The main reasons identified for low or no internet use are the lack of affordability, awareness, relevance and digital literacy skills.

The mobile economy in Uganda is growing rapidly and MTN is focused on driving digital inclusion through our network, products and platforms. This includes building and upgrading infrastructure, as well as offering our customers affordable handsets and data plans. Additionally, MTN is partnering with GOU and private sector organisations to promote digital literacy and skills training. It is of priority to MTN that our services are accessible to people of all backgrounds and abilities, and that everyone is included in our growth journey.

Our ***CHASE*** framework, introduced in 2018, guides us in overcoming the five key barriers to mobile internet adoption: coverage, handsets, affordability, service bundling and education and ease of access.

Fostering a skilled and inclusive society

MTN ACE Skilling *programme is run in partnership with the Ministry of ICT, HUAWEI and Centenary Technology Services. PICTURE BELOW: A visually impaired student uses a computer furnished with software that converts screen content into speech and braille output.*

We aim to foster a diverse and inclusive society in our operations, in our communities and in our retail outlets. Our approach involves actively promoting diversity and inclusion within our workforce, implementing training programmes to upskill employees, and supporting initiatives that foster skills development and bridge societal gaps.

We are passionate about creating inclusive, accessible and supportive environments, a place where everyone can be themselves and feel a sense of belonging.

Our youth skilling programmes are aimed at equipping the youth with the right practical knowledge and skills that will enable them to provide innovative ICT solutions to solve community problems amidst the evolving digital world.

Access to connectivity is also essential for economic growth and development. By investing in infrastructure and networks, MTN is helping to improve connectivity in rural areas and other underserved regions.

Therefore, rather than a mere strategic move for business expansion, investing in a robust network and IT infrastructure is a commitment to providing reliable and inclusive digital connectivity that serves as a backbone for economic development. We also investing in network and IT infrastructure to unlock growth.

We invested UGX 649.7 billion in Capex (of which UGX 418.0 billion excludes leases), representing a Capex ex-leases year-on-year growth of 18.3%.

By driving digital and financial inclusion, upskilling our workforce with future-fit skills, fostering diversity and inclusion, and uplifting communities through CSI initiatives, MTN is actively contributing to driving positive social change in Uganda.

We recognise that our growth is inseparable from the health and prosperity of the communities in which we operate.

> *We are passionate about creating inclusive, accessible and supportive environments, a place where everyone can be themselves and feel a sense of belonging.*

MTN Uganda proudly graduated 250 young women from the ***MTN Girls in Tech*** *program and 33 youth in the* ***MTN Girls with Tools*** *initiatives in partnership with the Smart Girls Foundation. PICTURE ABOVE: Students of Hands of Hope Skilling Centre in Iganga benefited from sewing machines donated under the* ***MTN Changemakers*** *program.*

Uplifting our communities

Doing through the MTN Foundation

Established in July 2007, the MTN Foundation is an incorporated trust through which all of MTN's CSI initiatives are implemented.

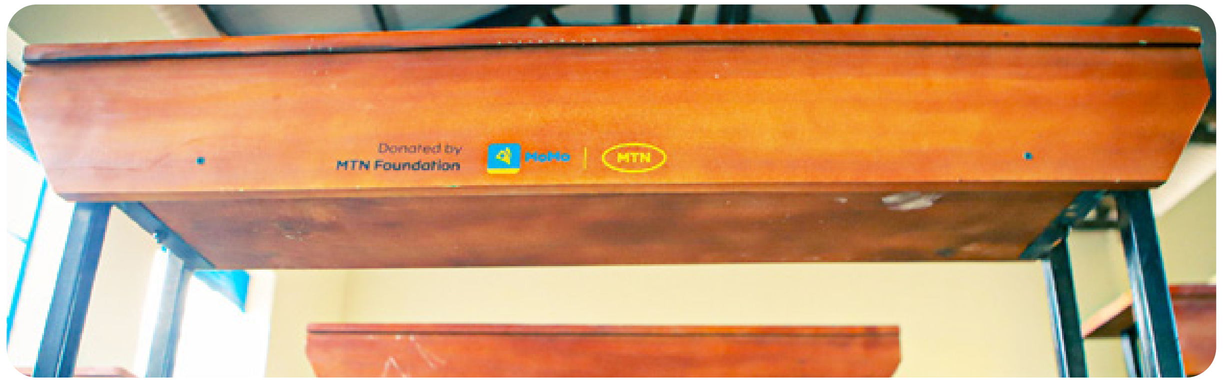
These initiatives are aimed at addressing national priority areas including the reduction of poverty and disaster relief. However, our updated CSI strategy is characterised by a shift towards ICT-enabled initiatives. While we recognise the importance of addressing national priority areas, our objective is to allocate majority of our CSI spending to programmes within the ICT ecosystem over the next three years.

This aligns with Uganda's digital transformation strategy and will enable us leverage our position within the ICT ecosystem, in line with ***Ambition 2025***.

Within this ecosystem, MTN maintains its steadfast commitment to promoting gender equality and youth development.

The overarching objective of the MTN Foundation remains to improve the quality of life in the different communities across the country. The Foundation is funded annually by an endowment of 1% of MTN's profit after tax and partnerships with credible public and private non-profit organizations to execute sustainable projects in each of the Foundations' four thematic focus areas

These themes are strategically tailored to address national challenges aligned with the NDP as well as the global targets set through the UN SDGs.



Our CSI impact 2024, in numbers

Education

Projects implemented were anchored on the provision of financial support for infrastructural aid in schools and vocational institutions, provision of furniture and equipment, refurbishment of dilapidated structures, and offering of scholarships to underprivileged students. MTN Foundation has also taken initiatives to actively promote the adoption of digital learning and skilling aimed at improving learning outcomes and results in schools.

Total expenditure in education	Total student beneficiaries
UGX 2.0 bn	22,434
Number of learning institutions supported	
46	

Health

Efforts were directed towards contributing to the reduction of maternal mortality; ending the epidemics of AIDS, tuberculosis, malaria and other neglected tropical diseases; combating hepatitis, water-borne diseases and other communicable diseases; strengthening the prevention and treatment of substance abuse; and ensuring universal access to sexual and reproductive health-care services.

Total expenditure in health	Number of health facilities supported
UGX 139.7m	5

Youth empowerment

According to the National Population and Housing Census 2024, 44.7% of Uganda's population is aged 15 – 30. Through the Foundation, MTN has doubled its efforts towards implementing programs that strengthen the entrepreneurship skills of the youth, including equipping them with digital literacy to empower them for employment and business opportunities in today and tomorrow's markets.

Total expenditure on youth empowerment programmes	Direct beneficiaries (number of youths impacted)
UGX 1.6 bn	2,347
Number of districts impacted	Have transitioned to formal employment through the ***Smart Girls*** program
25	91

Y'ello Hope (National Priority Areas)

As the largest refugee-hosting country on the continent, Uganda strives to provide a conducive living and working environment for refugees. Additionally, Uganda often experiences both natural and situational disasters leading the loss of life and property. The MTN Foundation continues to support refugee intervention efforts and provide disaster relief to victims as part of our commitment to care for the communities in which we operate.

Number of families supported	Number of districts impacted
120	3
Total expenditure on disaster response and relief	***Changemakers*** project
UGX 100m	UGX 500m

Our CSI impact - 2024 case studies

Digital Access for Inclusion
Computer lab donation to Tunaweza Foundation

UN SDG
4, 9, 10, 17

MTN Foundation, in collaboration with Sense International Uganda, commissioned an assistive technology computer lab at Gulu High School. The lab is set to benefit over 700 learners, including 45 with vision impairment, by providing them with digitised learning materials and specialised technological tools to enhance their learning.

Pillar: Education and ***Y'ello*** Hope

E-waste recycling with Fundi Bots
E-waste management

UN SDG
3, 6, 9, 11, 17

MTN Foundation donated 379 electronic items valued at UGX 65 million to Fundi Bots, an organization dedicated to science, technology, engineering, and mathematics and robotics training. The donation included 258 smartphones M671, 39 ZTE Windows LTE Cat6, 41 KAIOS device mobile phones, 6 KVM Machines and server racks, 31 server and access points, 2 Avaya servers, and 2 transmission cabinets.

Pillar: Youth Empowerment

Disaster Relief Support
Relief support to Kiteezi victims

UN SDG
11, 10, 17

MTN Foundation partnered with the Uganda Red Cross Society and the Office of the Prime Minister to provide essential relief kits worth UGX 100 million to 200 families affected by the Kiteezi garbage landfill landslide. Fostering resilience and supporting communities in times of crisis is an integral pillar of ***Ambition 2025***. Partnering with the government and other implementing partners to provide disaster relief remains is a priority for MTN.

Pillar: ***Y'ello*** Hope (National Priority Areas)

30 Days of *Y'ello* Care
Learn today, Lead tomorrow

UN SDG
4, 5, 9, 10, 17

MTN Foundation launched the June 2024 ***21 Days of Y'ello Care*** at Kansanga Seed Secondary School and provided 20 computers with a paid one-year internet connection. MTN staff collaborated with 35 organizations in various sectors, supported projects in four other schools and provided digital skills training through the mobile training facility, ***MTN Internet Bus.*** This marked the highest number of collaborations in the programme's history.

Pillar: National Priority Areas

MTN Changemakers
Community impact projects

UN SDG
3, 4, 10, 17

MTN Foundation launched the second phase of the ***MTN Changemakers*** initiative, a transformative program designed to support individuals and organisations that either have ideas or are already implementing projects in their communities to improve people's lives. Under this initiative, technical and financial assistance is provided to third-party projects or programmes that fall within the Foundation's focus areas and which demonstrate a direct community impact.

Pillar: Education, Health and Youth Empowerment

Nawansega Health Centre III
Access to Healthcare

UN SDG
3, 10, 17

MTN Foundation donated essential medical equipment worth UGX 58.3 million to Nawansega Health Centre III in Luuka District. The equipment included a CBC 3-part machine, a centrifuge machine, delivery and programming costs, solar lighting, 15 hospital beds and 15 mattresses, a medical refrigerator and a microscope. We support GOU in improving maternal and neonatal health in our communities for the benefits of a modern, connected life begin with access to quality healthcare.

Pillar: Health, National Priority Areas

Doing it right

Governing value: our resounding commitment to sound governance and ethics

Our focus on ***'doing it right'*** underscores the critical importance of good corporate governance in guiding our actions and decisions. Not only is robust governance integral to MTN's identity as a responsible corporate entity, but it also serves as a cornerstone for the wellbeing and satisfaction of the diverse spectrum of individuals and communities we serve.

Ethics forms the bedrock of our governance principles, shaping a culture where every action aligns with the highest standards of integrity. Compliance with laws and regulations is not merely a legal obligation for MTN; it is a pledge to ensure we operate ethically, transparently and in harmony with the societal norms of the communities we serve. As a digital service provider, we acknowledge our responsibility to keep society safe through data privacy measures and cybersecurity practices. We also abide by a culture of compliance, ethical behaviour and respect for human rights.

From MTN's perspective, this ethos is built on a solid foundation of responsible business practices and disclosure. Moreover, embedding sustainable practices across our supply chain acknowledges that corporate responsibility transcends operational boundaries, resonating with MTN's commitment to positively impacting the environment and society.

Ethical conduct, legal adherence and risk management are the foundation of our reputation as a responsible corporate citizen.

We are doing right by

Safeguarding our people and customers	• Enhancing information and cybersecurity • Respecting digital human rights • Treating customers fairly • Promoting health, safety and wellbeing • Ensuring electromagnetic frequencies and 5G safety
Embedding ethical and responsible business practices	• Promoting ethical conduct • Entrenching fair competitive practices • Managing and reducing risks • Committing to compliance
Partnering for an ethical supply chain	• Responsible and inclusive procurement • Embedding sustainability across our supply chain

Protecting customer privacy and data security

Over the past decade, the communication services landscape has evolved significantly, granting companies like MTN access to user data, including identity, communication patterns, location and personal interests.

Safeguarding customer data privacy and security has become a pivotal element of our business in a world where personal data is integral to maintaining a competitive edge. Our proactive approach to customer data privacy is rooted in building trust and confidence among our users, ensuring their personal data is protected in accordance with applicable privacy regulations. We have embraced leading digital governance practices which are aligned with both local law and internationally-accepted standards.

Our data protection and privacy policy serves as a guiding document for our employees, emphasising compliance with privacy principles and regulations to protect customer data effectively. It comprehensively outlines how we collect, store, process, transfer and dispose of personal information and empowers customers to enforce their rights.

Our safety, security, privacy and protection universe

- Protecting privacy and securing customer data
- Protecting networks and devices to keep communications secure
- Protecting consumers from illegal activity and antisocial behaviour
- Protecting public health and safety and meeting legal obligations

Data protection and privacy – our principles

Openness, transparency and notice	Responsible persons shall be open and honest with users and will ensure users are provided with clear, prominent and timely information regarding their identity and data privacy practices. Users shall be provided with information about persons collecting personal information about them, the purposes of an application or service, and about the access, collection, sharing and further use of users' personal information, including to whom their personal information may be disclosed. This will enable users to make informed decisions about whether to use an application or service.
Security	Personal information must be protected, using reasonable safeguards appropriate to the sensitivity of the information.
Accountability and enforcement	Responsible persons shall ensure compliance with applicable data protection laws and internal policies and procedures.
Purpose and use	The access, collection, sharing, disclosure and further use of users' personal information shall be limited to meeting legitimate business purposes, such as providing applications or services as requested by users, or to otherwise meet legal obligations.

Treating customers fairly

As the number of services offered to our customers or our partners increase, it is important that our customers remain aware of the costs they incur, the services they use and how to control access to these services.

Treating Customers Fairly (TCF) lies at the heart of this commitment. TCF is a group-wide policy aimed at ensuring MTN customers are treated fairly and protected against fraudulent and scam activities. This policy is effectively enforced through the contracts we put in place with our partners, ensuring that TCF principles are adhered to across all services they provide.

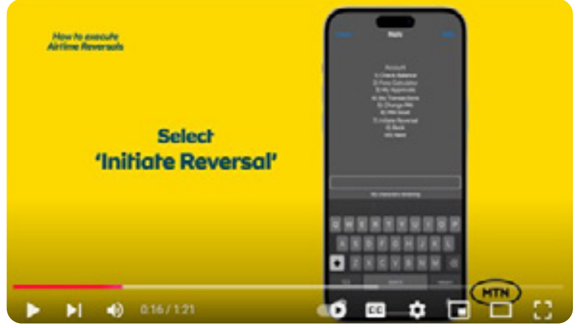
While the TCF policy provides overarching principles across the MTN Group, the TCF framework offers a more granular, operational-level guide for implementing these principles consistently across the organisation.

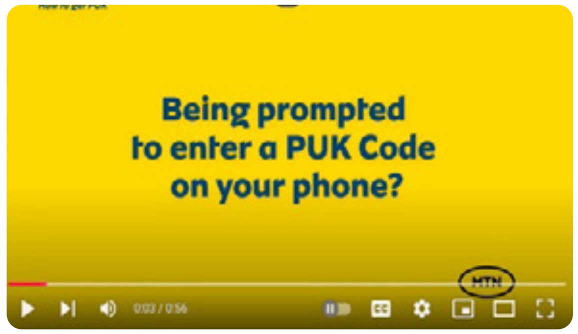
Together, they form a comprehensive approach to treating customers fairly and transparently, and help to minimise the risk of financial mis-selling, avoid reputational damage, reduce complaints and improve customer retention.

- Product design
- Marketing, promotion and free trials
- Pricing communication and awareness
- Customer education and empowerment
- Subscription double opt-in flows
- Ensuring customers receive notifications regarding the services they are subscribed to
- Ongoing customer service

Customer education on products and services

MTN rig at market days and town centres in all regions

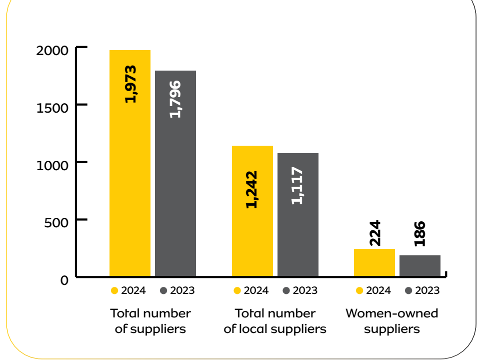




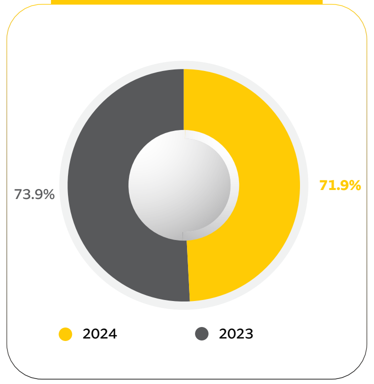
Partnering for an ethical supply chain

To provide affordable and reliable products and services to our customers, we rely on both a local and global supply chain. We manage our local purchasing and supply chains by enhancing local content and local supplier partnerships.

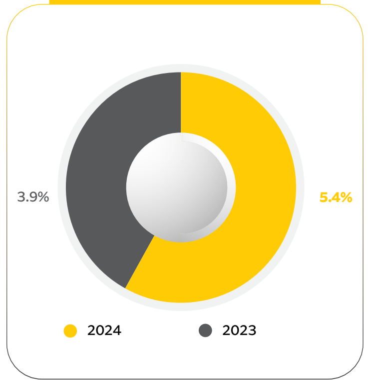
Supplier Profile



Total Local Spend



Women Spend



To ensure continuity of supply, we proactively manage different legal, social, ethical and environmental risks. We have a responsibility to ensure our procurement practices:

- Are conducted according to local and international laws and standards.
- Adhere to the highest levels of ethical and moral conduct.
- Benefit the local economy.
- Support Net Zero initiatives to reduce emissions.

Our supply chain strategy is built on three key pillars

- Procurement transformation through ESG integration.
- Data-driven decision making, brining advanced analytics and agility into procurement.
- Driving supply chain resilience.

We embrace this across all parts of our business, and we expect the same from our suppliers.

Our supplier code of conduct outlines our commitment to respect and promote human rights and fair labour practices, including equal opportunities, environmentally sustainable business, and a zero tolerance for bribery and corruption. We require our suppliers to embrace this commitment by complying with and training their employees and subcontractors on the code of conduct.

MTN may verify a supplier's compliance with this code by performing audits or other assessments of the supplier's facilities, records and business processes. Violation of the code may result in the disqualification and the termination of the business relationship between the supplier and MTN.

