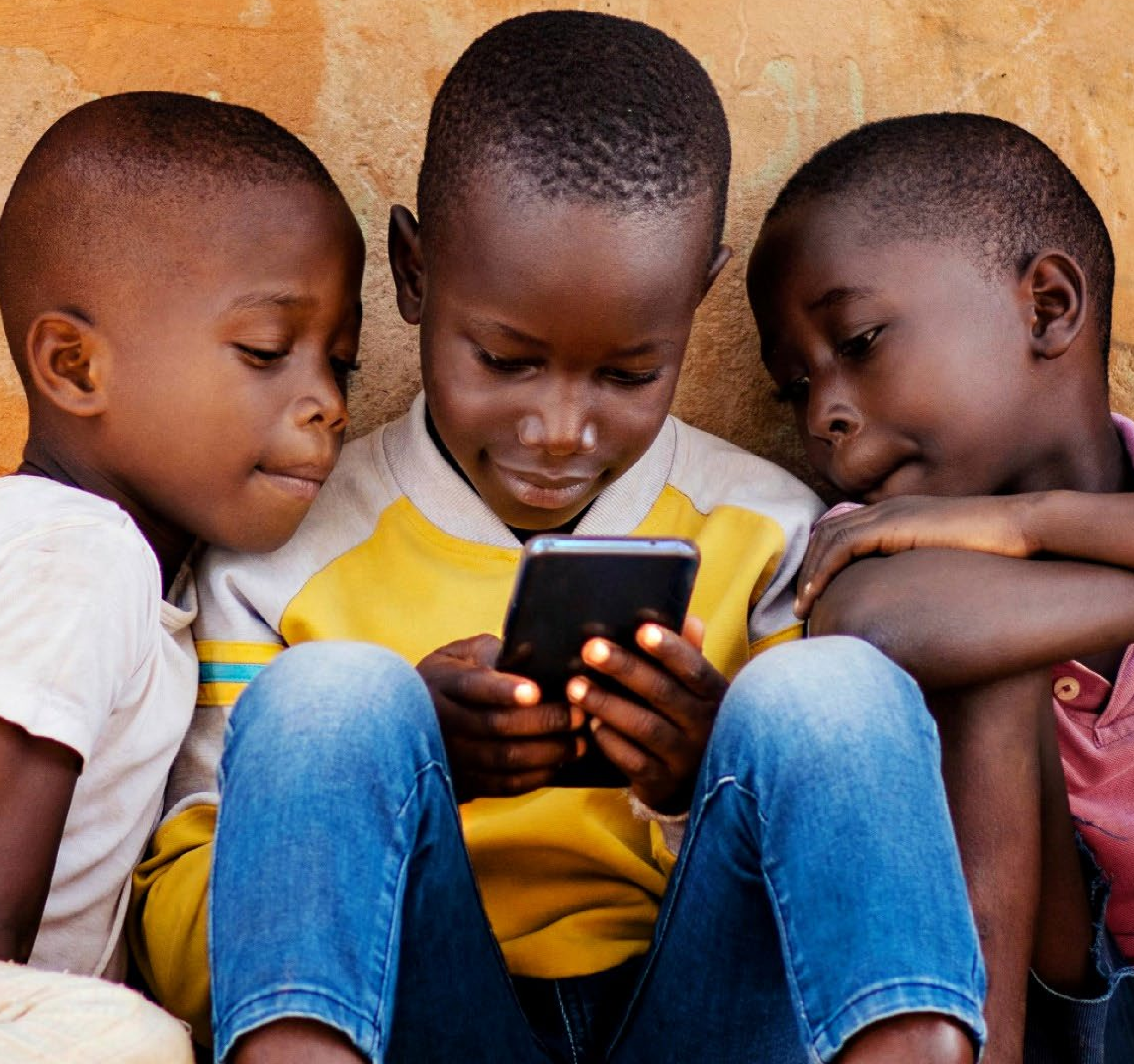
MTN Nigeria Communications Plc

Unaudited results for the quarter ended 31 March 2024.



MTN NIGERIA RELEASES UNAUDITED RESULTS FOR THE QUARTER ENDED 31 MARCH 2024

Lagos | Nigeria: 29 April 2024

MTN Nigeria Communications Plc ("MTN Nigeria" or the "Company") announces its unaudited results for the quarter ended 31 March 2024.

Salient points:

- Total subscribers increased by 1.3% to 77.7 million
    - Declined by 2 million versus Q4 2023 due to the implementation of the NIN-SIM directive, which affected the development of our user base
- Active data users increased by 8.0% to 44.5 million
    - Declined by 78k versus Q4 2023
- Active mobile money (MoMo PSB) wallets increased by 48.7% to 4.8 million
    - Declined by 566k versus Q4 2023 due to the NIN requirement for Know Your Customer (KYC) validation
- Service revenue increased by 32.0% to N747.3 billion
- Earnings before interest, tax, depreciation and amortisation (EBITDA) declined by 1.9% to N297.0 billion
- EBITDA margin decreased by 13.9 percentage points (pp) to 39.4%
- Loss after tax was N392.7 billion
- Profit after tax (PAT) adjusted for the net forex loss declined by *57.8%* to *N47.1 billion*
- Earnings per share (EPS) declined to negative N18.63 kobo (*N2.34 kobo* adjusted for the net forex loss, down *55.6%)*
- Net loss for the quarter resulted in a further increase in our accumulated losses and negative shareholders' funds to N599.2 billion and N434.7 billion, respectively
- Capital expenditure (capex) increased by 49.1% to N179.7 billion (up 84.4% to N78.1 billion, excluding leases)
- Positive free cash flow of N117.2billion (down 35.6% from N182.1 billion in Q1 2023)

Unless otherwise stated, financial and non-financial information is year-on-year (YoY, Q1 2023 versus Q1 2024).

MTN Nigeria CEO Karl Toriola comments:

Severe macroeconomic headwinds overshadow a strong operating performance

"The operating environment in the first quarter remained very challenging, with rising inflation and continued naira depreciation off an already low base. The naira depreciated to an all-time low of N1,627/US$ at the Nigerian Autonomous Foreign Exchange Market (NAFEM) in March, from N907/US$ at the end of December 2023, before moderating to N1,309/US$ by the end of the quarter. Additionally, the inflation rate maintained an upward trajectory, rising to 33.2% in March, with an average rate of 31.6% in the quarter.

To curb inflation, the Central Bank of Nigeria (CBN) increased the Monetary Policy Rate (MPR) by 4pp to 22.75%, which has driven up funding costs. These factors have caused significant difficulties for businesses operating in Nigeria, including MTN Nigeria, putting additional pressure on consumers, the cost of doing business and further foreign exchange (forex) losses.

During the quarter, we also continued to manage the effects on our business of the industry-wide directive of the Nigerian Communications Commission (NCC) for a full barring of subscriber lines not linked to their National Identity Number (NIN) – the NIN-SIM directive. This impacted the development of our user base across all of our key business units (voice, data and fintech) in Q1 2024. We implemented the directive on subscribers who did not submit their NIN and those with more than five lines linked to an unverified NIN. However, to provide more time for the subscribers with less than five lines linked to an unverified NIN to complete the necessary verification exercise, the NCC has extended the 15 April deadline to 31 July 2024.

Despite these challenges, we remain committed to serving our customers and accelerating the growth of our commercial operations with a disciplined focus on value-based capital allocation and expense efficiencies. As a result, we delivered service revenue growth of 32.0%, which is higher than the average inflation in Q1, demonstrating the underlying strength of our business model. However, this was insufficient to offset the negative impact of the macroeconomic factors mentioned above, which resulted in a large decrease in the EBITDA margin and a significant further net loss after tax. It is imperative that the industry be granted sizeable, regulated tariff increases to ensure the future sustainability of the Sector.

Sustained solid commercial momentum despite pressures on earnings

We maintained solid commercial momentum in our connectivity business and platforms despite the NCC's directive. Although we had to fully bar 8.6 million subscribers in line with the directive, we minimised the net effect of the barred subscribers, and our total number of subscribers only decreased by 2 million in Q1, closing with a total of 77.7 million subscribers. This demonstrates the effectiveness of our customer value management (CVM) initiatives, which helped us to retain affected customers and reduce churn, as well as to drive gross connections. Active data subscribers declined marginally by approximately 78k to 44.5 million.

Notwithstanding these headwinds, we recorded increased activity within the base, with voice traffic rising by 5.1% and data traffic by 40.6%. This is a result of the consistent growth in demand for data and voice, supported by our attractive offers to customers and continuous investment in network quality and coverage.