Notably, under the theme ***Building Tomorrow's Supply Chain Today***, we partnered with over 300 suppliers to create a more resilient, sustainable, and responsive supply chain to meet the evolving needs of our customers. With them, we celebrated our **ISO 9001:2015** certification which is a testament to our rigorous quality management in ensuring excellence in logistics management.

We also supported 118 women entrepreneurs under the ***Advancing Women Entrepreneurs*** programme, demonstrating our commitment to empowering women in business across the country. With this initiative, our representation of women suppliers grew to 11.4% in 2024, a feat we are proud of. We aspire to have 250 female suppliers by 2025, and our programme participants have been empowered to achieve this target.

Doing for growth

At MTN, we are committed to boosting inclusive economic growth in Uganda. Economic growth is vital for Uganda's long-term sustainability as it can lead to increased job opportunities, higher living standards and improved social services. As a significant market player in the telecommunications sector, we recognise our pivotal role in fostering economic growth, not just as a corporate entity, but as a catalyst for positive change in Uganda.

Enabling the economy	• Contributing to the economy through tax • Partnering with GOU on national development projects	• Total tax contribution of UGX 1.2tn • Partnered at the Non-Aligned Movement, G77 + China Third South and ITU-GSR summits
Empowering local enterprises	• Enterprise and supplier development • Enabling local supply chains • Developing IoT solutions and API marketplace for developers	• Total of UGX 980 billion on local suppliers and contractors ,up from UGX 804 billion in 2023 • Growth in businesses using MoMo Pay platform from 71,900 to 85,900 in 2024
Unlocking local enterprises	• Driving localisation • Contributing towards job creation and satisfaction	• MTN aims to promote suitable local equity ownership across all markets. Ugandan shareholders currently at 94.4% • We prioritise the employment of Ugandan citizens and the empowerment of our employees with critical skills

MTN was the official telecommunications partner for the International Telecommunication Union Global Symposium for Regulators that took place in Uganda in July 2024. The event had several key themes critical to the future of global telecommunications: *Digital Inclusion and Accessibility, Regulatory Frameworks for Emerging Technologies, Cybersecurity and Data Privacy* and *UN-SDGs.*

Regulators and industry leaders explored the challenges and opportunities these technologies present in terms of creating robust regulatory frameworks that foster innovation while ensuring security and privacy. MTN's collaboration and participation demonstrated our commitment to strategic partnerships, and our promotion of partnership models to support development agendas on a national scale.

Financial Value

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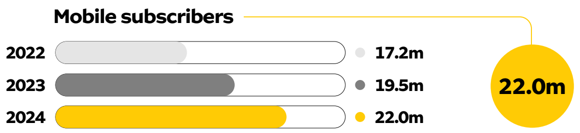
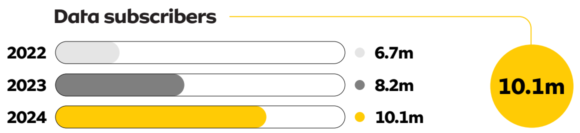
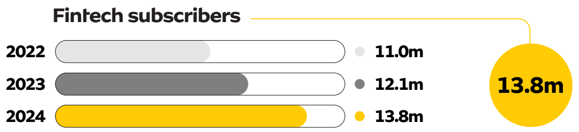
Financial Performance Highlights

	Metric	2024	2023	2022	YoY change
Total Revenue	UGX Billion	**3,172.7**	2,669.1	2,286.3	+18.9%
Service Revenue	UGX Billion	**3,143.6**	2,629.9	2,265.9	+19.5%
Voice	UGX Billion	**1,259.6**	1,117.2	1,001.5	+12.7%
Data	UGX Billion	**811.8**	622.0	511.5	+30.5%
Fintech	UGX Billion	**947.5**	771.6	656.1	+22.8%
Other revenue	UGX Billion	**124.7**	119.0	96.9	+4.8%
Other income	UGX Billion	**0.9**	1.1	30.8	-20.9%
Expenses	UGX Billion	**1,518.3**	1,299.1	1,137.7	+16.9%
EBITDA	UGX Billion	**1,655.3**	1,371.2	1,179.4	+20.7%
EBITDA margin	Percentage	**52.2**	51.4	51.6	+0.8 pp
EBIT	UGX Billion	**1,159.5**	929.0	772.3	+24.8%
EBIT margin	Percentage	**36.5**	34.8	33.8	+1.7 pp
Net Finance Costs	UGX Billion	**238.8**	222.7	181.2	+7.2%
Profit Before Tax	UGX Billion	**920.7**	706.3	591.0	+30.3%
Taxation	UGX Billion	**279.1**	213.3	185.0	+30.9%
Profit After Tax	UGX Billion	**641.5**	493.1	406.1	+30.1%
Earnings Per Share	Per share	**28.5**	22.0	18.1	+30.1%
Dividend Per share	Per share	**22.6**	18.0	15.9	+25.6%
Market Capitalization	UGX Billion	**6,157.0**	3,818.5	4,030.0	+61.2%
Key ratios					
Return on Equity	Percentage	**53.6**	48.6	44.9	+5.0 pp
Return on Assets	Percentage	**13.7**	10.5	10.2	+3.2 pp
Return on Invested Capital	Percentage	**33.2**	29.2	24.8	+4.0 pp

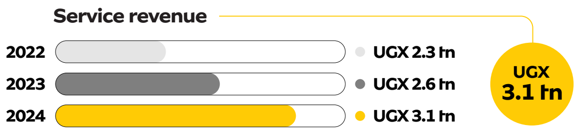
Customer metrics

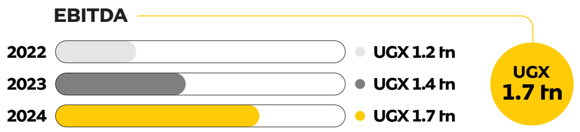


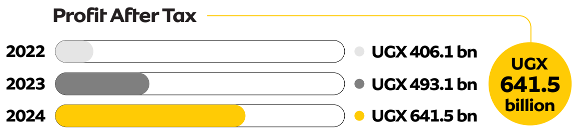




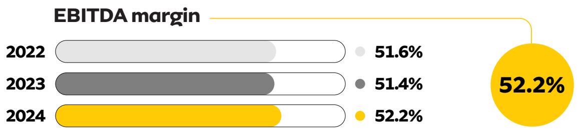
Profitability

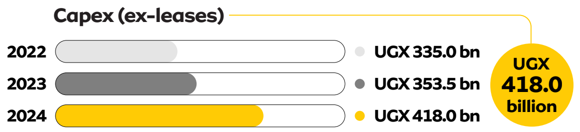


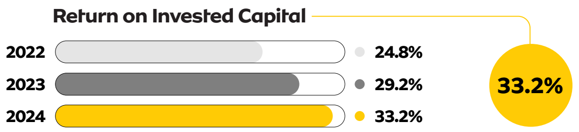




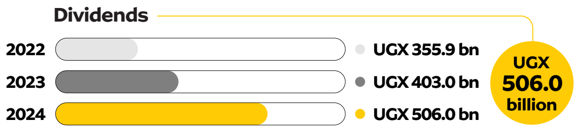
Operational efficiency and Investments

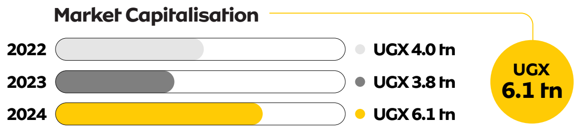


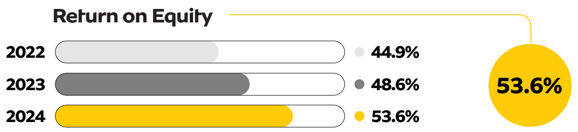




Shareholder metrics







Directors report

The directors submit their report together with the audited consolidated financial statements for the year ended 31 December 2024 which disclose the state of affairs of MTN Uganda Limited and its subsidiary, MTN Mobile Money (U) Limited and its dormant subsidiaries, MTN Publicom (Uganda) Limited and MTN Village Phone (Uganda) Limited (together "the Group").

Principal activity

The principal activity of the Group is to provide telecommunication and mobile financial services.

Staffing

The number of persons employed by the Group at 31 December 2024 was 644 (2023: 605 employees), excluding contract employees.

Results and dividends

The Group made a net profit for the year ended 31 December 2024 of Shs 641,548 million (2023: Shs 493,077 million). During the year ended 31 December 2024, the Group declared and paid a dividend of Shs 458,975 million (2023: Shs 382,855 million). The directors recommend the payment of a final dividend of Shs 8.5 per share amounting to Shs 190,307 million (2023: Shs 6.4 per share, Shs 143,290 million).

Directors

The directors who held office during the period and to the date of this report were:

Charles Mbire	Chairman
Karabo Nondumo	Director
Sylvia Mulinge	Director
Sugentharem Perumal	Director
Andrew Bugembe	Director
Yolanda Cuba	Director
Dr. Winnie Tarinyeba Kiryabwire	Director
Fatima Daniels	Director
Francis Kamulegeya	Director (Appointed 05 March 2024)

Auditor

The Group's auditor, Ernst & Young Certified Public Accountants has expressed willingness to continue in office in accordance with Section 167 (2) of the Companies Act, Cap. 106, Laws of Uganda.

By order of the Board,

Enid Edroma

Secretary
05 March 2025

Statement of directors' responsibilities

The Companies Act, Cap. 106, Laws of Uganda requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Group as at the end of the financial year and of its profit and loss.

It also requires the directors to ensure that the Group keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group. They are also responsible for safeguarding the assets of the Group.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS") and the requirements of the Companies Act, Cap. 106, Laws of Uganda.

The directors are of the opinion that the financial statements, which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the Companies Act, Cap. 106, Laws of Uganda, give a true and fair view of the Group's state of the financial affairs and its profit for the year.

The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as responsibility for such internal control that the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

The Group operates in an established control environment, which is documented and regularly reviewed. This incorporates risk management and internal control procedures, which are designed to provide reasonable, but not absolute assurance that assets are safeguarded and the risks facing the business are being controlled.

Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the period under review.

The going concern basis has been adopted in preparing the financial statements. The directors have no reason to believe that the Group will not be a going concern in the foreseeable future, based on forecasts and available cash resources. These financial statements support the viability of the Group.

Ernst & Young Certified Public Accountants have audited the Group's financial statements, and their report is presented on pages 120 to 125. The financial statements set out on pages 126 to 182 were approved for issue by the Board of Directors on 05 March 2025 and are signed on its behalf by:

Chairman

Director

Independent auditor's report to the shareholders of MTN Uganda

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of MTN Uganda Limited and its subsidiaries (the "Group") set out on pages 10 to 63 which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRSs") and the requirements of the Companies Act, Cap. 106, Laws of Uganda.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Uganda, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements.

The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition – complexity of products and systems	
The occurrence and accuracy of amounts recorded as revenue is an inherent industry risk due to the complexity of the billing systems arising from changes in products and plans – including multiple element arrangements, the number of products sold, and the tariff structure changes during the year. The application of the revenue recognition accounting standard IFRS 15: *Revenue from contracts with customers*, requires the use of complex rating, billing, and accounting systems. The complexity is compounded by the significant number of revenue transactions that are accounted for on a monthly basis. We therefore considered revenue recognition to be a matter of most significance to our current year audit. The accounting policies and detailed disclosures on revenue recognition are included in Note 2B – *Revenue recognition*, Note 5A – *Revenue from contracts with customers* and Note 5B – *Contract liabilities* disclosures.	Our procedures to address this key audit matter included: • We understood and tested the design and operating effectiveness of management's controls over the transfer of revenue information between the multiple systems involved in recording revenue; • We tested the controls in place over the authorisation of rate changes and a review of the new products recorded in the billing systems; • We involved our internal IT audit specialists to test the IT general controls of the rating and billing environments, as well as assessed the completeness of the relevant revenue reports utilised for audit purposes; • We tested the end-to-end reconciliation from rating and billing systems to the journals processed in the general ledger; • We performed analytical review procedures over significant revenue streams by identifying the drivers that resulted in changes year on year to establish detailed monthly and annual expectations. Where movement were outside our precision level set, we performed substantive audit procedures; • We performed correlation analysis between revenue, deferred revenue, trade receivables and cash; • We reviewed the reconciliation of the aggregate of the prepaid and hybrid customers per the charging system to the deferred revenue balance;

Independent auditor's report (continued)
key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Revenue recognition – complexity of products and systems	
	• We selected and tested a sample of enterprise revenue contracts and assessed, in line with the requirements of IFRS 15 *Revenue from contracts with customers*, that contracts with customers were valid, that performance obligations were agreed by both parties and that revenue was appropriately recognised; • We tested the stand-alone selling prices as input into the system and agreed the logic behind the stand-alone selling prices to the relevant requirements of IFRS 15 *Revenue from contracts with customers*; • We tested management reconciliations for interconnect/roaming revenue and agreed the balances to third party confirmations; • We tested a sample of journal entries, processed in relation to non-standard revenue including Oracle journals by reviewing supporting documentation to ensure that the journals were supported by an underlying business rationale, were accounted for correctly, in the correct period and were appropriately authorised; and • We examined and assessed the accounting policies applied and disclosures in terms of the recognition of revenue for compliance with IFRS 15: *Revenue from contracts with customers* and industry guidance.
Recognition of lease liabilities in accordance with IFRS 16 Leases	
As disclosed in Note 18 of the consolidated financial statements, the Group's lease liabilities at 31 December 2024 amounted to Shs 1,367 billion. This liability is recognized in line with the Group's accounting policy described in Note 2G. The lease liability is recognised at the present value of the future minimum lease payments under the contract.	Our procedures to address this key audit matter included: • We evaluated management's processes, systems, and financial controls for identifying and accounting for leases; • We checked management's basis for determining and excluding non-lease components in the computation of lease liabilities and obtained support documentation for the non-lease components;

Independent auditor's report (continued)
key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Recognition of lease liabilities in accordance with IFRS 16 Leases	
The significant judgements applied in the recognition of the lease liabilities include: • Identifying and applying escalation clauses that could impact payments under the contract in future periods. The escalation clauses are based on external factors for which information may not be available currently, such as inflation rates in future periods; • Identifying and excluding cash flows for non-lease components in the derivation of the lease liability; • Determining the applicable lease terms for each lease including estimating the lease term implied in the renewal clauses in the lease contracts, and the application of extension clauses in the contract; • Determining the appropriate incremental borrowing rate for discounting lease liability cash flows; • Identifying and recognizing lease liabilities for lease modifications. We considered the recognition of lease liabilities as a key audit matter on account of the significant judgements involved and because lease liabilities are a material item representing 34% of total liabilities.	• We traced a sample of lease additions, disposals, and repayments, and lease cash flows to the lease model and to supporting documents; • We checked the reasonableness of the incremental borrowing rate applied in discounting lease cash flows; • We performed analytical procedures to check the reasonableness of the interest charge on lease liabilities; • We evaluated management's conclusions on whether there are any lease modifications arising during the year; • We checked the reasonableness of exchange rates used to account for lease contracts that are not denominated in Uganda Shillings. For a sample of these contracts, we recomputed the expected carrying amount at the closing rate; • We evaluated the basis for application of extension clauses and assessed the reasonableness of these assumptions based on decisions taken previously and management's long-term strategy; • Where applicable, we tested management's assessment for restoration of site areas and the basis for recognition of an asset retirement obligation; • We recomputed the lease amortization expense and the depreciation schedule for a sample of the leases; • We assessed the adequacy of the lease liability disclosures in the Group's consolidated financial statements for alignment with IFRS 16 *Leases*.

Other information included in the Group's 2024 Annual Report

Other information consists of the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and the requirements of the Companies Act, Cap. 106, Laws of Uganda, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Companies Act, Cap. 106, Laws of Uganda, we report to you, based on our audit, that:

i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.

ii. in our opinion, proper books of account have been kept by the Group, so far as appears from our examination of those books; and,

iii. the consolidated statement of financial position and the consolidated statement of comprehensive income are in agreement with the books of account.

The Engagement Partner on the audit resulting in this independent auditor's report is CPA Geoffrey Byamugisha – P0231.

Ernst & Young

Ernst & Young

Certified Public Accountants of Uganda
Kampala

06 March 2025

Geoffrey Byamugisha

Partner

Consolidated Statement

Consolidated Statement of Comprehensive Income

	Note	2024 Shs '000	2023 Shs '000
Revenue from contracts with customers	5	**3,172,720,658**	2,669,145,697
Other income		**878,535**	1,110,147
Direct network operating costs	7	**(350,995,959)**	(338,159,012)
Government and regulatory costs	8	**(78,012,180)**	(65,780,091)
Cost of handsets and other accessories sold		**(30,912,767)**	(41,562,051)
Interconnect and roaming		**(130,841,967)**	(69,200,852)
Employee benefits expenses	9	**(151,509,083)**	(135,309,708)
Selling, distribution and marketing expenses	10	**(542,993,437)**	(461,829,997)
Increase in impairment of trade receivables	22	**(15,650,684)**	(7,038,379)
Other operating expenses	11	**(217,352,753)**	(180,174,309)
Depreciation of property, equipment, and RoU assets	18	**(408,429,839)**	(350,545,448)
Amortisation of intangible assets	19	**(87,426,836)**	(91,632,699)
Operating profit		**1,159,473,688**	929,023,298
Net foreign exchange losses	12 (a)	**(2,612,630)**	(1,776,253)
Finance income	12 (b)	**54,174,568**	54,548,122
Finance costs	12 (b)	**(290,359,668)**	(275,467,751)
Profit before tax		**920,675,958**	706,327,416
Income tax expense	13	**(279,127,690)**	(213,250,640)
Profit for the year		**641,548,268**	493,076,776
Other comprehensive income for the year net of tax		**-**	-
Total comprehensive income for the year		**641,548,268**	493,076,776
Basic / diluted earnings per share	14	**28.65**	22.02

Consolidated Statement of Financial Position

	Note	2024 Shs '000	2023 Shs '000
Assets			
Non-current assets			
Property and equipment	18 (a)	**1,258,957,532**	1,086,547,617
Right-of-use assets	18 (b)	**1,163,439,969**	1,091,713,853
Intangible assets	19 (a)	**379,704,704**	429,636,764
Deferred tax assets	17	**18,344,280**	21,609,312
Contract assets	5 (b)	**33,075,640**	23,424,082
Prepayments and advances to business partners	20	**56,982,790**	66,552,945
		2,910,504,915	2,719,484,573
Current assets			
Inventories	21	**8,133,172**	12,745,207
Current investment	29	**-**	12,265,000
Income tax recoverable	13	**3,429,277**	1,976,045
Contract assets	5 (b)	**35,183,204**	21,716,960
Trade and other receivables	22	**209,609,361**	187,243,059
Trust account balances	23	**1,351,739,290**	1,488,546,693
Cash and cash equivalents	24	**152,005,049**	238,562,937
		1,760,099,353	1,963,055,901
Total assets		**4,670,604,268**	4,682,540,474
Equity			
Ordinary share capital	15	**22,389,044**	22,389,044
Retained earnings		**1,174,402,716**	991,829,855
		1,196,791,760	1,014,218,899
Liabilities			
Non-current liabilities			
Borrowings	28	**-**	17,651,546
Lease liabilities	18 (b)	**1,173,939,939**	1,107,020,973
Other financial liability	19 (b)	**69,591,652**	97,446,644
Deferred revenue – indefeasible right-of-use assets	20 (c)	**13,497,438**	12,395,428
Employee share-based payment liability	26	**9,418,494**	10,135,073
		1,266,447,523	1,244,649,664
Current liabilities			
Bank overdraft	24	**45,091**	-
Trade and other payables	25	**540,482,659**	510,052,772
Other financial liability	19 (b)	**29,281,425**	24,192,394
Contract liabilities	5 (b)	**29,970,898**	31,960,239
Income tax payable	13	**3,533,677**	2,534,440
Borrowings	28	**22,388,973**	184,736,253
Lease liabilities	18 (b)	**193,208,362**	149,728,208
Trust account balances	23	**1,351,739,290**	1,488,546,693
Employee share-based payment liability	26	**6,941,739**	4,629,720
Provisions	27	**29,772,871**	27,291,192
		2,207,364,985	2,423,671,911
Total liabilities		**3,473,812,508**	3,668,321,575
Total equity and liabilities		**4,670,604,268**	4,682,540,474

The financial statements on pages 10 to 63 were approved by the board of directors on 05 March 2025 and signed on its behalf by:

Chairman

Director

Consolidated Statement of Changes In Equity

	Ordinary share capital Shs '000	Retained earnings Shs '000	Total equity Shs '000
Year ended 31 December 2023			
At start of year	22,389,044	881,608,509	903,997,553
Comprehensive income:			
Profit for the year	-	493,076,776	493,076,776
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	493,076,776	493,076,776
Transactions with owners:			
Dividends paid (note 16)	-	(382,855,430)	(382,855,430)
	-	(382,855,430)	(382,855,430)
At end of year	22,389,044	991,829,855	1,014,218,899
Year ended 31 December 2024			
At start of year	**22,389,044**	**991,829,855**	**1,014,218,899**
Comprehensive income:			
Profit for the year	**-**	**641,548,268**	**641,548,268**
Other comprehensive income	**-**	**-**	**-**
Total comprehensive income for the year	**-**	**641,548,268**	**641,548,268**
Transactions with owners:			
Dividends paid (note 16)	**-**	**(458,975,407)**	**(458,975,407)**
	-	**(458,975,407)**	**(458,975,407)**
At end of year	**22,389,044**	**1,174,402,716**	**1,196,791,760**

Consolidated Statement of Cash Flows

	Note	2024 Shs '000	2023 Shs '000
Operating activities			
Cash generated from operations	30	**1,650,981,421**	1,401,051,062
Interest received		**51,051,476**	53,283,122
Interest paid on trust account balances	12	**(39,637,464)**	(42,366,940)
Interest paid on borrowings	27	**(25,934,466)**	(32,229,116)
Interest paid on lease liabilities	18 (b)	**(214,171,764)**	(185,140,944)
Interest on financial liability		**(8,771,303)**	(10,042,824)
Dividends paid	16	**(458,975,407)**	(382,855,430)
Income tax paid	13	**(276,316,653)**	(223,580,166)
Net cash generated from operating activities		**678,225,840**	578,118,764
Cash flow from investing activities			
Purchase of property and equipment	18 (a)	**(376,869,535)**	(319,028,000)
Proceeds from disposal of property and equipment		**1,185,573**	1,143,792
Purchase of intangible assets	19	**(37,468,069)**	(33,365,283)
Net cash used in investing activities		**(413,152,031)**	(351,249,491)
Financing activities			
Repayments of borrowings	28	**(253,658,856)**	(108,419,269)
Proceeds from borrowings	28	**80,000,000**	60,000,000
Payment of principal portion of lease liability	18 (b)	**(164,187,425)**	(129,004,180)
Payment for financial liability	19 (b)	**(22,397,340)**	(10,210,078)
Net cash used in financing activities		**(360,243,621)**	(187,633,527)
Net (decrease) / increase in cash and cash equivalents		**(95,169,812)**	39,235,746
Movement in cash and cash equivalents			
At start of year		**238,562,937**	200,772,719
(Decrease) / increase		**(95,169,812)**	39,235,746
Exchange gains / (losses) on cash and cash equivalents		**8,566,833**	(1,445,528)
At end of year	24	**151,959,958**	238,562,937

Notes to the consolidated financial statements

1 General information

MTN Uganda Limited is incorporated in the Republic of Uganda under the Companies Act, Cap. 106, Laws of Uganda and is domiciled in Uganda. MTN Uganda Limited is listed on the Uganda Securities Exchange. The address of its registered office and the registration number are:

Plot 69–71, Jinja Road
P.O. Box 24624
Kampala
Uganda
Reg. No: 37058

MTN Uganda Limited is a subsidiary of MTN International (Mauritius) Limited. MTN Group Limited is the Group's ultimate parent and holding company, which is incorporated in the Republic of South Africa and is listed on the Johannesburg Stock Exchange Limited.

For the Companies Act, Cap. 106, Laws of Uganda reporting purposes, the balance sheet is represented by the statement of financial position and the profit and loss account by the statement of comprehensive income in these financial statements.

2 Accounting policies

The material accounting policies applied in the preparation of these financial statements are set out below and in the related notes to the Group financial statements. The material accounting policies applied are consistent with those adopted in the prior year.

A Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS) as issued by the International Accounting Standards Board (IASB) and comply with the requirements of the Companies Act, Cap. 106, Laws of Uganda. The Group has adopted all new accounting pronouncements that became effective in the current reporting period.

The financial statements have been prepared on the historical cost basis, except otherwise stated in the accounting policies below. Amounts are rounded to the nearest thousand with the exception of the number of ordinary share capital (note 15), earnings per share (note 14) and dividends per share (note 16). The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in note 4.

Changes in accounting policies and disclosures

i. Standards that became effective during the year

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

2 Accounting policies (continued)

A Basis of preparation (continued)

Changes in accounting policies and disclosures (continued)

i. Standards that became effective during the year (continued)

- ***Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to IAS 1***
  The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:
  - *what is meant to defer settlement,*
  - *that a right to defer must exist at the of the reporting period*
  - *that classification is unaffected by the likelihood that an entity will exercise its deferral right, and*
  - *that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.*

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the Group's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments have resulted in additional disclosures in Note 28 but have not had an impact on the classification of the Group's liabilities.

- ***Disclosures: Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7***

The amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

The amendments had no impact on the Group's financial statements.

- ***Lease Liability in a Sale and Leaseback – Amendments to IFRS 16***

These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction.

Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

The amendments had no impact on the Group's financial statements.

ii. Standards that are not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- ***Lack of Exchangeability – Amendments to IAS 21.***

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of the financial statements to understand how the currency not being exchangeable into other currencies affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025.

The amendments are not expected to have a material impact on the Group's financial statements.

2 Accounting policies (continued)

A Basis of preparation (continued)

Changes in accounting policies and disclosures (continued)

ii. Standards that are not yet effective

- *Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7*

  On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

  - *A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date*
  - *Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed*
  - *Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments*
  - *The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)*

The Amendments are effective for annual periods starting on or after 1 January 2026.

The amendments are not expected to have a material impact on the Group's financial statements.

- *IFRS 18 – Presentation and Disclosure in Financial Statements*

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit and loss, including specified totals and subtotals.

Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

2 Accounting policies (continued)

A Basis of preparation (continued)

Changes in accounting policies and disclosures (continued)

ii. Standards that are not yet effective

- *IFRS 19 – Subsidiaries without Public Accountability: Disclosures*

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS Accounting Standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

- *Sale or Contribution of Assets between an Investor and its Associate of Joint Venture – Amendments to IFRS 10 and IAS 28*

The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. In December 2015, the IASB decided to defer the effective date of the amendments until such a time as it has finalised any amendments that result from its research project on the equity method.

- *Annual improvements to IFRS Accounting Standards – Volume 11*

In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11. The amendments are effective for annual periods beginning on or after 1 January 2026. The Group is currently working to identify all impacts the amendments will have on the financial statements.

The following is a summary of the amendments to the Annual Improvements to IFRS Accounting Standards – Volume 11:

<u>IFRS 1 *First-time Adoption of International Financial Reporting Standards*</u>

Paragraphs B5 and B6 of IFRS 1 are amended to address potential confusion arising from an inconsistency between the working in IFRS 1 and the requirements for hedge accounting in IFRS 9.

<u>IFRS 7 *Financial Instruments: Disclosures*</u>

The amendments update the language on unobservable inputs in Paragraph B38 of IFRS 7 and include a cross reference to paragraphs 72 and 73 of IFRS 13 Fair Value Measurements.

<u>Guidance on implementing IFRS 7 Financial Instruments: Disclosures</u>

Paragraphs IG1, IG14 and IG20 B of the Guidance on Implementing IFRS 7 Financial Instruments: Disclosures have been amended to (i) clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7, nor does the guidance create additional requirements; (ii) to make wording consistent with the requirements in Paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13; and (iii) the Credit risk disclosures have also been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example.

2 Accounting policies (continued)

A Basis of preparation (continued)

Changes in accounting policies and disclosures (continued)

ii. Standards that are not yet effective

IFRS 9 Financial Instruments

Paragraph 2.1 of IFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 and recognise any resulting gain or loss in profit and loss.

Paragraph 5.1.3 of IFRS 9 has also been amended to replace the reference to 'transaction price as defined by IFRS 15 *Revenue from Contracts with Customers*' with 'the amount determined by applying IFRS 15'.

IFRS 10 Consolidated Financial Statements

Paragraph B74 of IFRS 10 has been amended to clarify that the relationship described in Paragraph 74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.

IAS 7 Statement of Cash Flows

Paragraph 37 of IAS 37 has been amended to replace the term 'cost method' with 'at cost' following the prior deletion of the definition of 'cost method'.

iii. Sustainability disclosure standards

On 26 June 2023, the International Sustainability Standards Board ("ISSB") published the first sustainability related standards: IFRS S1 General Requirements for the Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. The effective date for the standards in Uganda will be determined by the Institute of Certified Public Accountants of Uganda.

IFRS S1 General Requirements for the Disclosure of Sustainability-related Financial Information

The standard sets out the general requirements for a complete set of sustainability-related financial disclosures and requires an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects.

The entity's prospects refer to the effect on the entity's cash flows and its access to finance or cost of capital over the short, medium or long term.

The information required by IFRS S1 relates to general aspects of how an entity operates, in particular, its governance, strategy, risk management, and metrics and targets associated with sustainability-related risks and opportunities.

An entity will be required to apply IFRS S1 in conjunction with all the other ISSB standards before it can assert compliance with ISSB standards.

IFRS S2 Climate-related Disclosures

IFRS S2 requires an entity to disclose information about its climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. An entity is required to disclose information about the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.

Consistent with the requirements in IFRS S1, risks and opportunities that could reasonably be expected to affect the entity's prospects are those that could reasonably be expected to affect its cash flows, its access to finance or cost of capital over the short, medium and long term. Therefore, climate-related risk and opportunities that are not reasonably expected to affect an entity's prospects are outside the scope of IFRS S2. The nature and extent of an entity's exposure to climate-related risks and opportunities will affect how primary users assess an entity's overall risk profile and, therefore, influence users' decisions about whether they will provide resources to the entity.

2 Accounting policies (continued)

B Revenue recognition

The Group principally generates revenue from providing mobile telecommunications services, such as network services (comprising voice, data, and SMS), digital services (which include mobile financial services and other digital offerings), interconnect and roaming services, as well as from sale of mobile devices. Products and services may be sold separately or in bundled packages. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or services to a customer. For bundled packages, the Group accounts for individual products and services separately if they are distinct – i.e., if a product or service is separately identifiable from other items in the bundled package and if a customer can benefit from it. The consideration is allocated between separate products and services in a bundle, based on their stand-alone selling prices.

The stand-alone selling prices are determined based on the list prices at which the Group sells mobile devices and network services separately.

The Group sells mobile devices to customers on credit. The credit arrangement exists for a maximum period of eight months. Management has therefore assessed that there is no significant financing component from the sale of these devices due to the short credit period, which does not exceed one year.

Network services and digital and fintech services

The Group provides mobile telecommunication services, including network services and digital and fintech services. Network services (comprising voice, data, and SMS) are considered to represent a single performance obligation as all are provided over the MTN network and transmitted as data representing a digital signal on the network. The transmission of voice, data and SMS all consume network bandwidth and therefore, irrespective of the nature of the communication, the subscriber ultimately receives access to the network and the right to consume network bandwidth. Network services are, therefore viewed as a single performance obligation represented by capacity on the MTN network.

Digital and fintech services include value-added services, rich media services, mobile money, insurance, airtime lending and e-commerce. Mobile money revenues mainly relate to wallet services (withdrawal, P2P transfers), remittance services (Intra Africa and rest of the world), Banktech services (these include savings and lending products and wallet to bank) and payment services (comprising of commissions from third parties that transact using the mobile money platform).

Customers either pay in advance for these services or pay monthly in instalments over the contractual period.

A contract liability is recognised for amounts received in advance, until the services are provided or when the usage of services becomes remote.

The Group recognises revenue from these services as they are provided. Revenue is recognised based on actual units of network services/digital and fintech services provided during the reporting period as a proportion of the total units of network services/digital and fintech services to be provided. The customer receives and uses the benefits of these services simultaneously. Units of network services/digital and fintech services outside of post-paid contracts are recognised as the service is provided.

When the Group expects to be entitled to breakage (forfeiture of unused value or network services), the Group recognises the expected amount of breakage in proportion to network services provided versus the total expected network services to be provided. Any unexpected amounts of breakage are recognised when the unused value of network services expire or when usage thereof becomes remote. Assessment of breakage is updated each reporting period, and any resulting change is accounted for prospectively as a change in estimate in accordance with of IAS 8 *Accounting policies, changes in accounting estimates and errors.*

2 Accounting policies (continued)

B Revenue recognition (continued)

Interconnect and roaming

The Group provides interconnect and roaming services. The Group recognises interconnect and roaming revenue and debtors as the service is provided unless it is not probable (based on historical information) on transaction date that the interconnect revenue will be received, in which case interconnect revenue is recognised only when the cash is received or where a right of set-off exists with interconnect parties in settling amounts.

Payment for interconnect and roaming is generally received on a monthly basis. Some interconnect and roaming debtors have a historical pattern of late payment due to economic challenges in their operating environments.

Payment for interconnect and roaming is generally received on a monthly basis. Some interconnect and roaming debtors have a historical pattern of late payment due to economic challenges in their operating environments.

The Group has continued to provide services to these debtors where the recovery of principal is significantly delayed beyond the contractual terms. The Group has considered historical payment patterns (i.e. customary business practice) in assessing whether the contract contains a significant financing component. For contracts containing a significant financing component, the Group reduces interconnect and roaming revenue and recognises interest revenue over the period between satisfying the related performance obligation and payment.

Other income

Other income is recognised when the related services are provided to the customers and payment is generally due monthly.

Capitalisation of subscriber acquisition costs

The Group expects that incremental subscriber acquisition costs for obtaining and renewing contracts are recoverable. These costs include agents' commission on post-paid contracts and SIM activation costs on prepaid contracts. The Group has therefore capitalised these costs as contract costs. Capitalised contract costs are amortised on a systematic basis over the average customer life and included in selling, distribution and marketing expenses in profit and loss. In terms of a practical expedient, the Group has elected to recognise the incremental costs of obtaining contracts as a selling, distribution and marketing expense in profit or loss, when incurred, if the amortisation period of the assets that the Group otherwise would have recognised is 12 months or less. Contract costs are assessed for impairment in accordance with IFRS 9 *Financial Instruments***.**

C Functional currency and translation of foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency that best reflects the primary economic environment in which the Group operates (the functional currency). The Group financial statements are presented in Uganda Shillings, which is the functional and presentation currency of the Group.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2 Accounting policies (continued)

C Functional currency and translation of foreign currencies (continued)

(ii) Transactions and balances (continued)

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

D Property and equipment

Property and equipment are measured at historical cost less accumulated depreciation and impairment losses. Property and equipment acquired through business combinations are initially shown at fair value and are subsequently carried at the initially determined fair value less accumulated depreciation and impairment losses.

The cost of property and equipment includes expenditure that is directly attributable to the acquisition or construction of the assets, any other costs directly attributable to bringing the assets to the location and condition for their intended use and the present value of estimated decommissioning costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

The Group capitalises general and specific borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset as part of the cost of that asset. A qualifying asset is deemed to be an asset which takes more than 12 months to acquire, construct or produce.

Borrowing costs include general and specific borrowings directly attributable to the acquisition, construction, or production of qualifying assets. Other borrowing costs are expensed in profit or loss. Property and equipment acquired in an exchange transaction is measured at fair value unless the exchange transaction lacks commercial substance or the fair value of neither the asset received, nor the asset given up is reliably measurable. If the acquired item is not measured at fair value, its cost is measured at the carrying amount of the asset given up. Any consideration paid or payable is included in the cost of the asset received. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Depreciation is calculated using the straight-line method to write down their cost to their residual values over their estimated useful lives. In determining residual values, the Group uses historical sales and management's best estimate based on market prices of similar items. Useful lives of property and equipment are based on management estimates and consider historical experience with similar assets, the expected usage of the asset, physical wear and tear, technical or commercial obsolescence and legal restrictions on the use of the assets.

The estimated useful lives of property and equipment are as follows:

Buildings leased	Over the period of the lease
Leasehold improvements	Over the period of the lease
Building owned	2%
Telecommunications equipment	5 % to 33.3%
Mobile phones	33.3%
Computer equipment	20% to 33.3%
Furniture and equipment	14.3 % to 25%
Motor vehicles	20% to 25%

Useful lives and residual values are reviewed on an annual basis and the effects of any changes in estimates are accounted for on a prospective basis.