We remain focused on our fintech priority to build robust structures that support the acceleration of wallet adoption and the growth of our merchant ecosystem. Q1 was also challenging for the business, mainly due to the NIN requirement for KYC validation, impacting approximately a million active wallets. This affected the development of the business in the period, resulting in a decline in the active MoMo PSB wallet users by 566k in Q1 to 4.8 million. However, the increased activity *within our fintech ecosystem spurred transaction volume growth of 25.6% YoY, demonstrating momentum within the ecosystem.*

Foreign exchange volatility impacts on earnings

Our solid commercial operations enabled us to deliver service revenue growth of 32.0%, which slightly exceeded the average inflation rate in the quarter. This growth was led by double-digit growth in voice, data, and digital services; as well as favourable base effects in Q1 2023 arising from the challenge in that period (including the redesign of the naira, which resulted in cash shortages).

EBITDA, however, came under pressure, declining by 1.9%. This was primarily because of a further depreciation of the naira in the quarter, exacerbated by higher general inflation and energy costs. As a result, the EBITDA margin declined by 13.9pp to 39.4%. The EBITDA margin would have been 51.0% adjusted for the naira depreciation effects. We continue to pursue our efficiency measures and accelerate efforts to reduce forex exposure to minimise the impact on our business.

The further depreciation of the naira in Q1 resulted in a materially higher net forex loss of N656.4 billion (Q1 2023 restated: N4.5 billion), arising from the revaluation of foreign currency-denominated obligations. This led to a loss after tax of N392.7 billion compared to a restated PAT of N108.4 billion in Q1 2023. This has resulted in negative retained earnings and shareholders' equity at the end of March 2024 of N599.2 billion and N434.7 billion, respectively. However, adjusting for the net forex loss, PAT would have been N47.1 billion (down by 57.8%), reflecting the underlying resilience of our financial performance under tough conditions.

Creating shared value in our communities

Notwithstanding the economic headwinds the business faces, MTN Nigeria continues to invest in our country and the development of its communities.

As part of our commitment to support national priorities and foster sustainable societies, we have commenced the process of revitalising 52 primary health centres across Nigeria. This initiative is being carried out to further the memorandum of agreement and collaboration between the MTN Nigeria Foundation and the Private Sector Health Alliance to enhance healthcare delivery at the grassroots level.

We have also commenced the second phase of the Y'ellopreneur programme, an MTN Foundation initiative focused on reducing women's unemployment in Nigeria. The programme provides intensive business training to 1000 female entrepreneurs and offers a N3 million loan to 150 participants, promoting entrepreneurship.

The Foundation has recently initiated a fellowship program for teachers to equip them with skills to improve student learning. This program has successfully onboarded 3,533 teachers. The Foundation is supporting Nigerian youth by offering a web-based platform called Digital Skills *for Digital Jobs, which enables them to acquire relevant digital skills. Currently, 580 individuals are enrolled in this program.*

As part of our commitment to the development of sports, we began sponsoring MTN CHAMPS in partnership with the Sports Media and Management company, Making of Champions. This initiative aims to inspire young athletes, encourage participation in athletics, and ultimately contribute to the growth of sports. Over 7,000 athletes from 375 schools in Nigeria participated in a successful season one, while season two is already underway and open to all budding athletes across the continent.

Outlook
Continued elevated inflation and unpredictable foreign exchange rates remain significant challenges for businesses. However, we remain focused on sustaining our commercial momentum, accelerating our service revenue growth, unlocking operational efficiencies, and strengthening our balance sheet to improve the profitability of our business. We do, however, also require regulated tariff increases to restore the profitability of the Company."

Steps to address the negative capital position
As part of our approach to grow revenues faster, repair margins, as well as rebuild reserves to strengthen our balance sheet position, we are implementing some important initiatives, which include:

- **Regulated tariff increase** – We are deeply engaged with the authorities, through our industry body, on tariff increase to manage the effects of the challenging operating conditions. Importantly, appropriate tariff increases will be necessary to support continued investment and the long-term sustainability of the industry. This will support our commercial interventions in our work to accelerate topline growth.

- **Driving margin recovery** – We will focus on initiatives to accelerate revenue growth and improve operational efficiency, with a disciplined focus on our expense efficiency programme and value-based capex allocation.

- **Optimise capex** – Given the consistent and extensive investment we have made in our network over the past few years, including the acquisition of additional spectrum, we have built up the flexibility to optimise our capex deployment.

  In this regard, we plan to reduce capex (excluding leases) for FY 2024 and aim for a capex intensity in the upper single digits.

  We will optimise latent capacity and implement radio planning strategies in order to minimise any potential impacts and disruptions to our network quality. This will ensure that we continue to provide our customers with reliable connectivity and support our growth ambitions.

- **Reduce US$ exposure** – We are focused on reducing the various exposures our business has to US$ volatility. One key area is the Company's outstanding letters of credit (LC) obligations, which contribute to the volatility in our earnings through FX losses reported in our income statement. These obligations were raised in support of our capex requirements which are largely foreign currency denominated.