2 Accounting policies (continued)

D Property and equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Right-of-use assets are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the expected term of the relevant lease.

An asset's carrying amount is written down immediately to its estimated recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

E Impairment of non-financial assets

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount but limited to the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss. An impairment loss in respect of goodwill is not reversed.

F Intangible assets with finite useful lives

Intangible assets are measured at historical cost less accumulated amortisation and impairment losses. The Group annually reviews the carrying amounts of its property and equipment and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amounts of the assets are estimated to determine the extent, if any, of the impairment loss.

Amortisation is calculated on a straight-line basis to write off the cost of intangible assets over their estimated useful lives. The estimated useful lives are as below:

Network licenses	Over the period of the licence
Network software licenses	Over the period of the licence
Ericsson software license[1]	5 years
Software	3 years
Other intangible assets	3 years

[1] This includes Mobile Money Platform software licence, deployment and migration costs that relate to Fintech services.

2 Accounting policies (continued)

F Intangible assets with finite useful lives (continued)

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the proceeds from the disposal and the carrying amount of the asset and is included in profit or loss. Costs associated with maintaining intangible assets are recognised as an expense as incurred.

Expenditure that enhances or extends the performance of intangible assets beyond their original specifications is recognised as a capital improvement and added to the original cost of the assets. Expenditure on research activities is recognised as an expense in the period in which it is incurred.

G Leases

The Group leases various network sites, offices, motor vehicles and other property. Rental contracts are typically made for fixed periods of 2 years to 10 years but may have extension options as described below.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date; and
- amounts expected to be payable by the Group under residual value guarantees.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security, and conditions.
To determine the incremental borrowing rate, the Group:

i. where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received; and

ii. makes adjustments specific to the lease, e.g., term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

2 Accounting policies (continued)

G Leases (continued)

Lease payments are allocated between principal and the finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at historical cost less accumulated depreciation and accumulated impairment. Cost comprises of the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Extension and termination options

Extension and termination options are included in several property leases. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations.

Indefeasible right of use (IRU) arrangements

The Group applies the principles of IFRS 16 to assess whether its IRU arrangements constitute or contain leases. The requirements to be met to conclude that an IRU arrangement constitutes or contains a lease are as follows:

- the provision of a service in terms of the IRU arrangement should be dependent on the use of one or more specific assets; and
- the IRU arrangement must convey the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies its principal accounting policies for leases to account for IRU arrangements which constitute or contain leases. All other IRU arrangements that do not constitute or contain leases are treated as service level agreements; the costs are expensed as incurred.

The IRU assets are amortised on a straight-line basis to write off the cost of assets over their contract period.

H Inventories

Inventories mainly comprises items of handsets, SIM cards and accessories held for sale and consumable items. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined using the weighted average method. Cost comprises direct materials and, where applicable, overheads that have been incurred in bringing the inventories to their present location and condition, excluding borrowing costs. Net realisable value represents the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Where appropriate, an impairment provision is raised in respect of obsolete and defective inventories and the inventory carrying value will be net of this provision

2 Accounting policies (continued)

I Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided in (W) below.

J Income tax

The tax expense for the period comprises current, deferred tax and withholding tax. Tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity. For these items the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date in the countries where the Group operates and generate taxable income, and any adjustment to tax payable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is recognised using the liability method, providing for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements for financial reporting purposes. Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of an asset or liability in a transaction (other than a business combination) that at the time of the transaction, affects neither accounting nor taxable profit nor loss. Deferred tax is measured at tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply to temporary differences when they reverse.

K Borrowings

Borrowings are accounted for as financial liabilities. Fees paid on the establishment of loan facilities are recognised as transaction costs and capitalised to the extent that it is probable that some or all of the facilities will be drawn down. When the draw down is made, the transaction costs are amortised to profit and loss using the effective interest method. To the extent that it is not probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit and loss over the period of the borrowings using the effective interest method.

L Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held on call and investments in money market instruments, net of bank overdrafts, all of which are available for use by the Group. Bank overdrafts are included within current liabilities on the statement of financial position, unless the Group has a legally enforceable right to set off the amounts and intends to settle on a net basis or realise the asset and settle the liability simultaneously.

2 Accounting policies (continued)

M Provisions

A provision is recognised when there is a present legal or constructive obligation as a result of a past event for which it is more likely than not that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The amount recognised as provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting its obligations under the contract.

The provision is measured at the present value of the lower of the expected cost of terminating the contract or the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with the contract.

Bonus provision

The bonus provision consists of a performance-based bonus, which is determined by reference to the overall Group performance regarding a set of predetermined key performance measures. Bonuses are payable annually after the Group annual results have been approved.

Provision for cash-settled share-based payments

For the accounting policy on cash-settled share-based payments, refer to U (Employee benefits).

N Dividends

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's directors. Proposed dividends are shown as a separate component of equity until declared.

O Trade payables

Trade payables are accounted for as financial liabilities. Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other payables are stated at their nominal values.

P Share capital

Ordinary shares are classified as equity. Incremental external costs directly attributable to the issue of new ordinary shares or share options are recognised in equity as a deduction net of tax from the proceeds.

2 Accounting policies (continued)

Q Finance income and costs

Finance income

Finance income comprises interest income on funds invested and dividend income. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and interest expense on lease liabilities. All borrowing costs are recognised in profit or loss using the effective interest method, unless the borrowing costs are directly attributable to the acquisition, construction, or production of qualifying assets, in which case the directly attributable borrowing costs are capitalised.

R Contingent liabilities

Contingent liabilities represent possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Group.

Contingent liabilities also represent present obligations that arise from past events but are not recognised because an outflow of resources is not probable, or a reliable estimate cannot be made. The Group does not recognise contingent liabilities in the statement of financial position until future events indicate that it is probable that an outflow of resources will take place and a reliable estimate can be made, at which time a provision is raised.

S Consolidation

The Group has prepared consolidated financial statements which incorporate the results of its subsidiaries, all of which are wholly owned. These subsidiaries are: MTN Mobile Money (U) Limited and the dormant entities, MTN Publicom (Uganda) Limited and MTN VillagePhone (Uganda) Limited. The Group directly holds 100% of the ordinary shares and the voting rights of the aforementioned subsidiaries.

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Intercompany transactions, balances, and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Business combinations

The Group accounts for business combinations using the acquisition method when control is obtained by the Group. A business is defined as an integrated set of activities and assets that are capable of being conducted and managed for the purposes of providing a return directly to investors or other owners, members or participants.

The consideration transferred is measured at the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

2 Accounting policies (continued)

S Consolidation (continued)

Business combinations (continued)

Acquisition-related costs are recognised in profit or loss. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interests. For business combinations under common control – where control is not transitory - the Group applies predecessor accounting, transferring the assets and liabilities at the carrying book values, accounting for this prospectively.

T Related party transactions

Related party transactions constitute the transfer of resources, services or obligations between the Group and a party related to the Group, regardless of whether a price is charged. For the purposes of defining related party transactions with key management, key management has been defined as directors and the Group's executive committee and includes close members of their families and entities controlled or jointly controlled by these individuals.

U Employee benefits

(i) Short-term employee benefits

Remuneration to employees in respect of services rendered during a reporting period is expensed in that reporting period. A liability is recognised for accumulated leave when there is a present legal or constructive obligation because of past service rendered by employees.

(ii) Share-based payment transactions

MTN Group Limited, the Group's ultimate holding company, operates two staff share incentive schemes, the MTN Group share and the MTN Group Share Appreciation Rights scheme which applies to MTN Uganda Limited as a subsidiary of MTN Group Limited.

These schemes are accounted for as cash settled share-based payments to employees at subsidiary level. Cash settled share-based payments are measured at fair value (excluding the effect of no-market-based vesting conditions) at valuation date which is each financial year end.

Each NSO (Notional Share Option) may only be exercised by a participant as a factor of continuous employment with MTN Uganda Limited with the following time frame for allocations granted before 2014:

- up to 20% after two years;
- up to 40% after three years;
- up to 70% after four years; and
- up to 100% after five years of granting the notional options.

Each allocation of NSO's granted remains in force for a period of 10 years from the date of offer. Exercising refers to the decision by the participant to cash out any net realisable increase in value over and above the NSO's offer price of vested NSOs.

For allocations granted after 2014, these are granted annually, with 100% vesting after 3 years and expiring after 5 years.

The fair value is expensed over the vesting period on a straight-line basis based on the Group's estimate of the shares that will eventually vest.

2 Accounting policies (continued)

U Employee benefits (continued)

(iii) Retirement benefit obligations

The Group operates a defined contribution plan. A defined contribution plan is a post-employment benefit plan (such as a pension plan) under which the Group pays a fixed percentage of employees' remuneration as contributions into a separate entity (a fund) and will have no further legal or constructive obligations to pay additional contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Contributions to defined contribution plans in respect of services rendered during a period are recognised as an employee benefit expense when they are due.

(iv) Termination benefits

Termination benefits may be payable when an employee's employment is terminated before the normal retirement date due to retrenchment or whenever an employee accepts voluntary redundancy in exchange for these benefits.

- The Group recognises termination benefits at the earlier of the following dates:
- when the Group can no longer withdraw the offer of those benefits; and
- when the Group recognises costs for a restructuring that are within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets.*

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the reporting date are discounted to their present value.

V Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

W Financial instruments

Accounting for financial instruments

Financial assets and liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at fair value, including transaction costs except for those classified as at fair value through profit and loss which are initially measured at fair value, excluding transaction costs. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Financial assets and liabilities are classified as current if expected to be realised or settled within 12 months; if not, they are classified as non-current.

Offsetting financial instruments

Offsetting of financial assets and liabilities arises when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The net amount is reported in the statement of financial position.

Financial instrument classification

The Group classifies its financial instruments into the following categories:

- Financial assets at amortised cost; and
- Financial liabilities at amortised cost.
- Financial liabilities at fair value through profit or loss

2 Accounting policies (continued)

W Financial instruments (continued)

Financial instrument classification (continued)

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

The classification is dependent on the purpose for which the financial instruments were acquired. Management determines the classification of financial instruments at initial recognition. Financial instruments comprise trade and other receivables, cash and cash equivalents, trust account balances, borrowings, mobile money deposits and trade and other payables. Refer to Note 2 (I) for additional disclosures on trade receivables.

Subsequent measurement

Subsequent to initial recognition, financial instruments are measured as described below.

Financial assets

Financial assets are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial liabilities

Financial liabilities comprise trade and other payables, bank overdrafts, borrowings, mobile money deposits and other non-current liabilities (excluding provisions). Refer to Notes 2 (K), and 2 (O) for additional closures on borrowings and trade payables, respectively.

All financial liabilities are subsequently measured at amortised cost using the effective interest method. Impairment losses on trade and other receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other liabilities

Other liabilities include the Mobile Money Platform liability.

It is initially measured at its fair value, which is the present value of the payments in respect of the minimum commitment. The Group accounts for the interest expense and decreases the financial liability over the course of the licensing agreement as and when the liability is settled. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. A portion of the cash flows varies according to changes in foreign currency. The economic characteristics and risks of these cashflows are however closely related to the fixed minimum commitments.

Derivative financial liabilities are measured at fair value through profit or loss. Gains or losses on derivative liabilities are recognised in the statement of profit or loss.

2 Accounting policies (continued)

W Financial instruments (continued)

Financial instrument classification (continued)

De-recognition

Financial assets are derecognised when the rights to receive cash flows from the asset have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expires.

Impairment of financial assets

The Group's trade and other receivables are subject to the expected credit loss model. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss is immaterial.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses. The simplified approach measures a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables have been analysed based on shared credit risk characteristics and the days past due.

The loss allowances for trade and other receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

X Mobile Money deposits

The expected loss rates are based on the payment profiles of sales over a period of 24 months before 31 December 2024 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect forward looking information to the extent that there is a strong correlation between the forward-looking information and the expected credit losses.

Trade and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due.

Mobile Money (MoMo) deposits are balances that are held with banks for and on behalf of MoMo customers. MoMo regulations require that these balances with banks are held in a manner to ensure that they are not co-mingled with the Group's cash and cash equivalents and that these are ring-fenced to settle MoMo customers' obligations. The deposits held are accounted for at amortised cost.

Upon recognition of the MoMo financial asset, the Group recognises a corresponding current liability, in the ordinary course, to refund MoMo customers for the deposits made.

The Group earns transactional fees on these MoMo balances and recognises transactional fees as part of digital and fintech services revenue. Transactional fees are recognised over time as the transactions occur. The Group accounts for fees paid to agents as a commission expense in selling, distribution, and marketing expenses.

Cash flows that relate to the principal MoMo deposit balances and corresponding liabilities are reflective of customer transactions, but only interest received and paid to customers in relation relating to these balances is recorded on the Group's statement of cash flows.

Y Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board has appointed an Executive Committee which assesses the financial performance and position of the Group and makes strategic decisions. The Executive Committee, has been identified as being the chief operating decision maker.

2 Accounting policies (continued)

Z Direct network costs

These are costs incurred by the business in maintaining the network and telecommunications equipment.

AA Government and regulatory fees

These are costs relating to the annual gross revenue levy and spectrum fees paid to the regulator.

AB Handset and accessories costs

These are costs relating to the handsets, data devices and accessories sold by the Group.

AC Interconnect and roaming costs

Interconnect costs are charges resulting from MTN Uganda customers making calls to another operator and roaming costs result from MTN Uganda customers using another network when they travel and leave our network.

AD Earnings per share

The Group calculates basic earnings per share by dividing the profit or loss after tax attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares in issue during the period. On the other hand, dilutive EPS are calculated by adjusting profit or loss attributable to ordinary equity holders of the Group and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares.

3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk (foreign exchange and interest rate risk). This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies, and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

Market risk

(i) Foreign exchange risk

The Group operates locally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from recognised assets and liabilities. The Group aims to manage exposure to fluctuations in foreign currency exchange rates by keeping a proportion of its cash balance in foreign currency. As a policy, the Group does not utilise forward contracts or other methods of hedging foreign exchange risk that are speculative in nature.

At 31 December 2024, if the Shilling had weakened/strengthened by 5% (2023: 5%) against the US dollar with all other variables held constant, the pre-tax profit for the year and the Group's equity would have been Shs 1,710 million lower/higher (2023: Shs 2,320 million) and Shs 1,198 million lower/higher (2023: Shs 1,624 million) respectively, mainly as a result of US dollar receivables, payables, borrowings and bank balances.

3 Financial risk management (continued)

Market risk (continued)

The Group's exposure to the US Dollar currency risk expressed in Uganda Shillings, is as follows:

	2024 Shs '000	2023 Shs '000
Trade and other receivables	**72,764,707**	47,758,392
Cash and cash equivalents	**14,790,148**	32,900,370
Trade and other payables	**(121,769,581)**	(34,943,286)
	(34,214,726)	45,715,476

(ii) Interest rate risk

The Group's interest rate risk arises from long-term borrowings and leases. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. The Group regularly monitors financing options available to ensure optimum interest rates are obtained. At 31 December 2024, an increase/decrease of 5% in the interest rate would have resulted in a decrease/increase in the Group's equity of Shs 1,114 million (2023: Shs 1,710 million) and the pre-tax income by Shs 1,592 million (2023: Shs 2,443 million), respectively.

The Group's exposure to interest rate risk is as follows:

	2024 Treasury bill rate Shs '000	2023 Treasury bill rate Shs '000
Current borrowings	**(22,388,973)**	(184,736,253)
Non-current borrowings	**-**	(17,651,546)
	(22,388,973)	(202,387,799)

Credit risk

The Group does not have any significant concentrations of credit risk. The Group credit controller assesses the credit quality of each customer, taking into account its financial position, past experience and other factors.

Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

i) Risk management

Credit risk on financial assets with banking institutions is managed by dealing with institutions with strong balance sheets and a proven track record.

The Group does not have any significant concentrations of credit risk. The Group credit controller assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

3 Financial risk management (continued)

Credit risk (continued)

The ECL for trade receivables, which comprise post-paid debtors, dealer debtors, mobile money debtors, interconnect debtors and roaming debtors is arrived at as a product of the probability of default, loss given default and exposure at default.

The expected loss rates are based on the payment profiles of sales over a period of 12 months to December 2024 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. adjusts the historical loss rates based on expected changes to the inflation rate.

The Group identified the inflation rate to be the most relevant factor, and accordingly related party receivable balances are assessed for impairment based on the counterparty's ability to settle on demand. The ECL for contract assets is arrived at as a product of the probability of default, loss given default and exposure at default.

Cash and cash equivalents and mobile money deposits have been assessed for credit loss based on the credit rating of the financial institutions holding the assets.