  In this regard, we have utilised the improved liquidity in the FX market to reduce the balance of outstanding LC obligations to US$243.4 million as at 31 March 2024, from US$416.6 million as at 31 December 2023.

  This was funded through the use of restricted cash balances that are held in naira to support our LC obligations. As we optimise capex, we will be able to minimise the further build up of these balances and will continue to deploy resources to reduce these US$ obligation exposures.

- **Review of tower lease contracts** – We are considering strategic options to manage our tower lease contracts. As previously reported, we are engaged in constructive discussions with key towerco service providers regarding changes to the existing tower lease contracts.

  If successful, these negotiations could result in improvements that will help us to mitigate macro risks impacting our business, including FX. This would supplement our aforementioned initiatives to accelerate the recovery profile of our earnings and restore our net asset position faster.

  If the discussions do not yield the desired outcomes, the business will continue to drive the operational and commercial strategies we have outlined. We believe that the strategies will enable us to improve our profitability and trade out of the negative net asset position over time.

We will continue to evaluate the conditions and developments in our operating environment and evolve our approach to address the negative capital position as required. We have obtained the necessary accommodations from our lenders, as pertains to any impacts on our loan agreements in regard to the restatement of our financial statements. We also have in place accommodations relating to any potential breaches in our covenants occasioned by the major currency devaluation and the resultant negative net asset position. This will enable us to continue executing our strategy and implement the interventions we have outlined.

Key financial highlights

Items *(in millions)*	Q1 2024	Q1 2023 (Restated*)	YoY
Total Revenue	**752,983**	**568,134**	**32.5%**
Service Revenue	747,317	565,937	32.0%
Voice	318,924	277,610	14.9%
Data	349,514	227,815	53.4%
Fintech	22,846	22,689	0.7%
Digital	13,603	7,211	88.6%
Other Service Revenue	42,429	30,611	38.6%
Expenses	456,025	265,483	71.8%
Cost of Sales	129,012	91,984	40.3%
Operating Expenses	327,013	173,499	88.5%
EBITDA	296,958	302,651	(1.9%)
EBITDA Margin	39.4%	53.3%	(13.9pp)
Depreciation & Amortisation	122,878	96,030	28%
Net Finance Costs	749,771	43,707	1615.5%
Finance Income	5,336	6,631	(19.5%)
Finance Costs - leases	39,526	22,433	76.2%
Finance Costs - borrowings	48,731	19,125	154.8%
Finance Costs - other	10,484	4,279	145.0%
Net foreign exchange loss	656,368	4,499	14489.2%
PBT	(575,691)	162,914	(453.4%)
Taxation	(182,998)	54,481	(435.9%)
PAT	(392,694)	108,433	(462.2%)
Profit attributable to:			
Owners of the company	(390,668)	107,621	(463%)
Non-controlling interest	(2,026)	812	(349.4%)
PAT	(392,694)	108,433	(462.2%)
Capital Expenditure	179,733	120,547	49.1%
Capital Expenditure excluding Right of Use Assets	78,140	42,371	84.4%
Capex Intensity	23.9%	21.2%	2.7pp
Capex Intensity excluding Right of Use Assets	10.4%	7.5%	2.9pp
Free Cash Flows	117,225	182,104	(35.6%)
Mobile Subscribers	77.7	76.7	1.3%
Data Subscribers	44.5	41.2	8.0%
MoMo wallets	4.8	3.2	48.8%
Ayoba Subscribers	8.5	6.7	27.3%

**Restated to reflect the impact of unrealised forex losses on our tower lease contract liabilities.*

Operational and financial review

Despite the challenging operating conditions and the impact of the NIN-SIM directive, we are pleased with the resilience of our operational performance in the first quarter. Our service revenue growth of 32.0% was ahead of the average inflation rate in the period. This was helped by some favourable base effects, but underscored the continued demand for our data, voice and digital services, each of which delivered double-digit growth. The performance also reflects the implementation of price optimisation across some of our data bundle offerings.

Our **voice** revenue increased by 14.9% due to increased usage by our customers. This growth was attributable to our successful CVM initiatives and revamped voice propositions. Despite the tough environment, we are proud to have delivered quality service to our valued customers.

We achieved significant growth of 53.4% in **data** revenue, with data revenue surpassing voice. The increase in data was led by our improved data bundle offerings, our wide network coverage and enhanced capacity. In September 2023, we acquired an additional 2,600MHz spectrum, which helped us to deploy additional capacity to our network more efficiently. Our 4G network now covers 81.6% of the population, marginally up by 0.1pp from December 2023, and 5G at 12.4%, up by 1.2pp. Smartphone penetration was 55.2% (up by 2.5pp YoY), underpinning data usage (GB per user) growth of 28.5% to 10.1GB. As a result, data traffic rose 40.6%, with the 4G network accounting for 81.9% of the total traffic and 5G at 6.4%.

We expanded home broadband penetration to support the growing use cases for digital adoption, leveraging our 5G fixed wireless access devices, mobile broadband solutions, and fibre-to-the-home connectivity. We added over 280k subscribers in Q1, bringing our home broadband subscribers to over 2.3 million. Our infrastructural strength, technology mix and partnerships position us to capture a significant share of market opportunities.

Fintech revenue increased marginally by 0.7% due to the NIN requirement for KYC validation, impacting approximately a million active wallets. As a result, MoMo PSB revenue was down by 50.5%, which was offset by the 5.5% increase in revenue from Xtratime (our airtime lending product). The KYC requirement and the delays in CBN approvals for some of our commercial initiatives impacted the growth of active wallets. We ended the quarter with 4.8 million active wallet users, representing a 566k decline in Q1.

The growing adoption and increased activity within our fintech ecosystem spurred transaction volume growth of 25.6% YoY. We ended the quarter with 232.3k MoMo agents, which includes OTC agents, reflecting a decline of 94.4k in the period. Excluding OTC transactions, MoMo agents were 189.6k. We added more than 75k merchants in Q1, bringing the total number of merchants within our ecosystem to over 400k.

We continue to drive consumer education and awareness, leveraging our distribution network. Additionally, we are expanding the bouquet of services from basic to advanced services to boost adoption and monetisation. These are important steps towards scaling our fintech business and driving financial inclusion.

Service revenue from **digital services** was up by 88.6% as the adoption of our digital products continues to grow with user journey optimisation, revamped digital offers and the growth of the active base, up 43.0% to 16.7 million YoY. Our instant messaging platform, Ayoba, recorded a 27.3% YoY growth to 8.5 million active monthly users but remained relatively flat in the quarter. We continue to drive the onboarding of new partners within our digital ecosystem and expand the bouquet of service offerings to sustain the growth of the business.

Service revenue from the **enterprise** business rose by 52.1% due to increased uptake of our services. Mobile and fixed connectivity services were the primary revenue drivers as we continued to expand our offerings in new verticals, leveraging our growing 5G footprint and positioning us to capture future opportunities.

The combined effects of naira depreciation, higher consumer price index (CPI) and energy costs on lease rental, and the introduction of the VAT on tower leases resulted in higher **operating expenses** (opex), leading to an 88.5% increase in opex. Excluding these effects, opex increased by 18.4%, below the average inflation rate and a testament to the work done to drive expense efficiencies. Although constrained by macro headwinds, our expense efficiency programme delivered N3.8 billion in cost savings in Q1.

Consequently, **EBITDA** declined by 1.9%, with a 13.9pp decline in EBITDA margin to 39.4%. Adjusting for the effects of naira depreciation (11.6pp), the EBITDA margin for FY 2023 would have been 51.0%. Also affecting the performance were VAT on the tower leases (2.3pp), as well as the impacts of higher CPI and energy costs, which reduced underlying EBITDA margin by 1.9pp and 0.4pp, respectively.

Depreciation and amortisation increased by 28.0%, mainly from investment in network infrastructure. **Net finance costs** increased approximately 17-fold to N749.8 billion (Q1 2023: N43.7 billion), mainly due to the significant naira depreciation from N461/$ in March 2023 to N1,309/US$ at the end of March 2024. This resulted in higher lease liabilities and reported net forex losses of N656.4 billion (Q1 2023: N4.5 billion), 72.6% of which were unrealised.

The underlying net finance cost, excluding the net forex loss, rose by 138.2% to N93.4 billion. This included higher finance costs on leases, borrowings, and other derivative liabilities net of finance income from short-term money market investments.

The effective tax rate decreased by 3.2pp to 31.8%, driven mainly by the reported loss before tax. Overall, we recorded a **loss after tax** of N392.7 billion. Adjusting for the net forex loss, **PAT** would have been N47.1 billion (down by 57.8%). Further adjusting for the impact of the naira devaluation in opex, PAT would have been down by 5.3% to N105.6 billion.

Capex increased by 49.1% to N179.7 billion, while core capex, excluding leases, rose by 84.4% to N78.1 billion, with a capex intensity of 10.4%. The increase in capex reflects the impact of the significant devaluation of the naira amidst forex supply challenges. As a result, free cash flow declined by 35.6% to N117.2 billion.