The amount that best represents the Group's maximum exposure to credit risk at 31 December 2024 is made up as follows:

	2024 Shs '000	2023 Shs '000
Cash at bank and deposits on call (note 24)	**152,005,049**	238,562,937
Mobile money deposits (note 23)	**1,351,739,290**	1,488,546,693
Trade receivables (note 22)	**43,692,502**	57,580,754
Other receivables (note 22)	**58,128,388**	51,278,562
Non-current trade receivables (note 20)	**2,177,139**	5,410,318
Receivables from related companies (note 22)	**72,764,710**	45,483,044
Current investment	**-**	12,265,000
	1,680,507,078	1,899,127,308

3 Financial risk management (continued)

Credit risk (continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix:

31 December 2024	**Trade receivables**						
	Days past due						
	0–30 days	**31–60 days**	**61–90 days**	**91–120 days**	**120–180 days**	**>180 days**	**Total**
	Shs '000	**Shs '000**	**Shs '000**	**Shs '000**	**Shs '000**	**Shs '000**	**Shs '000**
Corporate customers (a)	**13,739,561**	**5,490,293**	**4,204,820**	**3,398,067**	**5,166,154**	**11,163,209**	**43,162,104**
Expected credit loss rate	**6.0%**	**7.2%**	**8.7%**	**10.2%**	**20.7%**	**98.7%**	
Other receivables (b)	**128,293**	**4,164,812**	**2,586,009**	**1,558,136**	**8,457,138**	**7,140,853**	**24,035,241**
Expected credit loss rate	**6.0%**	**7.2%**	**8.7%**	**10.2%**	**20.7%**	**98.7%**	
Estimated total gross carrying amount at default [(a)+(b)]	**13,867,854**	**9,655,105**	**6,790,829**	**4,956,203**	**13,623,292**	**18,304,062**	**67,197,345**
Expected credit loss	**(830,740)**	**(699,498)**	**(593,104)**	**(503,974)**	**(2,815,658)**	**(18,061,869)**	**(23,504,843)**
Net carrying amount	**13,037,114**	**8,955,607**	**6,197,725**	**4,452,229**	**10,807,634**	**242,193**	**43,692,502**

31 December 2023	**Trade receivables**						
	Days past due						
	0–30 days	**31–60 days**	**61–90 days**	**91–120 days**	**120–180 days**	**>180 days**	**Total**
	Shs '000	**Shs '000**	**Shs '000**	**Shs '000**	**Shs '000**	**Shs '000**	**Shs '000**
Corporate customers (a)	9,347,819	8,953,822	4,968,575	3,792,134	5,096,536	14,637,319	46,796,205
Expected credit loss rate	0.9%	0.3%	0.3%	0.5%	0.3%	85.8%	
Other receivables (b)	6,372,559	9,756,909	2,148,741	2,730,648	4,855,307	11,886,560	37,750,724
Expected credit loss rate	0.9%	0.3%	0.3%	0.5%	0.3%	96.0%	
Estimated total gross carrying amount at default [(a)+(b)]	15,720,378	18,710,731	7,117,316	6,522,782	9,951,843	26,523,879	84,546,929
Expected credit loss	(380,339)	(41,115)	(48,523)	(55,994)	(366,974)	(26,073,230)	(26,966,175)
Net carrying amount	15,340,039	18,669,616	7,068,793	6,466,788	9,584,869	450,649	57,580,754

3 Financial risk management (continued)

Credit risk (continued)

iii) Security

With the exception of post-paid and dealer trade receivables, no collateral is held for any of the above assets. Some post-paid subscribers are required to pay a security deposit before being connected onto the Group's network. Dealer debtors are also required to present post-dated cheques and bank guarantees before being granted credit. The Group does not grade the credit quality of receivables. The fair value of security deposits held was Shs 2,982 million (2023: Shs 2,984 million). In case of default, the security deposit is used to clear the receivable balance.

iv) Definition of default

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, and the availability of funding from an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

3 Financial risk management (continued)

Liquidity risk (continued)

	0–30 days	31–90 days	90 days to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
31 December 2024:							
- trade and other payables	**140,220,148**	**251,195,813**	**-**	**-**	**-**	**-**	**391,415,961**
- mobile money deposits	**1,351,739,290**	**-**	**-**	**-**	**-**	**-**	**1,351,739,290**
- borrowings	**-**	**959,375**	**25,959,375**	**-**	**-**	**-**	**26,918,750**
- other financial liability	**2,869,080**	**8,607,239**	**22,952,636**	**37,107,199**	**41,438,005**	**-**	**112,974,159**
- lease liabilities	**66,657,488**	**31,351,525**	**289,056,798**	**380,329,139**	**779,342,521**	**621,712,799**	**2,168,450,270**
	1,561,486,006	**292,113,952**	**337,968,809**	**417,436,338**	**820,780,526**	**621,712,799**	**4,051,498,430**

	0–30 days	31–90 days	90 days to 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000	Shs '000
At 31 December 2023:							
- trade and other payables	136,582,300	240,489,928	-	-	-	-	377,072,228
- mobile money deposits	1,488,546,693	-	-	-	-	-	1,488,546,693
- borrowings	-	55,362,229	144,231,669	18,393,938	-	-	217,987,836
- other financial liability	2,249,355	6,748,065	17,994,840	34,428,955	78,545,204	-	139,966,419
- lease liabilities	58,228,182	25,325,097	248,580,968	330,047,836	763,990,509	627,249,577	2,053,422,169
	1,685,606,530	327,925,319	410,807,477	382,870,729	842,535,713	627,249,577	4,276,995,345

3 Financial risk management (continued)

Liquidity risk (continued)

The trade payables balances in the liquidity risk disclosure exclude tax and regulatory fees accruals amounting to Shs 149,067 million (2023: Shs 132,981 million).

	2024 Shs'000	2023 Shs'000
Financial assets at amortised cost		
Cash and bank balances (note 24)	**152,005,049**	238,562,937
Mobile money deposits (note 23)	**1,351,739,290**	1,488,546,693
Non-current trade receivables and other receivables (note 20)	**2,177,139**	5,410,318
Trade and other receivables (note 22)	**174,585,600**	154,342,360
	1,680,507,078	1,886,862,308
Financial liabilities at amortised cost		
Bank overdraft	**45,091**	-
Trade and other payables	**391,415,965**	377,072,228
Mobile money deposits (note 23)	**1,351,739,290**	1,488,546,693
Borrowings (note 28)	**22,388,973**	202,387,799
Lease liabilities (note 18 (b))	**1,367,148,301**	1,256,749,181
	3,132,737,620	3,324,755,901
Financial liability at fair value through profit or loss		
Other financial liability (note 19 (b))	**98,873,077**	121,639,038

Fair value

The Group adopted the amendment to IFRS 7 for financial instruments that are measured at fair value. This requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The Group measures its financial liability in respect of payments under the Ericsson contract at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

  Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

3 Financial risk management (continued)

Fair value (continued)

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The financial liability disclosed measured at fair value (note 19 (b)) is held at level 3 of the fair value hierarchy.

The carrying amounts of the Group's financial assets and liabilities measured at amortised cost, that is trade receivables, mobile money deposits, cash and cash equivalents, trade payables and mobile mobile money deposit liabilities is a reasonable approximation of the carrying amounts disclosed in notes 22, 23, 24, 25, and 23, respectively. The fair values of these instruments approximate their carrying amounts largely due to their short-term maturities.

The fair values of the above instruments were determined using level 3 techniques by discounting cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Fair-value related disclosures for the financial liability measured at fair value is summarised under note 19 (b). The fair value is determined using level 3 techniques by discounting future cash flows using the Group's incremental borrowing rate.

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new capital or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including lease liabilities) less cash and cash equivalents. Total capital is calculated as equity plus net debt. The Group does not have a target gearing ratio or externally imposed capital requirements.

3 Financial risk management (continued)

Capital management (continued)

The gearing ratios at 31 December 2024 and 2023 were as follows:

	2024 Shs'000	2023 Shs'000
Total borrowings and lease liabilities (note 28 and 18 (b))	**1,389,537,274**	1,459,136,980
Financial liability held at fair value	**98,873,078**	121,639,038
Less: cash and cash equivalents (note 24)	**(151,959,958)**	(238,562,937)
Net debt	**1,336,450,394**	1,342,213,081
Total equity	**1,196,791,760**	1,014,218,899
Total capital	**2,533,242,154**	2,356,431,980
Gearing ratio	**53%**	57%

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances. It is reasonably possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from the assumptions made could require a material adjustment to the carrying amount of the asset or liability affected.

(i) Critical accounting estimates and assumptions

Property and equipment

Critical estimates in determining the useful lives of property and equipment are made by the directors in determining depreciation rates for property and equipment. The rates used are set out in 2 (D) above. The directors have established over the lifetime of the business that the depreciation rates have been consistent with the useful lives of the Group's assets. As at 31 December 2024, an increase/decrease in the annual depreciation rate of 5% would have resulted in an increase/decrease in the net book value of approximately Shs 20,421 million (2023: Shs 17,576 million).

(ii) Critical judgements in applying the Group's accounting policies

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations, the costs and business disruption required to replace the leased asset and the business planning horizon, which is 5 years.
- Extension options have been included in the lease liability to the extent that they are within the Group's current business plan.

4 Critical accounting estimates and judgements (continued)

(ii) Critical judgements in applying the Group's accounting policies (continued)

As at 31 December 2024, potential future cash outflows of Shs 2,168,450 million (undiscounted) have been included in the lease liability because it is reasonably certain that the leases will be extended (or not terminated) (2023: Shs 2,053,422 million).

5 Revenue from contracts with customers

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major service and product lines:

	2024 Shs'000	2023 Shs'000
Revenue earned over time		
Network services	**1,975,223,731**	1,683,056,310
Interconnect and roaming	**150,645,093**	108,576,298
Digital and fintech services	**958,525,056**	781,012,656
Information technology infrastructure services	**59,193,389**	57,216,453
Revenue earned over time	**3,143,587,269**	2,629,861,717
Mobile device sales (recognised at a point in time)	**29,133,389**	39,283,980
	3,172,720,658	2,669,145,697

Network services, interconnect and roaming, digital services and other revenue are recognised over time, whereas mobile device sales are recognised at a point in time. Network service revenues relate to outgoing voice revenue, outgoing SMS revenue and mobile data revenues. Other revenue primarily relates to ICT revenue and IT services provided to MTN Zambia and MTN Eswatini. The revenue is recognised based on the output method in consideration of actual minutes called, SMSes sent or bytes utilised. This is most appropriate as these are concluded within short periods of time. Network services are earned within the consumer business segment (CBU) (Shs 1,756,010 million), Enterprise Business Unit (EBU) (Shs 210,916 million) and Wholesale and Carrier (Shs 8,298 million). Interconnect revenue is recognised within wholesale and carrier services. Mobile devices revenue is primarily within the consumer business segment. Digital and fintech services are within mobile financial services (MFS) (Shs 924,762 million), the consumer business segment (Shs 33,502 million) and Enterprise Business Unit (Shs 623 million). IT and infrastructure services and other revenue is within EBU sales (Shs 39,230 million), CBU (Shs 2,221 million), Wholesale (Shs 17,741).

(b) Assets and liabilities related to contracts with customers

	2024 Shs'000	2023 Shs'000
Trade receivables; and receivables from related parties	**139,962,055**	130,029,973
Loss allowance (note 22)	**(23,504,843)**	(26,966,175)
Total trade receivables (note 22)	**116,457,212**	103,063,798
Contract liabilities - deferred revenue	**29,970,898**	31,960,239

Deferred revenue represents unused activated airtime subscriber balances for prepaid products, as well as the cash equivalent of any unused bonus points on the 1-4-1 customer loyalty promotion. Revenue is recognised in profit or loss as calls are made, SMSes are sent, and data is used on the unused activated airtime. Revenue in relation to the customer loyaltyprogram is recognised when the points are redeemed through calls or when they expire 12 months after the initial sale.

5 Revenue from contracts with customers (continued)

b) Assets and liabilities related to contracts with customers (continued)

(i) Significant changes in trade receivables and contract liabilities

The increase in trade receivables and other receivables was primarily driven by the increase in amounts due from related parties especially Bayobab Africa and MTN Management Services. The Group has related payables that will be used to settle the bulk of these receivables. Refer to Note 22 for further information on loss allowances recognised. The increase in contract liabilities is as a result of an increase in outstanding airtime and data balances on account of the increase in subscribers.

(ii) Revenue recognised in respect of contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

	2024 Shs '000	2023 Shs '000
Revenue recognised that was included in deferred revenue at start of year	**31,960,239**	16,507,615

(iii) Assets recognised from costs to fulfil a contract

The incremental subscriber acquisition costs are capitalised as contract costs and are amortised on a systematic basis over the average customer life of 3 years.

The movement of the contract assets is as below:

	2024 Shs '000	2023 Shs '000
At start of year	**45,141,042**	21,287,496
Additions	**55,317,473**	39,428,464
Amortised as costs in the year	**(32,199,671)**	(15,574,918)
At end of year	**68,258,844**	45,141,042
Current contract assets	**35,183,204**	21,716,960
Non-current contract assets	**33,075,640**	23,424,082
	68,258,844	45,141,042

6 Segment reporting

Operating segments reflect the Group's management structure, and the way financial information is regularly reviewed. The Group has identified reportable segments that are used by the Executive Committee (EXCO) to make key operating decisions, allocate resources and assess performance. The EXCO primarily focuses on revenue at the segment level. The structure of the business is such that the assets and liabilities are primarily utilised across the segments, so are reviewed for the entire Group. The reportable segments are identified as below:

i. Telecommunications services

ii. Mobile financial services This relates to digital and fintech services.

Nature of operations:	**Telecommunications** **Shs '000**	**Mobile financial services** **Shs '000**	**Total** **Shs '000**
2024 Revenue	**2,247,958,480**	**924,762,178**	**3,172,720,658**
2024 Profit after tax	**391,408,457**	**250,139,811**	**641,548,268**
2024 Total assets	**3,049,622,356**	**1,620,981,912**	**4,670,604,268**
2024 Total liabilities	**1,938,270,602**	**1,535,541,906**	**3,473,812,508**
2023 Revenue	1,897,503,066	771,642,631	2,669,145,697
2023 Profit after tax	289,615,452	203,461,324	493,076,776
2023 Total assets	2,882,355,929	1,800,184,545	4,682,540,474
2023 Total liabilities	1,968,760,538	1,699,561,037	3,668,321,575

The Executive Committee also focuses on revenue by customer segment for internal revenue reporting. The structure of the business is such that the assets and liabilities are primarily utilised across the segments, so are reviewed for the entire Group. The reportable segments are identified as below:

i. Consumer – This comprises prepaid subscriber revenue.

ii. Enterprise Business Unit – This comprises revenue earned from corporate customers, SMEs, governments, and post-paid customers.

iii. Wholesale and Carrier services – This relates to revenue earned from other telecommunication companies that provide support services such as Interconnect, roaming and leased lines services.

iv. Mobile Financial services – This relates to revenue earned from Digital and Fintech services.

Customer segments:	**Consumer** **Shs '000**	**Enterprise Business Unit** **Shs '000**	**Wholesale and carrier services** **Shs '000**	**Mobile financial services** **Shs '000**	**Total** **Shs '000**
2024 Revenue	**1,816,806,582**	**255,837,127**	**175,314,771**	**924,762,178**	**3,172,720,658**
2024 Costs	**(943,450,623)**	**(36,918,159)**	**(4,033,824)**	**(533,866,224)**	**(1,518,268,830)**
2024 Other income	**500,808**	**-**	**-**	**377,727**	**878,535**
2024 EBITDA	**873,856,767**	**218,918,968**	**171,280,948**	**391,273,680**	**1,655,330,363**
2023 Revenue	1,558,264,935	208,388,565	130,849,566	771,642,631	2,669,145,697
2023 Costs	(832,589,357)	(36,918,159)	(3,638,987)	(425,907,896)	(1,299,054,399)
2023 Other income	1,110,147	-	-	-	1,110,147
2023 EBITDA	726,785,725	171,470,406	127,210,579	345,734,735	1,371,201,445

7 Direct network operating costs

	2024 Shs '000	2023 Shs '000
Leased line costs	**27,054,929**	23,749,583
TowerCo related costs	**184,844,916**	181,905,980
Network and IT maintenance	**139,096,114**	132,503,449
	350,995,959	338,159,012

8 Government and regulatory fees

	2024 Shs '000	2023 Shs '000
Spectrum fees	**27,529,973**	24,300,373
Regulatory fees and levies	**50,482,207**	41,479,718
	78,012,180	65,780,091

9 Employee benefits expenses

	2024 Shs '000	2023 Shs '000
Salaries and wages	**114,876,207**	106,924,763
MTN Uganda Limited Provident Fund contributions [note 33 (viii)]	**3,088,056**	3,023,810
Contributions to National Social Security Fund	**7,614,100**	6,793,143
Notional share options (note 26)	**4,822,088**	3,373,425
Other staff costs	**21,108,632**	15,194,567
	151,509,083	135,309,708

Remuneration for the Group's permanent employees is disclosed under salaries and wages. Staff welfare costs together with costs for the Group's contract personnel are disclosed under other staff costs.

10 Selling, distribution and marketing expenses

	2024 Shs '000	2023 Shs '000
Commissions*	**485,752,100**	397,649,169
Marketing	**51,440,860**	56,721,060
Content costs	**5,800,477**	7,459,768
	542,993,437	461,829,997

**Commissions are paid to mobile money agents who facilitate mobile money transactions, and to business partners who use the mobile money platform to transact. The commission expense is computed as a percentage of the commission revenue earned by the Group.*

11 Other operating expenses

	2024 Shs '000	2023 Shs '000
Professional and consulting	**10,585,622**	8,071,620
Auditor's remuneration	**3,067,443**	2,851,591
Directors' fees	**1,637,562**	972,299
General expenses	**43,571,798**	40,847,020
Motor vehicle and insurance	**12,497,662**	13,261,532
Security costs	**990,987**	1,165,399
Communication costs	**2,584,353**	1,133,583
Management fees	**100,652,920**	84,702,995
MTN Foundation [note 33 (viii)]	**6,413,903**	2,769,746
Travel and entertainment	**4,288,692**	4,461,442
Electricity and diesel – non network	**10,124,860**	9,457,025
Other utilities – non network	**2,250**	19,000
Information technology fees	**5,413,589**	7,404,457
Office building and maintenance	**3,089,818**	3,056,600
Platform fee	**12,431,294**	-
	217,352,753	180,174,309

12 (a) Net foreign exchange losses

	2024 Shs '000	2023 Shs '000
- Foreign exchange gains	**3,203,125**	11,025,689
- Foreign exchange losses	**(5,815,755)**	(12,801,942)
Net foreign exchange losses	**(2,612,630)**	(1,776,253)

12 (b) Finance income / (costs)

Interest income calculated using the effective interest method:

	2024 Shs '000	2023 Shs '000
- Interest income on mobile money deposits	**44,025,556**	42,366,940
- Interest income on bank deposits	**10,149,012**	12,181,182
	54,174,568	54,548,122

Interest expense calculated using the effective interest method:

	2024 Shs '000	2023 Shs '000
- Interest expense and other charges on borrowings (note 28)	**(19,594,496)**	(33,463,228)
- Interest expense on lease liabilities (note 18 (b))	**(213,917,625)**	(187,003,962)
Interest expense on mobile money deposits	**(44,025,556)**	(42,366,940)
- Other interest expenses*	**(4,050,688)**	(2,590,797)
	(281,588,365)	(265,424,927)

12 (b) Finance income / (costs) (continued)

Interest expenses not calculated using the effective interest method:

	2024 Shs '000	2023 Shs '000
Interest on financial liability (note 19 (b))	**(8,771,303)**	(10,042,824)
	(290,359,668)	(275,467,751)

*Other interest expenses mainly relate to overdraft charges and other transaction charges on borrowings, that are integral to the effective interest rate.