In terms of our debt metrics, approximately 47% of our debts have fixed interest rates, while 53% are floating. We have taken steps to significantly reduce our outstanding short-term trade loans for letters of credit establishment by 41.6% to US$243.4 million (December 2023: US$416.6 million). This enabled us to manage our debt mix, of which 56% is local currency denominated and 44% is foreign currency.

Our net debt-to-EBITDA ratio of 1.1 times remains within all our financial covenant levels, supported by a cash balance of N191.3 billion. Notwithstanding the near-term pressure, the fundamentals of our business and our cash flow generation remain strong, and we continue to pursue our plans to restore our capital position, supported by our value-based capital allocation strategy.

Regulatory update

NCC's directive on NIN-SIM registration
In December 2023, the NCC issued an industry-wide directive requiring full barring of subscriber lines not linked to their NIN. All lines for which the subscribers failed to submit their NIN were to be barred on or before 28 February 2024. Where five or more lines are linked to an unverified NIN, such lines must be barred on or before 29 March 2024. Likewise, if less than five lines are linked to an unverified NIN, such lines must be barred on or before 15 April 2024.

As at 29 March, we had effectively barred the affected subscribers in the first two batches, and most of these subscribers have since been successfully reinstated. The net effect was a 2 million reduction in our total subscribers in Q1 despite barring 8.6 million affected subscribers. This was supported by our aggressive drive for gross connections.

The NCC has extended the 15 April deadline for barring subscribers with less than five lines linked to an unverified NIN to 31 July 2024. This provides more time for our approximately 8.9 million affected subscribers to complete the necessary verification exercise.

We remain actively engaged with the authorities to expedite the NIN verification exercise and to ensure all subscribers are verified within the stipulated timeframe. This will minimise service disruptions to our base and mitigate any potential impact on our revenue.

Outlook

As we navigate the prevailing headwinds to our business, we remain committed to delivering on our growth strategy through superior commercial execution and continued investment, guided by a value-based approach to capital allocation. We will drive the operating leverage in our business to restore earnings growth and sustain strong cash flow generation and returns over the medium to long term.

We will continue to monitor developments in our operating environment as the year progresses. The current state of elevated inflation and unpredictable trends in foreign exchange rates continue to pose significant challenges for businesses. The Federal Government is also implementing several reforms to attract and retain long-term domestic and foreign direct investment in the economy while managing the transitory inflationary effects on households and enterprises through social and economic interventions.

As we continue executing our commercial strategies to accelerate the NIN verification exercise, expand our subscriber base and drive usage, we remain engaged with authorities on tariff adjustments through the telecom industry body. Given the prevailing headwinds in our trading environment, particularly with regard to inflation, energy costs and exchange rates, we believe that an appropriate pricing level is required for the industry to support its sustainability and enable continued investment.

We continue leveraging our distribution network to drive consumer education and awareness of our MoMo PSB services. In addition, we are expanding the portfolio of services and optimising our mobile app to boost adoption and monetisation. These are important steps towards scaling our fintech business and driving financial inclusion in the country.

We are committed to sustaining the growth of our business to support revenue growth and mitigate the near-term pressures on our operations. We are reducing our capex within the limits of available liquidity and, therefore, expect capex intensity within the upper single digits. This will also enable us to better manage our FX exposures arising from LCs that support our capex procurement.

We are, however, confident that the investment we have made in our network, expanding coverage and capacity, will sustain us through this challenging period. Our disciplined focus on unlocking further expense efficiencies will help drive the underlying operating leverage in the business to restore profit growth over time.

The devaluation of the naira has continued to materially impact our financial position, resulting in the reported loss and negative reserves. We have outlined the steps we are implementing to address this issue on page 4. We will focus on our initiatives to accelerate topline growth and improve profitability, with a disciplined focus on capex efficiency and cash flow generation. These efforts are supplemented by ongoing discussions with key towerco service providers to review tower lease agreements in order to mitigate the effects of macro risks on our business.

Due to significant near-term uncertainty in our operating environment, our medium-term guidance for EBITDA margins remains suspended. However, we are providing a short-term framework for investors to better evaluate the impacts of the external environment on our business. For FY 2024, assuming: (i) average exchange rates of between N1,400 and 1,700/US$, (ii) no tariff increases and (iii) no successful outcomes from towerco contract re-negotiations, we anticipate EBITDA margins in the range of between 33% and 35%. For service revenue, on these assumptions, we anticipate growth in the 'high-20% to low-30%' range.