13 Income tax expense

	2024 Shs '000	2023 Shs '000
Current income tax	**275,862,658**	220,244,650
Deferred tax charge / (credit) (note 17)	**3,265,032**	(6,994,010)
	279,127,690	213,250,640

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	2024 Shs '000	2023 Shs '000
Profit before income tax expense	**920,675,958**	706,327,416
Tax calculated at a rate of 30% (2023 30%)	**276,202,787**	211,898,225
Tax effect of:		
- Expenses not deductible for tax purposes	**3,663,361**	4,446,304
- Prior year over provision of current income tax	**(1,677,875)**	(1,104,578)
- Prior year under / (over) provision of deferred tax asset	**939,417**	(1,989,311)
Income tax expense	**279,127,690**	213,250,640

The effective tax rate for the year ended 31 December 2024 was 30.3% (2023: 30.2%).

The movement in current income tax recoverable is as follows:

	2024 Shs '000	2023 Shs '000
At start of year	**558,395**	3,893,911
Income tax charge	**275,862,658**	220,244,650
Tax paid	**(276,316,653)**	(223,580,166)
At end of year	**104,400**	558,395

13 Income tax expense (continued)

The current income tax (recoverable) / payable relates to:

	2024 Shs '000	2023 Shs '000
Income tax recoverable – Company	**(3,429,277)**	(1,976,045)
Income tax payable – Subsidiary	**3,533,677**	2,534,440
At end of year	**104,400**	558,395

14 Earnings per share

The Group calculates basic earnings per share by dividing the profit or loss after tax attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares in issue during the period.

On the other hand, dilutive EPS is calculated by adjusting profit or loss attributable to ordinary equity holders of the Group and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares.

The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period; a reasonable approximation of the weighted average is adequate in many circumstances.

The weighted average number of ordinary shares outstanding during the period and for all periods presented is adjusted for events, other than the conversion of potential ordinary shares, that have changed the number of ordinary shares outstanding without a corresponding change in resources.

	2024 Shs '000	2023 Shs '000
Weighted average number of shares at 31 December	**22,389,044**	22,389,044
Profit from continuing operations attributable to shareholders (Shs '000)	**641,548,268**	493,076,776
Basic/ diluted earnings per share (Shs / Share)	**28.65**	22.02

At the reporting date, the basic and diluted earnings per share were the same. There are no outstanding shares with a potential dilutive effect on the weighted average number of ordinary shares in issue.

15 Share capital

	2024 Number of shares	2024 Per Value	2024 Ordinary share capital Shs '000	2023 Number of shares	2023 Per Value	2023 Ordinary share capital Shs '000
Authorised:						
Ordinary shares	28,000,000,000	1	28,000,000	28,000,000,000	1	28,000,000
Issued and fully paid:						
Ordinary shares	22,389,044,239	1	22,389,044	22,389,044,239	1	22,389,044

The holders of ordinary shares are entitled to participate in dividends and to share in the proceeds of winding up the Group in proportion to the number of and amounts paid on the shares held.

16 Dividends

	2024 Dividend per share Shs '000	2024 Total Shs '000	2023 Dividend per share Shs '000	2023 Total Shs '000
Dividends declared and paid	**20.5**	**458,975,407**	17.1	382,855,430
Dividends for the year				
Interim dividend	**14.1**	**315,685,524**	11.6	259,715,687
Final dividend	**8.5**	**190,306,876**	6.4	143,289,883
Dividends for the year (paid and proposed)	**22.6**	**505,992,400**	18.0	403,005,570

Payment of dividends is subject to withholding tax a rate depending on the residence of the respective shareholders. The directors recommend the payment of a final dividend of Shs 8.5 per share amounting to Shs 190,307 million (2023: Shs 6.4 per share amounting Shs 143,290 million) for the year ended 31 December 2024.

17 Deferred tax assets

Deferred tax assets are recognised to the extent it is probable that future taxable profit will be available against which the tax losses can be utilised. Deferred tax assets can be utilised for a period of seven years. Effective from 1 July 2023, Uganda tax laws were revised such that tax losses can be carried forward for seven years, following which, only 50% of the income tax losses are allowed. The Group had no tax losses as at 31 December 2024 (31 December 2023). The directors have made an assessment that the deferred tax losses which arise from short-term differences will be utilised during the normal course of business. Therefore, the net deferred tax assets have been fully recognised on the statement of financial position.

17 Deferred tax assets (continued)

Deferred tax is calculated using the enacted income tax rate of 30% (2023: 30%). The movement on the deferred income tax account is as follows:

	2024 Shs '000	2023 Shs '000
At start of year	**21,609,312**	14,615,302
(Charge) / credit to profit or loss	**(3,265,032)**	6,994,010
At end of year	**18,344,280**	21,609,312

Deferred tax assets and liabilities and the deferred tax charge in profit or loss are attributable to the following items:

Year ended 31 December 2024

	1 January 2024 Shs '000	Charge to profit or loss Shs '000	31 December 2024 Shs '000
Deferred tax liabilities:			
Accelerated tax depreciation	**(12,430,977)**	**(6,560,251)**	**(18,991,228)**
Deferred tax assets:			
Provisions	**24,145,626**	**323,636**	**24,469,262**
Net unrealised foreign exchange	**42,440**	**3,755,201**	**3,797,641**
Deferred income	**9,852,223**	**(783,618)**	**9,068,605**
	34,040,289	**3,295,219**	**37,335,508**
Net deferred tax liability	**21,609,312**	**(3,265,032)**	**18,344,280**

Year ended 31 December 2023

	1 January 2023 Shs '000	Credit to profit or loss Shs '000	31 December 2023 Shs '000
Deferred tax liabilities:			
Accelerated tax depreciation	(13,741,292)	1,310,315	(12,430,977)
Deferred tax assets:			
Provisions	22,286,154	1,859,472	24,145,626
Net unrealised foreign exchange	827,761	(785,321)	42,440
Deferred income	5,242,680	4,609,543	9,852,223
	28,356,595	5,683,694	34,040,289
Net deferred tax assets	14,615,303	6,994,009	21,609,312

18 (a) Property and equipment

	Land and buildings	Leasehold improvements	Tele-communications equipment	Furniture, computers and other equipment	Motor vehicles	Work in progress	Total
	Shs '000	**Shs '000**	**Shs '000**	**Shs '000**	**Shs '000**	**Shs '000**	**Shs '000**
Year ended 31 December 2024							
Opening net book amount	**45,420,702**	**6,605,052**	**974,612,767**	**44,660,554**	**822,044**	**14,426,498**	**1,086,547,617**
Additions	**2,848,426**	**6,455,753**	**319,703,033**	**23,072,245**	**-**	**28,452,590**	**380,532,047**
Transfers*							
- cost	**1,274,006**	**342,680**	**9,839,443**	**74,908**	**440,070**	**(11,971,107)**	**-**
- accumulated depreciation	**-**	**-**	**(19,120)**	**19,120**	**-**	**-**	**-**
Disposals:							
- cost	**(7,001)**	**(1,185,314)**	**(31,927,538)**	**(7,050,600)**	**(2,279,601)**	**-**	**(42,450,054)**
- accumulated depreciation	**1,275**	**1,185,314**	**31,558,130**	**6,476,433**	**2,157,118**	**-**	**41,378,270**
Reallocations**	**1,602**	**1,422**	**358**	**(3,772)**	**-**	**(299,002)**	**(299,392)**
Transfer from PPE							
- cost	**-**	**-**	**-**	**10,176**	**8,957**	**(899,325)**	**(880,192)**
- Impairment	**-**	**-**	**(1,091,604)**	**(1,420)**	**-**	**-**	**(1,093,024)**
Depreciation charge	**(3,624,566)**	**(4,062,460)**	**(179,085,152)**	**(17,743,164)**	**(262,398)**	**-**	**(204,777,740)**
Closing net book amount	**45,914,444**	**9,342,447**	**1,123,590,317**	**49,514,480**	**886,190**	**29,709,654**	**1,258,957,532**
At 31 December 2024							
- cost	**59,304,607**	**37,730,358**	**2,750,120,881**	**240,771,885**	**7,814,313**	**29,709,654**	**3,125,451,698**
- accumulated amortisation	**(13,390,163)**	**(28,387,911)**	**(1,626,530,564)**	**(191,257,405)**	**(6,928,123)**	**-**	**(1,866,494,166)**
Net book amount	**45,914,444**	**9,342,447**	**1,123,590,317**	**49,514,480**	**886,190**	**29,709,654**	**1,258,957,532**

**Reallocations relate to reclassifications between property and equipment at the time when management confirms that intangible asset was integral / not integral to the operation of the tangible asset.

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18 (a) Property and equipment (continued)

		Leasehold improvements	Tele-communications equipment	Furniture, computers and other equipment	Motor vehicles	Work in progress	Total
		Shs '000	**Shs '000**	**Shs '000**	**Shs '000**	**Shs '000**	**Shs '000**
Year ended 31 December 2023							
Opening net book amount	45,646,352	7,069,056	843,931,243	41,740,921	1,099,532	9,702,163	**949,189,267**
Additions	2,463,935	2,019,994	283,950,151	19,006,562	8,944	11,578,414	**319,028,000**
Transfers*							
- cost	333,640	790,475	5,466,529	1,895,315	-	(8,485,959)	**-**
Disposals:							-
- cost	-	(416,325)	(10,609,159)	(4,275,889)	(2,950,375)	-	**(18,251,748)**
- accumulated depreciation	-	416,325	10,578,430	3,961,504	2,802,426	-	**17,758,685**
Reallocations**	67	(1,067)	(51,430)	84,125	-	1,631,880	**1,663,575**
Impairment	-	-	(294,976)	-	-	-	**(294,976)**
Depreciation charge	(3,023,292)	(3,273,406)	(158,358,021)	(17,751,984)	(138,483)	-	**(182,545,186)**
Closing net book amount	45,420,702	6,605,052	974,612,767	44,660,554	822,044	14,426,498	1,086,547,617
At 31 December 2023							
Cost	55,189,176	32,117,239	2,452,505,943	224,665,156	9,644,887	14,426,498	2,788,548,899
Accumulated amortisation	(9,768,474)	(25,512,187)	(1,477,893,176)	(180,004,602)	(8,822,843)	-	(1,702,001,282)
Net book amount	45,420,702	6,605,052	974,612,767	44,660,554	822,044	14,426,498	1,086,547,617

**Reallocations relate to reclassifications between property and equipment at the time when management confirms that intangible asset was integral / not integral to the operation of the tangible asset

18 (b) Leases

i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

Right-of-use assets

	2024 Shs '000	2023 Shs '000
Network sites	**1,142,856,412**	1,072,990,725
Offices and services centres	**739,088**	1,217,740
Motor vehicles	**19,844,469**	17,505,388
	1,163,439,969	1,091,713,853

Lease liabilities

	2024 Shs '000	2023 Shs '000
Current	**193,208,362**	149,728,208
Non-current	**1,173,939,939**	1,107,020,973
	1,367,148,301	1,256,749,181

ii) Amounts recognised in profit or loss

Depreciation charge for right-of-use assets

	2024 Shs '000	2023 Shs '000
Network sites	**192,745,930**	156,826,012
Offices and services centres	**3,288,599**	4,747,150
Motor vehicles	**7,617,570**	6,427,100
	203,652,099	168,000,262

iii) The movement in right-of-use assets is as follows:

	2024 Shs '000	2023 Shs '000
At 1 January 2024	**1,091,713,853**	949,357,815
Additions	**231,273,492**	221,072,079
Remeasurements	**51,826,896**	90,185,199
Depreciation	**(203,652,099)**	(168,000,262)
Disposal	**(7,722,173)**	(900,978)
At end of year	**1,163,439,969**	1,091,713,853

At end of the year

	2024 Shs '000	2023 Shs '000
Cost	**1,851,082,037**	1,580,262,768
Accumulated depreciation	**(687,642,068)**	(488,548,915)
Net right-of-use asset	**1,163,439,969**	1,091,713,853

18 (b) Leases (continued)

iv) The movement in lease liabilities is as follows:

	2024 Shs '000	2023 Shs '000
As at 1 January	**1,256,749,181**	1,072,486,871
Additions	**231,273,492**	222,192,985
Remeasurements	**51,826,896**	90,185,199
Interest expense	**213,917,625**	187,003,962
Payment of interest portion of lease liabilities	**(214,171,764)**	(185,140,944)
Payment of principal portion of lease liabilities	**(164,187,425)**	(129,004,180)
Foreign exchange (gains) / losses	**(150,517)**	330,725
Termination of leases	**(8,109,187)**	(1,305,437)
As at 31 December	**1,367,148,301**	1,256,749,181

See note 2 (g) for the accounting policies relevant to leases.

19 (a) Intangible assets

	License fee Shs '000	IT software Shs '000	Total Shs '000
Year ended 31 December 2024			
Opening net book amount	**269,831,690**	**159,805,074**	**429,636,764**
Additions	**-**	**37,468,069**	**37,468,069**
Amortisation	**(31,744,908)**	**(55,681,928)**	**(87,426,836)**
Reallocation	**-**	**299,392**	**299,392**
Other movement		**(272,685)**	**(272,685)**
Disposal:			
- cost	**-**	**(10,437,692)**	**(10,437,692)**
- accumulated depreciation	**-**	**10,437,692**	**10,437,692**
Closing net book amount	**238,086,782**	**141,617,922**	**379,704,704**
At 31 December 2024			
Cost	**380,938,857**	**384,900,453**	**765,839,310**
Accumulated amortisation	**(142,852,075)**	**(243,282,531)**	**(386,134,606)**
Net book amount	**238,086,782**	**141,617,922**	**379,704,704**
Year ended 31 December 2023			
Opening net book amount	301,582,965	56,133,611	357,716,576
Additions	-	165,214,399	165,214,399
Amortisation	(31,744,904)	(59,887,795)	(91,632,699)
Reallocation	(6,371)	(1,657,204)	(1,663,575)
Disposal:	-	2,063	2,063
- cost	50,001	1,799,500	1,849,501
- accumulated depreciation	(50,001)	(1,799,500)	(1,849,501)
Closing net book amount	269,831,690	159,805,074	429,636,764
At 31 December 2023			
Cost	380,938,857	357,571,074	738,509,931
Accumulated amortisation	(111,107,167)	(197,766,000)	(308,873,167)
Net book amount	269,831,690	159,805,074	429,636,764

19 (a) Intangible assets (continued)

<u>License fee</u>

The Group's initial license to operate as a telecommunications company in Uganda expired on 20 October 2018 after 20 years. Uganda Communications Commission (UCC) granted MTN Uganda Limited a formal long-term licence in July 2021 for a period of 12 years.

<u>Software</u>

Software that is separately identifiable from components of the Group's plant and equipment has been recognised as an intangible asset. This software is amortised over its useful life which is considered to be 3 years. The additions to IT software include software charges arising from the new contract signed with Ericsson during the year. The additions were acquired by assuming directly related liabilities and therefore, there was no cash movement. The Ericsson software is amortised over a period of five years. The movement in the intangible asset arising from the Ericsson contract is summarised below:

	2024 Shs '000	2023 Shs '000
At 1 January	**105,479,293**	-
Additions	**-**	131,849,116
Amortisation	**(26,369,823)**	(26,369,823)
At 31 December	**79,109,470**	105,479,293

19 (b) Other financial liability

The financial liability arising from the Ericsson software contract is disclosed below. The financial liability is measured at fair value through profit or loss:

Financial liability measured at fair value

	2024 Shs '000	2023 Shs '000
Current	**29,281,425**	24,192,394
Non-current	**69,591,652**	97,446,644
	98,873,077	121,639,038

The movement in the financial liability is disclosed below:

	2024 Shs '000	2023 Shs '000
At 1 January	**121,639,038**	-
Additions	**-**	131,849,116
Interest accrued (note 12)	**8,771,303**	10,042,824
Revaluation – other financial liability	**464,521**	
Other movements*	**(833,142)**	
Interest paid on financial liability	**(8,771,303)**	(10,042,824)
Payments made during the year	**(22,397,340)**	(10,210,078)
	98,873,077	121,639,038

19 (b) Other financial liability (continued)

Other movements* - this relates to surplus Ericsson minimum commitments.

Annual maintenance charges arising from the new contract of Shs 6,005 million were expensed to profit or loss during the year ended 31 December 2024. The fair value of the financial liability is determined using level 3 techniques by discounting future cash flows using the Group's incremental borrowing rate. The significant unobservable inputs in the fair value measurement are the long-term growth rate for the Group's service revenue, the annual movement in the foreign exchange rate and the incremental borrowing (discount) rate. A 1% increase in the discount rate results into a Shs 1,512 million decrease in the fair value of the financial liability. A 1% increase in the foreign exchange rate and the service revenue results in an increase of Shs 1,390 million and Shs 1,211 million in the fair value of the financial liability, respectively.

20 Prepayments and advances to business partners

(a) Indefeasible right-of-use ("IRU") assets

	2024 Shs '000	2023 Shs '000
At start of year	**71,839,500**	57,624,020
Additions	**12,927,425**	35,554,502
Charge for the year	**(20,257,897)**	(21,339,022)
At end of year	**64,509,028**	71,839,500
IRU assets – current	**9,703,378**	10,696,873
IRU assets – non–current	**54,805,650**	61,142,627
Total indefeasible right-of-use assets	**64,509,028**	71,839,500

(b) Non-current receivables and prepayments

	2024 Shs '000	2023 Shs '000
IRU non-current receivables	**54,805,651**	61,142,627
Advances to dealers	**2,177,139**	5,410,318
Net book amount at end of year	**56,982,790**	**66,552,945**

The other non-current receivables are the amounts due from the dealers that the Group expects to collect within two to three years from the end of the reporting period. These amounts are guaranteed by banks. The fair value of the receivables is not significantly different from their carrying amount. The prepaid site and lease rentals primarily relate to indefeasible right of use arrangements with Bayobab Africa on undersea cables.

		2024 Shs '000	2023 Shs '000
(c)	Deferred revenue from sub lease arrangements – current	**1,014,160**	1,002,623
	Deferred revenue from sub lease arrangements – non-current	**13,497,438**	12,395,429

21 Inventories

	2024 **Shs '000**	2023 Shs '000
Sim cards, phones, and accessories	**13,967,846**	16,301,595
Provision for obsolete stock	**(5,834,674)**	(3,556,388)
	8,133,172	12,745,207
Inventories expensed during the year	**(30,912,767)**	(41,562,051)
Increase in impairment provision during the year	**(2,278,287)**	(2,089,993)

22 Trade and other receivables

	2024 **Shs '000**	2023 Shs '000
Trade receivables	**67,197,345**	84,546,929
Loss allowance	**(23,504,843)**	(26,966,175)
Trade receivables – net	**43,692,502**	57,580,754
Receivables from related parties - net (Note 33 (iv) a)	**72,764,710**	45,483,044
Prepayments[1]	**35,023,761**	32,900,699
Other receivables[2]	**58,128,388**	51,278,562
	209,609,361	187,243,059

[1] Included under prepayments is an amount of Shs 9,703 million (2023: Shs 10,697 million) relating to the current portion of IRU assets. The carrying amount of the above receivables balances approximates their fair value due to their short-term nature. The closing loss allowances for trade receivables as at 31 December reconciles to the opening loss allowances as set out below.

[2] Other receivables mainly relate to advance payments made to defend tax positions.

	2024 **Shs '000**	**2023** **Shs '000**
As at start of year	**27,770,118**	22,432,807
Increase in loss allowance recognised in profit or loss	**15,650,684**	7,038,379
Receivables written off during the year as uncollectible	**(19,915,959)**	(1,701,068)
At end of year	**23,504,843**	27,770,118
Consisting of:		
	23,504,843	26,966,175
Trade receivables	**-**	803,943
Other receivables	**23,504,843**	27,770,118

Trade receivables are written off when there is no reasonable expectation of recovery.

23 Trust account balances / Mobile money deposits

	2024 **Shs '000**	**2023** **Shs'000**
MoMo customers' balances (held on escrow accounts)	**1,336,469,487**	1,478,832,194
Add: Interest on customer deposits received but not allocated	**10,881,711**	6,106,744
Add: Interest on customer deposits accrued but not received	**4,388,092**	3,607,755
	1,351,739,290	1,488,546,693
Less amounts due to, and allocable to subscribers (liabilities)	**(1,351,739,290)**	(1,488,546,693)
	-	-

The Group recognises MoMo balances based on its assessment of the risks and rewards relating to the underlying financial asset. The Group's exposure to credit risk on the financial assets held with the various banks was considered a key factor in the overall evaluation as any credit risk assumed potentially exposed the Group to refund MoMo customers in the event of any bank failure. As a result of the uncertain and evolving legal and regulatory environment, this assessment has become increasingly complex and dependent on legal interpretations that are largely untested. The Group has however noticed that, as the MoMo products mature and the regulatory and legal positions are codified, the underlying exposure to its MoMo customers is clarified ultimately resulting in the MoMo balances being recorded on the statement of financial position.

The Group recognises MoMo balances held by the respective banks and the customers' rights to these balances as an obligation (financial liability) in the ordinary course to repay the balances to the MoMo customers and a right to claim the corresponding amounts from the relevant banks (financial asset). Cash flows that relate to the principal MoMo deposit balances and corresponding liabilities are reflective of customer transactions and, consequently, are not recorded in the Group's statement of cash flows.

24 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held on call, all of which are available for use by the Group. Below is breakdown of cash and cash equivalents:

	2024 **Shs '000**	**2023** **Shs '000**
Cash at bank	**151,877,184**	238,469,448
Cash at hand	**24,314**	-
Deposits on call (mobile money)	**103,551**	93,489
	152,005,049	238,562,937
Bank overdraft	**(45,091)**	-
	151,959,958	238,562,937

25 Trade and other payables

	2024 Shs '000	2023 Shs '000
Financial liabilities		
Trade payables	**189,036,204**	203,739,408
Payables to related parties [note 33 (iv) b]	**27,864,156**	24,069,950
Sundry creditors	**174,515,601**	149,262,870
	391,415,961	377,072,228
Non-financial liabilities	**149,066,698**	132,980,544
Statutory taxes due		
	540,482,659	510,052,772

This includes the current portion of the IRU liability disclosed in note 20 (c). Trade and other payables are unsecured and usually paid within 45 – 60 days of recognition. The carrying amounts of the above trade and other payables approximate their fair values. Other creditors and accruals mostly relate to accruals for goods received but not invoiced, statutory deductions and other payables.

26 Employee share-based payment liability

	At start of year Shs '000	Additional provisions Shs '000	Utilised/ reversed Shs '000	At end of year Shs '000	Non-current provision Shs '000	Current provision Shs '000
Year ended 31 December 2024						
Notional share options	**14,764,794**	**4,822,088**	**(3,226,649)**	**16,360,233**	**9,418,494**	**6,941,739**
Year ended 31 December 2023						
Notional share options	24,960,206	3,373,425	(13,568,838)	14,764,793	10,135,073	4,629,720

The Board approved a cash-settled share incentive scheme to eligible employees effective 1 April 2004. The first vesting under the terms of this scheme was due on 1 April 2007 and specific amounts vest annually over a four-year period. The value of the notional share options is based on MTN Group Limited's share price and performance of the Group (note 2 (U)).

The following table illustrates the number, and movements in, share options during the year ended 31 December 2024:

	2024		2023	
	Locally aligned NSOs	Group aligned NSOs	Locally aligned NSOs	Group aligned NSOs
Outstanding at 1 January	**365,340**	**610,530**	376,540	584,440
Granted during the period;	**115,870**	**351,750**	101,040	190,770
Forfeited during the period;	**-**	**-**	(38,000)	(39,460)
Exercised during the period;	**(139,580)**	**(226,690)**	(74,240)	(125,220)
Expired during the period;	-	-	-	-
Outstanding at the end of the period; and	**341,630**	**735,590**	365,340	610,530
Exercisable at the end of the period.	**36,160**	**101,610**	81,600	124,060

The weighted average share price for options exercise during the year was Shs 135,671 (2023: Shs 115,847) and ZAR 97.06 (2023: ZAR 127.5) for the locally and Group aliened NSOs, respectively

27 Provisions

	At start of year	Additional provisions	Utilised/ reversed	At end of year	Non-current provision	Current provision
Year ended 31 December 2024						
Bonus provision[1]	**17,553,501**	**14,853,238**	**(17,056,390)**	**15,350,349**	**-**	**15,350,349**
Other provisions[2]	**9,737,691**	**5,087,979**	**(403,148)**	**14,422,522**	**-**	**14,422,522**
	27,291,192	**19,941,217**	**(17,459,538)**	**29,772,871**	**-**	**29,772,871**
Year ended 31 December 2023						
Bonus provision[1]	12,654,012	15,203,663	(10,304,174)	17,553,501	-	17,553,501
Other provisions[2]	4,892,280	4,845,411	-	9,737,691	-	9,737,691
	17,546,292	20,049,074	(10,304,174)	27,291,192	-	27,291,192

[1] Bonus provisions represent a performance incentive paid to employees based on the achievement of key performance indicators. The provision for the year is based on an estimate of a percentage of each of the employees' annual basic salary. The bonus payment is expected in March 2025.

[2] Other provisions relate to tax matters and litigation.

28 Borrowings

Borrowings comprise a syndicated loan facility broken down below:

		Currency	2024 Shs '000	2023 Shs '000
(i)	Loan facility A	Shs	**-**	34,874,905
(ii)	Loan facility B – revolving credit	Shs	**-**	113,489,640
(iii)	Loan facility D (Club Deal)	Shs	**-**	55,002,497
(iv)	Loan facility B – revolving credit (new)	Shs	**25,000,000**	-
	Interest bearing loans		**25,000,000**	203,367,042
	Capitalised transaction costs		**(2,611,027)**	(979,243)
	Total borrowings		**22,388,973**	202,387,799

None of the facilities is secured against assets of the Group.
The movement in borrowings is as follows:

	2024 Shs '000	2023 Shs '000
At start of year	**202,387,799**	249,572,956
Proceeds from borrowings	**80,000,000**	60,000,000
Interest expense	**21,226,280**	33,174,757
Amortisation of transaction costs	**(1,631,784)**	288,471
Principal repayments	**(253,658,856)**	(108,419,269)
Interest repayments	**(25,934,466)**	(32,229,116)
At end of year	**22,388,973**	202,387,799

28 Borrowings (continued)

The maturity profile of the above borrowings is as follows:

	2024 Shs '000	2023 Shs '000
More than one year but not exceeding two years	-	17,651,546
Non - current borrowings	-	17,651,546
Current borrowings	**22,388,973**	184,736,253
	22,388,973	202,387,799

The Group's current borrowings are in respect of an unsecured syndicated loan facility that the Group obtained from Stanbic Bank Uganda Limited, Standard Bank, Standard Chartered Bank, Absa, Citibank and Centenary Bank on 23 December 2024. This facility was refinanced on 23 December 2024, and the values reported are the carrying amounts which approximate their fair value.

None of the borrowings was in default at any time during the year.

Capitalised transaction costs relate to costs that are directly attributable to the acquisition of the above facilities.

(i) *Loan facility A*

This facility had a limit of Shs 110,000 million. The loan, repayable in 16 quarterly instalments starting May 2021 was fully repaid as at 31 December 2024. The rate of interest on this facility was the aggregate of the Ugandan Government 182-day Treasury Bill rate plus a margin of 3.25%. The average interest rate for the year was 16.15% (2023: 14.39 %).

(ii) *Facility A (New)*

This facility was provided by Absa, Stanbic, Citibank, Standard Chartered and Centenary Bank as part of a Syndicated Loan facility and has a limit of Shs 222,000 million. The loan is repayable in 16 quarterly instalments starting May 2026 with the final payment due in Dec 2029. The rate of interest on this facility is the aggregate of the Ugandan Government 182-day Treasury Bill rate plus a margin of 2.85%. At 31 December 2024, the Company has not drawn down any amounts from the facility.

(iii) *Loan facility A – Stanbic Bank*

This facility had a limit of Shs 50,000 million. The loan, repayable in 16 quarterly instalments started in March 2020 and was fully repaid at 31 December 2024. The rate of interest on this facility is the aggregate of the Ugandan Government 182-day Treasury Bill rate plus a margin of 2.5%. The average interest rate for the year was 14.47% (2023: 14.47%)

(iv) *Loan facility B – Revolving Credit Fund (New)*

This facility was provided by Absa, Stanbic, Citibank and Standard Chartered bank as part of a Syndicated facility and has a limit of Shs 148,000 million. At 31 December 2024, the principal loan outstanding in respect of this facility amounted to Shs 25 billion. The loan is repayable in either 3, 6, 9, or 12 months with an option to re-draw any amounts paid to a maximum of Shs 148 billion depending on the cash requirements. The rate of interest on this facility is the aggregate of the Ugandan Government 182-day Treasury Bill rate plus a margin of 2.95%. The average interest rate for the year was 16.35% (2023: 14.72%).

28 Borrowings (continued)

(v) *Loan facility B – Revolving*

This facility had a limit of UGX 97,703 million. The loan repayable in 9 quarterly instalments, which started in February 2023 with the final payment due in February 2025, the loan was fully repaid at 31 December 2024. The rate of interest on this facility was the aggregate of the Ugandan Government 182-day Treasury Bill rate plus a margin of 1.85%. The average interest rate for the year was 14.75% (2023: 12.86%).

Bonds and guarantees

The Group had letters of credit facilities of Shs 5,419 million with Standard Chartered Bank as of 31 December 2024 (2023: Shs 5,419 million).

Compliance with covenants

The Group complied with the financial covenants of its borrowing facilities during the 2024 and 2023 reporting periods.

The section below sets out an analysis of net debt and the movements in net debt.

The Group also had an unutilised overdraft and short-term loan facilities of Shs 91,983 million (2023: Shs 49,142 million). These facilities are unsecured. The overdraft interest rate is the aggregate of the Ugandan Government 90-day Treasury Bill rate plus a margin of 2.85%.

Net debt

	2024 Shs '000	2023 Shs '000
Cash and cash equivalents (note 24)	**151,959,958**	238,562,937
Borrowings	**(22,388,973)**	(202,387,799)
Lease liabilities [note 18 (b)]	**(1,367,148,301)**	(1,256,749,181)
At end of year	**(1,237,577,316)**	(1,220,574,043)

Net debt reconciliation

	Cash Shs '000	Leases Shs '000	Borrowings Shs '000	Total Shs '000
Year ended 31 December 2023				
At 1 January 2023	200,772,719	(1,072,486,871)	(249,572,956)	(1,121,287,108)
Cash flows	39,235,746	314,145,124	80,648,385	434,029,255
Foreign exchange losses	(1,445,528)	(330,725)	-	(1,776,253)
Other changes	-	(498,076,709)	(33,463,228)	(531,539,937)
Net debt at 31 December 2023	238,562,937	(1,256,749,181)	(202,387,799)	(1,220,574,043)
Year ended 31 December 2024				
At 1 January 2024	238,562,937	(1,256,749,181)	(202,387,799)	(1,220,574,043)
Cash flows	(78,036,146)	378,359,189	199,593,322	499,916,365
Foreign exchange losses	(8,566,833)	150,517		(8,416,316)
Other changes	-	(488,908,826)	(19,594,496)	(508,503,322)
Net debt at 31 December 2024	151,959,958	(1,367,148,301)	(22,388,973)	(1,237,577,316)

Other changes in the net debt reconciliation above include amortisation of transaction costs, the net of interest accruals and payments as well as additions and disposals of leases.

29 Current investments

The Group's current investments consist of a fixed deposit held at Standard Chartered Bank Limited. The fixed deposit is held at amortised cost.

Set out below are the carrying amounts of the fixed deposit and the movements during the period.

	2024 Shs'000	2023 Shs'000
As at 1 January	**12,265,000**	-
Additions	**-**	11,000,000
Accretion of interest	**1,192,701**	1,265,000
Maturity of investment	**(13,457,701)**	-
	-	12,265,000

The investment had a maturity period of one year and accrued interest at a rate of 11.5%.

The carrying amount of the above investment approximates the carrying amount due to the short-term nature of its maturity period.

30 Cash generated from operations

	2024 Shs '0000	2023 Shs '0000
Reconciliation of profit before income tax to cash generated from operations:		
Profit before tax	**920,675,958**	706,327,416
Adjustments for:		
Depreciation and amortisation (notes18 (a) and 18 (b))	**408,429,839**	350,545,448
Amortisation of intangible assets (note19)	**87,426,836**	91,632,699
Impairment of property and equipment	**1,093,024**	294,976
Gain on sale of property and equipment	**(113,789)**	(650,729)
Other movements on property, plant and equipment*	**880,192**	-
Other movements on intangible assets*	**272,685**	-
Reversal of impairment on intangible assets (note19)	-	(2,063)
Interest and other changes in borrowings (note 28)	**19,594,496**	33,463,228
Interest and other changes in lease liabilities (note 18 (b))	**213,917,625**	188,124,868
Gain on disposal of right of use asset and lease liabilities	**(387,014)**	(404,459)
Interest expense on mobile money deposits (note 12)	**44,025,556**	42,366,940
Interest income (note 12)	**(54,174,568)**	(54,548,122)
Interest on financial liability (Note 19 (b))	**8,771,303**	10,042,824
Other movements on financial liabilities	**(833,142)**	-
Foreign exchange movements	**2,612,630**	1,776,253
Changes in working capital:		
Decrease in inventories	**4,612,035**	14,687,230
*Increase in trade and other receivables***	**(21,368,487)**	(12,556,695)
Increase in contract assets	**(23,117,802)**	(23,853,546)
Decrease / (increase) in current investments	**11,000,000**	(11,000,000)
(Decrease) / increase in contract liabilities	**(887,331)**	15,633,007
*Increase in trade and other payables***	**26,069,696**	39,426,887
Increase in provisions	**2,481,679**	9,744,900
Cash generated from operations	**1,650,981,421**	1,401,051,062

**This relates to items written off from property, plant and equipment and intangible assets.*

***The movements on these line items include the impact of unrealised foreign exchange movements.*

31 Capital commitments

Capital commitments at the balance sheet date not recognised in the financial statements are as follows:

	2024 Shs '000	2023 Shs '000
Property and equipment		
Authorised and contracted for	**78,616,278**	66,466,915
Authorised but not contracted for	**325,381,958**	267,297,936
	403,998,236	333,764,851
Intangible assets – software		
Authorised and contracted for	**8,259,788**	1,409,397
Authorised but not contracted for	**68,620,497**	85,028,752
	76,880,285	86,438,149
	480,878,521	420,203,000

32 Contingent liabilities

Following a tax audit conducted by the Uganda Revenue Authority (URA) covering the financial years of 2003 to 2009, the URA disallowed certain expenses and issued revised income tax assessments in December 2011 for those periods. The impact of this would be Shs 10,500 million. The Group did not agree with these assessments and declared a dispute, following which the matter was referred to the court mediation process stipulated in the Uganda Income Tax Act. The key tax issues referred to mediation included the treatment of brand expense and management fees.

The matter is still under discussion and the final exposure has not been confirmed as at the date of these financial statements.