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About MTN Nigeria

MTN Nigeria is one of Africa's largest providers of communications services, connecting over 77 million people in communities across the country with each other and the world. Guided by a belief that everybody deserves the benefits of a modern connected life, MTN Nigeria's leadership position in coverage, capacity, and innovation has remained constant since its launch in 2001. MTN Nigeria is part of the MTN Group - a multinational telecommunications group operating in 19 countries in Africa and the Middle East.

Visit www.mtn.ng for more information.

Unaudited condensed consolidated and separate statement of profit or loss

	Group		Company	
In millions of Nigerian Naira	3 months ended 31 March 2024	3 months ended 31 March 2023	3 months ended 31 March 2024	3 months ended 31 March 2023
Revenue	**752,983**	**568,136**	**758,837**	**567,677**
Direct network operating costs	(252,823)	(135,428)	(252,823)	(135,351)
Value added services costs	(8,847)	(7,105)	(8,847)	(7,105)
Costs of SIM starter packs, handsets and accessories	(12,915)	(6,311)	(12,915)	(6,311)
Interconnect costs	(49,054)	(37,173)	(49,054)	(37,173)
Roaming costs	(4,059)	(1,531)	(4,059)	(1,531)
Transmission costs	(4,212)	(2,087)	(4,212)	(2,087)
Discounts and commissions	(36,770)	(26,778)	(35,227)	(25,741)
Advertisements, sponsorships and sales promotions	(13,026)	(9,367)	(7,368)	(6,720)
Employee costs	(19,655)	(12,101)	(17,941)	(10,852)
Other operating expenses	(54,662)	(27,605)	(53,977)	(36,782)
Depreciation of property and equipment	(68,623)	(49,776)	(68,623)	(49,776)
Depreciation of right of use assets	(34,440)	(29,048)	(34,440)	(29,048)
Amortisation of intangible assets	(19,816)	(17,207)	(18,130)	(15,877)
Operating profit	**174,081**	**206,619**	**191,221**	**203,323**
Finance income	5,336	6,631	4,804	6,184
Finance cost*	(98,741)	(45,837)	(98,453)	(45,837)
Net foreign exchange loss*	(656,368)	(4,499)	(656,314)	(4,499)
(Loss)/profit before taxation	**(575,692)**	**162,914**	**(558,742)**	**159,171**
Tax credit/(expense)	182,998	(54,481)	178,275	(53,166)
(Loss)/profit for the period	**(392,694)**	**108,433**	**(380,467)**	**106,005**
(Loss)/profit attributable to:				
Owners of the company	(390,668)	107,621	(380,467)	106,005
Non-controlling interest	(2,026)	812	-	-
	(392,694)	**108,433**	**(380,467)**	**106,005**
Basic and diluted (loss)/earnings per share (N)	**(18.63)**	**5.13**	**(18.15)**	**5.06**

Unaudited condensed consolidated and separate statement of other comprehensive income

	Group		Company	
In millions of Nigerian Naira	3 months ended 31 March 2024	3 months ended 31 March 2023	3 months ended 31 March	3 months ended 31 March
(Loss)/profit for the period	(392,694)	108,433	(380,467)	106,005
Items that may be reclassified to profit or loss				
Fair valuation loss on investments designated at FVOCI*	(516)	(1,195)	(212)	(1,195)
Other comprehensive loss for the period net of taxation	(516)	(1,195)	(212)	(1,195)
Total comprehensive (loss)/income for the period	**(393,210)**	**107,238**	**(380,679)**	**104,810**
Attributable to:				
Owners of the company	(391,184)	106,426	(380,679)	104,810
Non-controlling interest	(2,026)	812	-	-
	(393,210)	**107,238**	**(380,679)**	**104,810**

Unaudited condensed consolidated and separate statement of financial position

	Group		Company	
In millions of Nigerian Naira	**31 Mar 2024**	**31 Dec 2023**	**31 Mar 2024**	**31 Dec 2023**
Assets				
Non-current assets				
Property and equipment	1,098,145	1,095,111	1,098,145	1,095,111
Right-of-use assets	545,980	478,826	545,980	478,826
Intangible assets	434,184	447,599	414,571	426,300
Investments in subsidiaries	-	-	100,378	100,378
Deferred tax asset	337,766	151,362	322,851	140,777
Other investments	8,076	6,632	7,459	6,632
Other non-current assets	34,779	33,516	34,779	33,516
	2,458,930	**2,213,046**	**2,524,163**	**2,281,540**
Current assets				
Inventories	5,573	6,027	5,142	6,027
Trade and other receivables	333,183	215,414	359,467	239,692
Current investments	62,785	7,256	52,850	2,619
Restricted cash	407,256	402,010	400,569	394,209
Cash and cash equivalents	191,343	345,074	176,616	315,548
	1,000,140	**975,781**	**994,644**	**958,095**
Total assets	**3,459,070**	**3,188,827**	**3,518,807**	**3,239,635**
Equity and liabilities				
Equity				
Share capital	420	420	420	420
Share premium	166,362	166,362	166,362	166,362
Treasury shares	(4,869)	(4,869)	(4,869)	(4,869)
Other reserves	185	701	496	708
Accumulated loss	(599,162)	(208,018)	(508,309)	(127,842)
Equity attributable to owners of the	(437,064)	(45,404)	(345,900)	34,779
Non-controlling interest	2,340	4,560	-	-
	(434,724)	**(40,844)**	**(345,900)**	**34,779**
Liabilities				
Non-current liabilities				
Borrowings	531,576	487,817	531,576	487,817
Lease liabilities	1,025,525	813,634	1,025,525	813,634
Deferred tax liability	749	1,149	-	-
Provisions	44	46	44	46
Employee benefits	10,981	9,703	10,981	9,703
Share based payment liability	17,836	16,910	17,836	16,910
	1,586,711	**1,329,259**	**1,585,962**	**1,328,110**
Current liabilities				
Trade and other payables	1,084,258	707,787	1,059,497	693,435
Current tax payable	161,777	157,971	161,468	157,669
Borrowings	611,801	689,352	611,801	689,352
Lease liabilities	290,661	190,777	290,661	190,777
Contract liabilities	94,090	102,796	93,708	102,414
Provisions	32,647	28,216	31,584	27,187
Deposit held for MoMo customers	1,823	7,601	-	-
Derivatives	30,026	15,912	30,026	15,912
	2,307,083	**1,900,412**	**2,278,745**	**1,876,746**
Total liabilities	**3,893,794**	**3,229,671**	**3,864,707**	**3,204,856**
Total equity and liabilities	**3,459,070**	**3,188,827**	**3,518,807**	**3,239,635**

Unaudited condensed consolidated and separate statement of cash flows

	Group		Company	
In millions of Nigerian Naira	3 months ended 31 March 2024	3 months ended 31 March	3 months ended 31 March	3 months ended 31 March
Cash flows from operating activities				
Cash generated from operations	620,388	296,004	630,548	291,260
Finance cost paid	(241,823)	(46,341)	(241,823)	(46,341)
Interest received	4,511	6,631	3,979	6,184
Net cash generated from operating activities	**383,076**	**256,294**	**392,704**	**251,103**
Cash flows from investing activities				
Acquisition of property and equipment	(70,609)	(23,964)	(70,609)	(23,964)
Acquisition of intangible assets	(7,142)	(6,567)	(7,142)	(6,567)
Acquisition of right of use assets	(29,948)	(6,120)	(29,948)	(6,120)
Proceeds from disposal of property and equipment	435	226	435	226
Sale of investment in non-current FGN bonds	-	256	-	256
Purchase of bonds, treasury bills and foreign deposits	(55,092)	(49,109)	(49,424)	(49,056)
Sale of bonds, treasury bills and foreign deposits	-	22,284	-	22,284
Purchase of contract acquisition costs	(1,511)	(860)	(1,511)	(860)
Purchase of non-current FGN bonds	(1,421)	-	(804)	-
Increase in non-current prepayments	(1,455)	-	(1,455)	-
Increase in restricted cash	(6,360)	(12,152)	(7,474)	(12,152)
Net cash flows used in investing activities	**(173,103)**	**(76,006)**	**(167,932)**	**(75,953)**
Cash flows from financing activities				
Proceeds from borrowings	3,350	129,320	3,350	129,320
Repayment of borrowings	(322,731)	(57,858)	(322,731)	(57,858)
Repayment on lease liabilities	(49,249)	(35,323)	(49,249)	(35,323)
Net cash flow (used in)/generated from financing activities	**(368,630)**	**36,139**	**(368,630)**	**36,139**
Net (decrease)/increase in cash and cash equivalents	**(158,657)**	**216,427**	**(143,858)**	**211,289**
Cash and cash equivalent at the beginning of the period	345,168	349,788	315,589	324,532
Effect of exchange rate fluctuations on cash held	4,888	(1,048)	4,888	(1,048)
Cash and cash equivalents at the end of the period	**191,399**	**565,167**	**176,619**	**534,773**