33 Related party transactions

The Group is controlled by MTN International (Mauritius) Limited incorporated in Mauritius. The ultimate parent and ultimate controlling party of the Company is MTN Group Limited, incorporated in South Africa. The other related party companies whose transactions are disclosed below are sister companies controlled by MTN Group Limited. The following transactions were carried out with related parties, with whom the Group has common shareholdings or common directorships:

i) *Sale of goods and services*

	2024 Shs '000	2023 Shs '000
MTN Rwandacell	**-**	45,747
MTN Zambia	**433,144**	429,754
MTN Eswatini	**346,374**	343,593
Global Connect Fibre Kenya	**292,742**	266,857
aYo Uganda Limited	**226,443**	-
Bayobab Africa	**72,701,876**	75,021,359
MTN Management Services	**-**	28,178
	74,000,579	76,135,488

33 Related party transactions (continued)

ii) *Purchase of goods and services*

	2024	2023
	Shs '000	**Shs '000**
MTN Rwandacell	**-**	106,663
Global Connect Fibre Kenya	**190,620**	-
Interserve Overseas Ltd (BVI)	**-**	29,735
Bayobab Africa	**52,757,555**	50,699,989
	52,948,175	50,836,387

Purchases and sales of goods relate to sim card sales and accessories as well as interconnect and roaming charges amongst the various partners and interest paid.

iii) *Management, technical and other fees*

	2024	2023
	Shs '000	**Shs '000**
MTN Group Fintech PTY Limited	**29,933,915**	23,406,038
MTN International (Mauritius) Limited	**68,810,913**	57,486,907
Global Trading Company	**1,908,094**	3,810,051
	100,652,922	84,702,996

iv) *Outstanding balances arising from sale and purchase of goods/services*

a) Receivables from related parties (note 22)

	2024	2023
	Shs '000	**Shs '000**
MTN Management Services Company	**4,719,721**	3,814,539
MTN Rwandacell	**91,721**	-
MTN Swaziland	**387,043**	417,956
MTN South Sudan	**69,894**	512,274
MTN Zambia	**6,621,231**	6,454,517
MTN Nigeria	**237,134**	151,071
MTN Ghana	**-**	21,293
MTN Guinea Bissau	**-**	45,797
MTN South Africa	**1,479,792**	942,521
MTN Global Connect Fibre Kenya Limited	**1,494,240**	1,730,330
MTN Liberia	**58,033**	-
MTN Conakry	**-**	424,478
MTN Congo Brazzaville	**298,932**	307,130
Bayobab Africa	**46,101,641**	25,082,516
MTN Afghanistan Limited	**-**	6,113
MTN Liberia Mobile Money	**30,389**	30,389
MTN Dubai Limited	**521,920**	74,583
MTN Group Fintech - Holding Company	**10,365,704**	5,322,608
Mobile Fintech (Pty) Ltd	**146,253**	-
MoMo Payment Service Bank – Nigeria	**141,062**	144,929
Receivables from related parties – net	**72,764,710**	45,483,044
Unamortised IRU Prepayments		
Bayobab Africa	**57,029,635**	63,683,699

33 Related party transactions (continued)

iv) Outstanding balances arising from sale and purchase of goods/services (continued)

b) Payables to related parties (note 25)

	2024	2023
	Shs '000	**Shs '000**
MTN International (Mauritius) Limited	**11,673,580**	4,690,063
MTN Dubai Limited	**607,619**	-
MTN South Africa	**15,209**	15,627
MTN Group Management Services Company	**4,215,801**	10,682,119
MTN Ghana	**47,541**	-
MTN Global Trading Company	**310,402**	1,917,631
MTN Zambia	**9,034**	9,281
MTN Swaziland	**6,854**	7,042
Interserve BV	**-**	1,383,156
MTN Afghanistan Ltd	**-**	18,633
MTN Irancell	**200,490**	205,986
Bayobab Africa	**10,655,672**	3,564,468
MTN Holdings	**-**	50,394
MTN Group Fintech PTY Limited	**121,954**	1,525,550
	27,864,156	24,069,950

v) Key management compensation

	2024	2023
	Shs '000	**Shs '000**
Short term employee benefits	**11,951,278**	12,521,663
Provident fund	**566,466**	538,143
Notional share options	**196,557**	86,074
	12,714,301	13,145,880

vi) Directors' remuneration

	2024	2023
	Shs '000	**Shs '000**
Directors' remuneration	**1,637,562**	972,299

vii) Contributions to the MTN Uganda Limited Staff Provident Fund

	2024	2023
	Shs '000	**Shs '000**
Employer contributions	**3,088,056**	3,023,810

viii) Contributions to the MTN Foundation

	2024	2023
	Shs '000	**Shs '000**
Contributions	**6,413,903**	2,769,746

33 Related party transactions (continued)

ix) Dividends paid

	2024 Shs '000	2023 Shs '000
MTN International (Mauritius) Limited	**348,889,594**	317,954,185
Other shareholders	**110,085,813**	64,901,245
	458,975,407	382,855,430

34 Going concern

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within its current funding levels.

After making enquiries and despite of the current liabilities exceeding the current assets, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing the financial statements.

35 Retirement benefit plans

The Group set up a defined contributory provident fund scheme for its employees in 1999. The provident fund is a defined contribution fund and is designed to provide a lump sum on retirement and not a guaranteed pension. The lump sum is dependent upon the investment performance of the fund. Both employees and the Group contribute to the provident fund on a fixed contribution basis.

Under this plan, the Group does not have any legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to pay all employees' benefits relating to the employee service in the current or prior period. Consequently, no actuarial valuation of the fund is required.

36 Events after the reporting period

There were no adjusting or non-adjusting subsequent events that would have an impact on the financial statements as at 31 December 2024.

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Proxy form

MTN Uganda Limited (the "Company")
Plot 69/71, Jinja Road, Kampala

I/We ____
(Name in block letters)

of ____
(Address in block letters)

being a member(s) and the holder(s) of ____________ ordinary shares of UGX 1 each in the Company and entitled to vote hereby appoint:

1. ______________________ or, failing him/her;
2. ______________________ or, failing him/her;
3. the Chairperson of the annual general meeting,

as my/our proxy to vote for me/us and on my/our behalf at the annual general meeting to be held on **Friday, 16 May 2025** at **10.00 a.m** as a hybrid meeting comprising both physical and electronic means:

	Number of votes for*	**Number of votes against***	**Abstain***
Adoption of audited financial statements for the year ended 31 December 2024:			
Approval and declaration of a final dividend of UGX 8.5 per ordinary share (UGX 190.3 billion) for the year ended 31 December 2024:			
Approval of the appointment of Ms. Karabo Nondumo and Dr. Winnie Tarinyeba Kiryabwire, who retire by rotation, as directors of the company:			
Approval of the re-appointment of Ernst & Young Uganda as the external auditor of the Company for the audit relating to the financial year ending 31 December 2025, and to authorise the directors to fix the auditor's remuneration:			

** Insert a cross or tick or number of votes. If no options are marked, the proxy can vote as he/she deems fit.*

Dated __________________________ 2025 Full name: __________________________

Capacity: __________________________

Please provide contact details:

E-mail: __________________________ Tel: __________________________

Notes

1 A shareholder may insert the name of a proxy or the names of two alternative proxies of his/her choice in the space provided. The person whose name stands first on the proxy form and who is present at the general meeting first will be entitled to act as proxy to the exclusion of those whose names follow.

2 For the appointment to be valid, duly executed proxy forms must be delivered electronically via email address Investorrelations.ug@mtn.com or deposited at any of the following locations not later than **Thursday, 15 May 2025** at **5.00 p.m**:

   a. At the MTN Uganda head office at Plot 69/71, Jinja Road, Kampala, Uganda; or
   b. At the offices of the Share Registrar, Uganda Securities Exchange Nominees Limited (SCD Registrars) at Plot 3-5 New Port Bell Road, UAP Nakawa Business Park, Block A, 4th Floor, Kampala, Uganda.

3 The completion and lodging of this form of proxy will not prevent the shareholder from attending the general meeting and speaking and voting in person at the general meeting instead of the proxy.

4 The chairperson of the general meeting may accept or reject any proxy form which is completed and/or received other than in compliance with these notes.

5 The signatories must initial any alteration to this proxy form, other than the deletion of alternatives.

6 If the appointer of a proxy is a corporate entity, the proxy form must be executed under the seal of the corporate entity or under the hand of a director or an officer or attorney duly authorised by that corporate entity.

7 Documentary evidence establishing the authority of a person signing the proxy form in a representative capacity must be attached to this proxy form. In the case of a company or an unincorporated body or association, a resolution of the board or equivalent body shall be required.

8 Where there are joint holders of ordinary shares any one holder may sign the proxy form; and the vote of the senior shareholder (for that purpose seniority will be determined by the order in which the names of the shareholders who tender a vote (whether in person or by proxy) appear in the Company's register) will be accepted as to the exclusion of the vote(s) of the other joint shareholders.

Shareholder analysis

The Company's top 20 shareholders as of 31 December 2024 were:

Shareholder		Number of shares	% shareholding
1	MTN International (Mauritius) Limited	17.019.004,616	76.01%
2	National Social Security Fund	2,629,607,910	11.75%
3	Charles Mbire	895,561,810	4.00%
4	First Rand Bank Limited	357,064,796	1.59%
5	JPM FRB A/C The Africa Partners Fund	210,717,362	0.94%
6	BNYMSANV RE BNYMLB RE SBSA IML LAU	95,332,958	0.43%
7	National Social Security Fund (2)	92,762,927	0.41%
8	BHF Asset Management GmbH Wegen Kilimanjaro Frontier Africa Fund	54,138,055	0.24%
9	SSB Russell Investment Company PLC Fund	46,287,532	0.21%
10	BNYM Re Frontaura Global Frontier Fund LLC	46,249,267	0.21%
11	Bank of Uganda Defined Benefits Scheme (1)	42,000,000	0.19%
12	Bank of Uganda Defined Benefits Scheme (2)	38,010,024	0.17%
13	Duet Africa Opportunities Master Fund IC	32,822,391	0.15%
14	EFG Hermes UAE LLC	26,855,500	0.12%
15	Westlands Triangle Properties Limited	21,817,000	0.10%
16	Uganda Revenue Authority Staff Benefit Scheme (1)	21,541,700	0.10%
17	National Social Security Fund (Kenya)	19,905,113	0.09%
18	Uganda Revenue Authority Staff Benefit Scheme (2)	18,900,000	0.08%
19	Sanlam Centre Africa Equity Fund	18,590,876	0.08%
20	Centenary Rural Development Group Staff Defined Contribution Scheme	17,994,620	0.08%
21	Other shareholders	683,879,783	3.05%
	Total	**22,389,044,239**	**100%**

Analysis by size of holding

Volume	Number of shares	%	Holders
1 – 1000	4,839,762	0.02%	8,987
1,001 – 5,000	11,280,565	0.05%	6,414
5,001 – 10,000	11,651,049	0.05%	1,946
10,001 – 1,000,000	206,005,357	0.92%	2,942
Above 1,000,001	5,136,262,890	22.94%	138
*MTN International (Mauritius) Limited	17,019,004,616	76.01%	1
Register totals	**22,389,044,239**	**100%**	**20,427**

Glossary

2G	Second generation mobile
3G	Third generation mobile
4G/LTE	Fourth generation of long-term evolution mobile communications
5G	Fifth generation mobile
AI	Artificial Intelligence
AGM	MTN Uganda's annual general meeting
AML/CFT	Anti-money laundering and combating the financing of terrorism
API	Application Programming Interface
BOU	Bank of Uganda
Board	Board of directors of MTN
Capex (IAS 17)	Capital expenditure (International Accounting Standard 17) (excluding NTO Licence fees)
Chenosis	A pan-African API marketplace that enables developers and businesses to discover and subscribe to a library of open APIs
Communications Act	Uganda Communications Act 2013 (as amended)
CVM	Customer value management
EBIT	MTN earnings before interest and tax
EBITDA	MTN earnings before interest, tax, depreciation and amortisation
e-NPS	Employee Net Promoter Score
ERM	Enterprise Risk Management
EVP	Employee Value Proposition
Fintech	includes MTN MoMo, e-commerce, insurance, airtime lending and data monetization streams
FY	Financial Year
ESG	Environment, social and governance
GCA	Group Culture Audit
GDP	Gross Domestic Product
GHG	Greenhouse gas emissions
GOU	Government of Uganda
GRI	Global Reporting Initiative
GSM	Global system for mobile communication
ICT	Information and communication technologies
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council

IPO	Initial public offering
ISO	International Organisation for Standardisation
KYC	Know your customer; a process to identify and verify customer identity
MoMo	The mobile money business conducted by MTN MoMo
MTN and MTN Uganda	MTN Uganda Limited
MTN MoMo and MoMo Subsidiary	MTN Mobile Money (U) Limited
NaaS	Network as a Service
NDP	Third Uganda National Development Plan 2020-2025
NPS	Net Promoter Score
NPS Act	National Payment Systems Act 2020
NTO Licence	national telecommunications operator licence issued to MTN Uganda by UCC for MTN Uganda to provide telecommunications services as a designated national telecommunication operator in Uganda for the period 1 July 2020 to 30 June 2032
OTT	Over-the-top services
Real GDP	Real Gross Domestic Product, an inflation-adjusted measure that reflects the value of all goods and services produced by an economy each year.
SIM-card	Subscriber identity module-card
SME	Small-and-medium enterprises
SMS	Short message service
UCC	Uganda Communications Commission
UGX	Uganda Shilling, the official currency of Uganda
UN	United Nations
UN SDGs	The United Nations Sustainable Development Goals formulated by the United Nations General Assembly.
URA	Uganda Revenue Authority
USD	United States Dollar, the official currency of the United States of America
USE	Uganda Securities Exchange
USSD	Unstructured Supplementary Service Data, a communications code (*1234#) used by mobile telephones to communicate with the mobile network operator

GRI universal and topic standards index

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2.1	Nature of ownership and legal form	*About MTN*	197
2.1	Location of headquarters	*About MTN*	197
2.1	Countries of operation	*About MTN*	197
2.2	Entities included in sustainability reporting	*Our Value Accountability*	40
2.2	Differences between the list of entities included in its financial reporting and the list included in its sustainability reporting	*N/A*	*N/A*
2.2	Approach used for consolidating information	*N/A*	*N/A*
2.3	Reporting period for, and the frequency of, its sustainability reporting	*Creating Social Value*	100
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2.10	Nomination and selection processes for the highest governance body and its committees	*Protecting Value Through Governance*	**82**
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2.17	Measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development.	*Protecting Value Through Governance*	**93**
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2.20	Results of votes of stakeholders (including shareholders) on remuneration policies and proposals	*Protecting Value Through Governance*	*N/A*
2.21	Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees	*N/A*	*N/A*
2.21	Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees	*N/A*	*N/A*
Strategy, Policies and Practices – Universal Standard 2021			
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2.23	Policy commitments for responsible business conduct	*Our Value Accountability*	**44**
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2.26	Mechanisms for individuals to seek advice or rase concerns on implementing the organization's policies and practices for responsible business conduct	*Protecting Value Through Governance*	96
2.27	Total number of significant instances of non-compliance with laws and regulations during the reporting period	*N/A*	*N/A*
2.27	Monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period	*N/A*	*N/A*
2.27	Significant instances of non-compliance	*N/A*	*N/A*
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Stakeholder engagement – Universal Standard 2021			
2.29	Approach to engaging with stakeholders	*Our Value Aspiration*	32
2.30	Percentage of total employees covered by collective bargaining agreements	*N/A*	*N/A*
2.30	For non-union employees, whether organization determines working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on	*N/A*	*N/A*
Economic value – Topic Standard 2016			
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201-4	Total monetary value of financial assistance received by the organization from any government	N/A	N/A

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203-1	Current or expected impacts on communities and local economies, including positive and negative impacts where relevant.	*Creating Social Value*	100
203-2	Significant identified indirect economic impacts of the organization, including positive and negative impacts.	*Creating Social Value*	100
Procurement – Topic Standard 2016			
204-1	Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation	*Creating Social Value*	107
Anti-corruption – Topic Standard 2016			
205-1	Significant risks related to corruption identified through the risk assessment.	*Creating Social Value*	106
205-2	Communication and training about anti-corruption policies and procedures	*Creating Social Value*	106
205-3	Confirmed incidents of corruption, including total number of confirmed incidents in which employees were dismissed or disciplined for corruption.	*N/A*	*N/A*
Anti-competitive behaviour – Topic Standard 2016			
206-1	Legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation	*N/A*	*N/A*
Approach to tax – Topic Standard 2016			
207-1	Tax strategy	*Value in Our Strategy*	*N/A*
207-3	Stakeholder engagement and management of stakeholder concerns related to tax	*Value in Our Strategy*	*N/A*
Energy consumption – Topic Standard 2016			
302-1	Fuel consumption within the organization from renewable and non-renewable sources	*Creating Social Value*	100
302-4	Reduction of energy consumption	*Creating Social Value*	100

GRI Standard	Disclosure	Section	Page
302-5	Reductions in energy requirements of products and services	*Creating Social Value*	**100**
Water and effluent – Topic Standard 2016			
303-2	Water management	*Creating Social Value*	**100**
303-5	Water consumption	*Creating Social Value*	**100**
Biodiversity – Topic Standard 2016			
304-2	Biodiversity impact management	*Creating Social Value*	**100**
Emissions – Topic Standard 2016			
305-1	Direct GHG emissions	*Creating Social Value*	**103**
305-2	Indirect GHG emissions	*Creating Social Value*	**103**
305-5	Reduction of GHG emissions	*Creating Social Value*	**103**
Waste – Topic Standard 2020			
306-1	Actual and potential waste-related impacts	*Creating Social Value*	**100**
306-3	Waste generated	*Creating Social Value*	**100**
306-4	Waste diverted from disposal (recycling)	*Creating Social Value*	**100**
Supplier environmental assessment – Topic Standard 2016			
308-2	Suppliers assessed for environmental impacts.	*Creating Social Value*	**107**
Employees – Topic Standard 2016			
401-1	Total number of employees	*Value in Our Strategy*	**64**
401-2	Benefits provided to full-time employees	*Value in Our Strategy*	*N/A*
Occupational safety and health – Topic Standard 2016			
403-1	Implementation of occupational health and safety management system	*Value in Our Strategy*	*N/A*
403-5	Occupational health and safety training provided to workers	*Value in Our Strategy*	**65**
403-6	Promotion of worker health	*Value in Our Strategy*	**65**

GRI Standard	Disclosure	Section	Page
Training and education – Topic Standard 2016			
404-2	Programs for upgrading employee skills and transition assistance programs	*Value in Our Strategy*	**65**
Diversity and equal opportunity – Topic Standard 2016			
405-1	Diversity of governance bodies and employees	*Value in Our Strategy*	**64**
Child labour – Topic Standard 2016			
408-1	Operations and suppliers at significant risk for incidents of child labour	*N/A*	*N/A*
Forced or compulsory labour – Topic Standard 2016			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	*N/A*	*N/A*
Security practices – Topic Standard 2016			
410-1	Security personnel trained in human rights policies or procedures	*Value in Our Strategy*	**66**
Supplier social assessment – Topic Standard 2016			
414-1	Supplier screening	*Creating Social Value*	**107**
Public policy – Topic Standard 2016			
415-1	Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary.	*N/A*	*N/A*
Customer Health and Safety – Topic Standard 2016			
416-1	Assessment of the health and safety impacts of product and service categories	*N/A*	*N/A*
Customer privacy – Topic Standard 2016			
418-1	Customer privacy and losses of customer data	*Creating Social Value*	**106**

MTN Uganda corporate information

Registered Business Address	Plot 69/71, Jinja Road, Kampala
Directors	Mr. Charles Mbire
	Ms. Karabo Nondumo
	Ms. Yolanda Cuba
	Mr. Sugentharen Perumal
	Ms. Sylvia Mulinge
	Mr. Andrew Bugembe
	Dr. Winnie Tarinyeba Kiryabwire
	Ms. Fatima Daniels
	Mr. Francis Kamulegeya
Company Secretary	Ms. Enid Edroma
Auditors	Ernst & Young Uganda Plot 18, Clement Hill Kampala
Share Registrars	Uganda Securities Exchange Nominees Limited / SCD Registrars Plot 3-5 New Port Bell Road, UAP Nakawa Business Park, Block A, 4th Floor Kampala

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